



# TRUSTED INTELLIGENCE FOR A STRONGER CANADA

ANNUAL REPORT 2017

# OUR MISSION

The C.D. Howe Institute is a registered charity, and an independent not-for-profit research institute whose mission is to raise living standards by fostering economically sound public policies. Widely considered to be Canada's most influential think tank, the Institute is a trusted source of essential policy intelligence, distinguished by research that is nonpartisan, evidence-based and subject to definitive expert review.





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# #1 Awarded Think Tank

The C.D. Howe Institute has won more research awards than any Canadian think tank including over a quarter of the Canadian Economics Association's Purvis Prizes, the highest honour in Canadian economic policy writing.

## Essential Output

89

exclusive, off-the-record events

27

policy council meetings

74

high-quality research and  
policy council reports

## Engaging Government

**25** policy outreach presentations

## Stimulating Debate

**10,000+** citations in Canadian and international media

**7,000+** citations in social media

**400,000+** website page views

Most cited think tank in the *Globe and Mail* and *National Post*,  
Canada's two national dailies



## MESSAGE FROM THE CHAIRMAN

**Hugh L. MacKinnon**

Chair, C.D. Howe Institute

In 2017, the world witnessed falling levels of public trust in government, institutions, and media. During these particularly challenging times, when confidence in the accuracy of public information is uncertain, it is important to rely on facts to separate truth from fiction. That is exactly what the C.D. Howe Institute is known for. Over the course of 2017, the Institute's engaged team worked harder than ever to vet project choices carefully and ensure rigorous review of publications at each stage of development, to guarantee their pertinence and accuracy.

As a member of the Board, I help oversee the Institute's governance on behalf of its primary stakeholders – the individuals, associations, corporations, postsecondary institutions and foundations that give so generously to support our policy work.

As this report indicates, the Institute made an impressive range of contributions to Canadian public discourse in 2017, holding a record 89 policy events and publishing 74 research and policy council reports. This work generated more than 10,000 citations in Canadian and international media, and nearly half a million website views.

On behalf of the Board, I would like to thank the Institute's President & CEO, Bill Robson, for his first-rate leadership, and the Institute's Senior Vice President and Chief Operating Officer, Duncan Munn, who ensures the Institute, despite its relatively modest funding, operates a lean and highly effective operation. Thanks are also due to the outstanding research team, scholars and staff of the Institute for another terrific year of achievement.

Sadly, the Institute lost a close friend last year. John McNeil served on the Institute's Board of Directors from 1988 to 1999, and as Chair of the Board from 1993 to 1995. John was a pillar of support for the C.D. Howe Institute, who valued facts, rigorous analysis, and intelligent debate. He will be certainly missed.

We are grateful for the years of service of Tom Jenkins, who retired from the Board in 2017, and thank him for his invaluable contributions. Last year, we were delighted to welcome Marcia Moffat, Naseem Somani and Jonathan Tétrault to the Board.

Finally, we pay tribute to Institute's members and friends. Your philanthropic support enables the Institute to work towards a stronger and more prosperous Canada. Thank you.

Sincerely,  
*Hugh L. MacKinnon*



## MESSAGE FROM THE PRESIDENT & CEO

### **William B.P. Robson**

President and Chief Executive Officer,  
C.D. Howe Institute

**F**or 60 years, the C.D. Howe Institute has stressed accuracy in its facts and soundness in its analysis. We have worked with the country's best academics and experts to ensure that policymakers, the media and concerned Canadians could rely on the integrity of the Institute's work.

This mission – to be a trusted voice in Canada's public policy debates – is as relevant as ever. Perhaps more than ever, in a world of polarized opinion, disinformation, and heightened skepticism. Policies crucial for prosperity – borders open to benign flows of goods, services, capital, people and ideas; sustainable fiscal positions; growth-friendly tax and regulatory policies – face challenges from populists, statisticians and partisans of many stripes. Objective, evidence-based research, and informed, civil discussion are at a premium.

That is what we do. And happily, that mission attracts top-quality people, who join as colleagues, fellows, friends and members. Our 2017 Annual Report is an ideal place to acknowledge their myriad accomplishments and contributions.

Our community of talented research fellows continues to grow. Notable additions in 2017 included: Ken Whyte, Founding Editor of the National Post; Jon Johnson, former Partner of Goodmans LLP; Will Falk, former Partner, PwC; and Ken Engelhart, Adjunct Professor, Osgoode Hall Law School. Our research team also welcomed Junior Policy Analyst Farah Omran, and Researchers Nikki Hui, Jacob Kim and Abbey Sullivan.

Our policy councils are thriving. The Monetary Policy Council's recommendations have higher profile with the Bank of Canada moving its policy rate up from emergency levels. They benefit from outstanding chairs: Steve Ambler, Business Cycle Council; Adam F. Fanaki and Benjamin Dachis (co-chairs), Competition Policy Council; Elyse Allan and Rich Kruger (co-chairs), Energy Policy Council; Nicholas Le Pan, Financial Services Research Initiative; Michael Horgan, Fiscal & Tax Competitiveness Council; Tom Closson and Dr. Brian Postl (co-chairs), Health Policy Council; Kathleen Taylor and Neil Yeates (co-chairs), Human Capital Policy Council; The Hon. Michael Wilson, International Economic Policy Council; Claude Lamoureux, Pension Policy Council; and, David Dodge, National Council.

Our events program is another key channel for fostering informative discussions. 2017 set a new mark for attendance, with a program featuring such speakers as Mayor of Toronto, John Tory; Dr. Catherine Mann, Chief Economist, OECD; former Bank of Canada governors John Crow, Gordon Thiessen and David Dodge; Charles Sousa, Ontario Minister of Finance; Michael Katchen, Chief Executive Officer and co-founder, Wealthsimple; and Robert S. Kaplan, President and Chief Executive Officer, Federal Reserve Bank of Dallas, while Dominic Barton, Global Managing Partner, McKinsey & Company addressed our Calgary group.

This year's Sylvia Ostry Lecture was an outstanding success with Peter MacKay and John Baird providing thoughtful reflections on trade in the age of Donald Trump.

Cont'd next page ...

## MESSAGE FROM THE PRESIDENT & CEO (CONTINUED)

Other marquee events included our annual David Laidler Luncheon, featuring Tim Congdon and Charles Goodhart; and our Rising Leaders Roundtable Series, highlighting women in leadership, featuring JoAnne Butler, Charyl Galpin, and Shirlee Sharkey.

With trust and integrity at such a premium in 2017, it is a particular pleasure to acknowledge the efforts of the senior research team: Daniel Schwanen, Alexandre Laurin, Ben Dachis, Jeremy Kronick, Parisa Mahboubi and Rosalie Wyonch. Their efforts, coordinated by Kristine Gray, are critical in maintaining and enhancing the Institute's reputation for solid, trustworthy output. The Institute

conducts a unique audit of its research processes, conducted this year by Charles Beach, Professor Emeritus, Queen's University, and Kevin Dancey, former CEO of CPA Canada. That combination of internal talent and expert support positions us uniquely well to be heard above the din.

To conclude: a big thank-you to everyone in the C.D. Howe community: my colleagues, our fellows, our Board of Directors, our donors, and all the eminent Canadians in academia, government and the private sector who contribute their time and resources to the Institute. Canadians need reliable research and commentary on the policies that matter for our future. Thanks to you, we can provide it.

Sincerely,  
*William B.P. Robson*



Directors' Dinner, 2017

## THANK YOU FOR YOUR CHARITABLE GIVING



### \$500,000 gift     Aaron and Heather Regent

*“Heather and I are deeply honored to be associated with the C.D. Howe Institute, and in our own small way to do what we personally can to help support the development of smart policies for Canada. The Institute plays a unique role as trusted policy advisor to the nation, and having served on the board of the Institute since 2005, I have an insider’s view of the quality and independence of its work and contribution to smart policy.”*

*– Aaron Regent, founder, Regent Debate Series*



### \$675,000 gift     The Aurea Foundation, established by Peter and Melanie Munk

*The Aurea Foundation, established by Peter and Melanie Munk, has supported the C.D. Howe Institute for several years, strengthening our ability to make a positive, evidence-based contribution to the development of smart public policy. The Institute mourns the passing of Peter Munk on March 28, 2018. We offer our sympathy to his family and friends, and acknowledge our profound gratitude for his contributions.*



## 2017 MAJOR GIFTS AND GRANTS

**A**s a charity, the C.D. Howe Institute's depends on private support to do its work. People are often surprised by our modest resources. We have only one office, and 36 staff. We have no eight-figure endowments or major, multi-year government grants. All donations are purely philanthropic – the Institute does not accept any donations that stipulate a predetermined result or otherwise inhibit the independence of its staff and authors.

Targeted major gifts and event sponsorships enable supporters to bolster the Institute's research and dissemination capacities in specific areas of interest. They complement the annual membership campaign, strengthening the Institute and enabling it to recruit scholars and support programs that enhance its ability to develop innovative solutions to policy challenges. We gratefully acknowledge the following donors and sponsors:

### Major Gifts and Grants

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Atco Group

Aurea Foundation

James C. Baillie

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British Columbia Investment Management Corporation

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## MESSAGE FROM THE SENIOR VICE PRESIDENT & COO

### **Duncan Munn**

Senior VP and Chief Operating Officer

**T**his year's annual report comes against a backdrop of growing distrust in sources of information in Canada and abroad. Smart, trusted policy solutions are the core of the Institute's mission. In 2017, we gave priority to enhancing our position as Canada's leading independent and trusted voice on public policy matters.

The Institute's success has always been driven by its dedicated team. The Institute employs 36 professionals who helped fuel significant enhancements to our membership offerings, events program, external outreach and fundraising in 2017.

### **Goal: Strengthen the policy impact of the Institute's research**

#### **Result:**

The impact of the Institute's research can be seen in the public acknowledgement of our work by senior elected officials. In September 2017, Ontario introduced an initiative to modernize school curriculums in the province. This policy change is in line with the Institute's widely cited paper on declining math scores in Canada.

Increased presence in high-profile Canadian and international media was another strategic objective we have successfully achieved in 2017. With strong relationships with editors and reporters in influential news outlets, the Institute's research made headlines generating more than 10,000 citations in the press. The Institute's social media following has grown significantly year-on-year, with a 45 percent increase in Twitter audience in 2017. We also hit

record numbers for social media engagement, interacting with senior decision makers through a variety of platforms.

### **Goal: Increase stakeholder engagement and enhance value for membership**

#### **Result:**

This year, the Institute took further steps to continue to engage its most important assets – its supporters. The development team has launched a number of signature initiatives to increase member engagement in a substantial way. More than ever before, our supporters are able to access our activities on various platforms including our events, publications, and webinars. Inside Access conference calls – 30-minute calls with C.D. Howe authors offered exclusively to our members – have been a major driver of our success.

### **Goal: Maximize reach and drive audience engagement at the Institute's signature, off-the-record events**

#### **Result:**

The C.D. Howe Institute's events had meaningful impact on Canada's policy discourse in 2017. The Institute's flagship events program continued to attract many outstanding speakers, such as Mayor of Toronto John Tory; Chief Economist of OECD Catherine Mann; and CEO of the Federal Reserve Bank of Dallas Robert S. Kaplan. In



Duncan Munn with our guests

Calgary, we hosted Dominic Barton, Global Managing Partner, McKinsey & Company and Chair of Minister Morneau's Economic Advisory Council. Member engagement increased, as shown by a 64 percent year-over-year increase in attendance. Last year, we convened more than 6,600 senior leaders from academia, government and industry to discuss the most critical policy issues facing Canadians.

## Goal: Diversify the Institute's funding base

### Result:

As a privately funded charity, the ability of the C.D. Howe Institute to strengthen its policy work program or to expand into emerging policy issues is determined by its ability to attract external support. The Institute ensures its independence by maintaining a broad mix of funding

from individuals, foundations, corporations, and granting organizations. The Institute significantly increased the breadth and strength of its funding in 2017, strengthening both its financial footing and independence. Revenue from memberships, grants, and subscriptions increased by 7.3 percent in 2017, indicating the Institute's standing as a leader and go-to source for trusted public policy intelligence. The Institute's members and friends should be proud of its financial strength and efficient operations.

These initiatives could not have taken place without the commitment of our Board, members and staff, who make an invaluable contribution to the Institute through their work. With your support, we will continue to deliver award-winning public policy solutions and ensure we continue to be "required reading" for senior decisionmakers.

Sincerely,  
*Duncan Munn*



## THE INSTITUTE'S 2017 RESEARCH MISSION

### Daniel Schwanen

Vice President, Research

**T**he past year witnessed major policy changes in our major trading partners, and continued technological and social developments that are radically altering the policy landscape in which Canadian decision-makers operate. The C.D. Howe Institute's research team has engaged with the associated challenges, exploring their practical implications and articulating options for policy makers.

Our research and expert commentaries on the implications of NAFTA renegotiations, and on avenues for policy-makers to mitigate their significant economic downside, attracted widespread attention in this pivotal year for trade policy. The advice of Institute staff and Fellows on the future of NAFTA was widely sought, including in discussions with US and Mexican business and policy-makers.

The Institute also published timely and influential work on other major issues affecting Canadians' economic well-being, such as how to facilitate and make better decisions around investments in Canadian infrastructure, and the controversial proposed taxation of Canadian controlled private corporations.

The Institute's research team has deepened its exploration of new and rapidly evolving technologies in a range of areas and for the future of work itself. This includes groundbreaking research on the implications of blockchain technology, and papers exploring the nexus between productivity and technology in health care, trade and intellectual property, innovation policy, and the vulnerability of employment to technological change.

The skills of Canada's work force, the competitiveness of Canadian industry in the face of higher costs and tighter

regulation, and the fiscal challenges caused by population aging, the changing nature of work, and other aspects of an evolving society, have featured prominently in the Institute's human capital, energy and fiscal research in 2017. Much more is in preparation on these fronts for 2018, in light of tax and regulatory developments in the United States in particular.

The C.D. Howe Institute continues to be at the forefront of Canadian think tanks in terms of the quality, independence of its research. All C.D. Howe E-Briefs, books and commentaries are subject to a thorough review process involving staff and outside academics, professionals and practitioners. We solicit advice on drafts from dissenting perspectives. The review process itself under an annual audit by two experts, and the Institute's response to the auditors' recommendations aim at ensuring that its peer-review process remains the gold standard among think-tanks.

It is this rigor that undergirds our reputation for trusted, evidence-based research. Trusted policy intelligence is the core promise of our organization upon which everything else depends.

The ability to benefit from diverse perspectives, as well as the volume, and accessibility, and ultimate success of the Institute's research in elucidating complex issues for decision-makers and for the informed public, is a testimony to the work of many people beyond the Institute's research staff. Thanks to the Institute's outside Fellows and other outside authors, and to the professionalism and productivity of the Institute's editors and communications and graphic design team, the Institute surpassed all previous publications records, publishing clear commentaries and analyses on issues important to Canadians at the rate approaching one per business day in 2017, including peer-reviewed publications, timely "Intelligence Memos", op-eds and other products.

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## THE INSTITUTE'S 2017 RESEARCH MISSION (CONTINUED)

The contribution of the Institute's events team to our ability to explore in depth and debate policy issues "in real time" with Institute members and outside experts and stakeholders, and to disseminate important ideas stemming from the research, also deserves note. Numerous research ideas, and the honing and assessment of these ideas in terms of practical implications, have stemmed from conversations involving outside presenters and practitioners at C.D. Howe Roundtables and conferences. As well, the Institute's research staff benefits from the advice of ten standing advisory Councils that meet twice-yearly and help us critically evaluate our research priorities.

In the end, none of this work could have come to fruition without the support of our members, donors, Council Members, authors, outside reviewers, Board of Directors, and our many other supporters. I extend my deepest thanks for your dedication and contributions. Together we can build a stronger Canada, better prepared than ever to meet the challenges ahead.

Sincerely,  
*Daniel Schwanen*

## OUR PEER-REVIEW PROCESS

**I**nstitute publications undergo rigorous external review by academics and independent experts drawn from the public and private sectors. We are very grateful to those reviewers, some of whom are listed on page 14.

We evaluate potential reports using methods such as single and double-blind review, to ensure objectivity. The research and commentary – rather than the identity of authors and reviewers – is the paramount consideration. We work continually to improve the review process so that it is the best in class: it is audited every year by two academics or other professionals, and a formal response to their recommendations is provided and implemented by Institute management. Our peer-review process ensures the quality and integrity of the policy research, and we will not publish any study that, in our view, fails to meet the standards of that review process.

The C.D. Howe Institute's Research Quality Audit:

2017: Kevin Dancey and Angelo Melino

2016: Charles M. Beach and Lawrence Herman

2015: Steve Ambler

2014: Peter Howitt, Kevin Milligan

2013: David Laidler



**Angelo Melino, Professor of Economics, University of Toronto; Research Fellow and 2017 Auditor, C.D. Howe Institute:**

*"Overall, I was extremely impressed by the quality of the refereeing and the editing for the two published E-Briefs."*



**Dan Ciuriak, Principal, Ciuriak Consulting; Fellow-in-Residence, C.D. Howe Institute:**

*"I find the C.D. Howe Institute's peer review to be exemplary."*

### Research Team (as of April 30th, 2018)



**William B.P. Robson**  
President and CEO



**Daniel Schwanen**  
Vice President, Research



**Alexandre Laurin**  
Director of Research



**Benjamin Dachis**  
Associate Director, Research



**Jeremy Kronick**  
Associate Director, Research



**Parisa Mahboubi**  
Senior Policy Analyst



**Rosalie Wyonch**  
Policy Analyst



**Farah Omran**  
Junior Policy Analyst



**Nicky Hui**  
Researcher



**Jacob Kim**  
Researcher



**Abby Sullivan**  
Researcher



**Kristine Gray**  
Senior Coordinator, Research and  
Executive Assistant to the Vice  
President, Research

## THE INSTITUTE'S 2017 REVIEWERS

**C**.D. Howe Institute publications undergo rigorous external review by academics and independent experts drawn from the public and private sectors. We thank the following reviewers for their support in 2017:

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Great-West Lifeco Inc.

**Owen Adams**  
Canadian Medical  
Association

**Naomi Alboim**  
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Labrador Centre for  
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**Clae Hack**

**Malcolm Hamilton**

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Columbia

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**Dave Simpson**  
Union Gas Limited

**Andrew Spence**

**Grant Sprague**  
Miller Thomson LLP

**Robert Stapleford**  
Canadian Institute of Actuaries

**Rob Stewart**  
Department of Finance Canada

**Michel St-Germain**  
Mercer

**Arthur Sweetman**  
McMaster University

**Almos Tassonyi**  
University of Calgary

**Gordon Thiessen**

**Vincent Thivierge**

**Peter Tomlinson**  
University of Toronto

**Michael Trebilcock**  
University of Toronto

**Alex Usher**  
Higher Education Strategy Associates

**Brian Vaasjo**  
Capital Power Corporation

**Michael van Hemmen**  
Uber BV

**Nipun Vats**  
Innovation, Science and Economic Development Canada

**Fred Vettese**  
Morneau Shepell

**Kevin Wark**  
The Conference for Advanced Life Underwriting

**Jean-Francois Wen**  
University of Calgary

**Lawrence White**  
New York University

**Thomas Wilson**  
University of Toronto

**Kevin Wright**  
Canada Mortgage and Housing Corporation

**Lorna Wright**  
Schulich School of Business

**Jingliang Xiao**  
Ciuriak Consulting Inc.

**Jennifer Zelmer**  
Azimuth Health Group

**Mark Zelmer**



Robert Steven Kaplan

### Ensuring Fiscal and Financial Stability

Confidence in the soundness and stability of Canadian government finances and of Canada's financial system are the keys to an efficient allocation of Canadians' resources toward uses that will provide for future economic growth and individual well-being.

The Institute's work under its fiscal and tax and policy program and under its Financial Services Research Initiative contribute significantly to Canadians' understanding of important policy issues and tradeoffs in both these areas.

The Institute's annual Shadow Budget called in 2017 for the federal government to support confidence among investors and savers by setting out a clear path back toward budget balance. The Institute also published an analysis of federal employee compensation and of the fiscal implications of an ageing population, highlighting how both put pressure on public finances. On the revenue side, the Institute examined the ongoing question of whether tobacco taxation is driving the market for that commodity underground – a question that has implications for current debates such as over marijuana taxation – and took a deep dive on the taxation of digital sales, arguing for bringing Canada's *Excise Tax Act* in compliance with international VAT/GST guidelines concerning such sales.

The Institute also produced groundbreaking work on how financial services regulators can prepare for the rapid spread of blockchain technologies, and waded into the discussions over Canada's new cooperative capital markets regulatory authority, with one paper questioning its potential effectiveness, and another stressing the need for such a regulator to monitor systemic risks across Canada's capital markets. An Institute study also concluded that both taxpayers and industry would be better served by greater transparency and accountability around the use of public funds to support venture capital activity in Canada.

At the intersection of financial services, consumer finances, and economic stability, the Institute published a study examining the sensitivity of consumer spending to an increase in mortgage rates and arguing for more attention to supply-side policies that would lower housing costs and related debt loads, and another arguing for the superiority of risk-based pricing of insurance premiums over a proposed new deductible on lenders for insured mortgage losses.

As well, the Institute's Monetary Policy and Business Cycle councils continued their work of monitoring economic conditions, respectively providing their independent assessment of the appropriate stance of Canada's monetary policy and of turning points in Canada's business cycle.



Financial Advice Conference Attendees

### 2017 Research

## Fiscal and Tax Policy

### **Enduring Virtues: Saving and Investing as National Priorities for Canada in 2017**

January 2017 – William B.P. Robson

### **Hidden Spending: The Fiscal Impact of Federal Tax Concessions**

February 2017 – William B.P. Robson and Alexandre Laurin

### **Getting Real: A Shadow Federal Budget for 2017**

February 2017 – William B.P. Robson, Alexandre Laurin and Rosalie Wyonch

### **Smokes, Smugglers and Lost Tax Revenues: How Governments Should Respond**

February 2017 – Anindya Sen

### **Tax Options for Childcare that Encourage Work, Flexibility, Choice, Fairness and Quality**

May 2017 – Alexandre Laurin and Kevin Milligan

### **Premium Compensation: The Ballooning Cost of Federal Government Employees**

May 2017 – William B.P. Robson and Alexandre Laurin

### **Bits, Bytes, and Taxes: VAT and the Digital Economy in Canada**

August 2017 – Rosalie Wyonch

### **No Need to Reinvent the Wheel: Promoting Donations of Private Company Shares and Real Estate**

September 2017 – Adam Aptowitzer

### **A Question of Fairness: Time to Reconsider Income-Averaging Provisions**

October 2017 – Daniel V. Gordon and Jean François Wen

### **Off Target: Assessing the Fairness of Ottawa's Proposed Tax Reforms for 'Passive' Investments in CCPCs**

October 2017 – Alexandre Laurin

### **A Question of Fairness: Time to Reconsider Income-Averaging Provisions**

October 2017 – Jean-Francois Wen and Daniel Gordon

### **Flying Below the Radar: The Harmful Impact of Ontario's Business Property Tax**

November 2017 – Adam Found

### **The Fiscal Implications of Canadians' Working Longer**

November 2017 – William B.P. Robson, Colin Busby and Aaron Jacobs

### **Business Tax Burdens in Canada's Major Cities: The 2017 Report Card**

December 2017 – Peter Tomlinson and Adam Found



Presentation on the C.D. Howe Institute's 2017 Shadow Federal Budget

### Policy Councils

## Fiscal and Tax Competitiveness Council

### CHAIR

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Senior Advisor, Bennett Jones LLP; Former Deputy Minister, Finance Canada

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Deloitte

#### Bruce Ball

CPA Canada

#### Richard Bird

University of Toronto

#### Ben Brunnen

Canadian Association of  
Petroleum Producers

#### Michal Burdzy

Insurance Bureau of  
Canada

#### Marlene Cepparo

KPMG LLP

#### David Cherniak

Chemistry Industry  
Association of Canada

#### Bev Dahlby

University of Calgary

#### James Greene

Department of Finance  
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Cargill Limited

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and Finance

#### Rhys Kesselman

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Business Council of  
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Columbia

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#### Luc Monty

Québec Ministère des  
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Couzin Taylor LLP/EY Law  
LLP

#### Michael O'Connor

Sun Life Financial Inc.

#### Nick Pantaleo

Rogers Communications

#### Jocelin Paradis

Rio Tinto Alcan

#### Noeline Simon

Canadian Life and Health  
Insurance Association Inc.

#### Michael Smart

University of Toronto

#### Ted Tomkowiak

RBC

#### Thomas Wilson

University of Toronto



Goldy Hyder

### Policy Councils

## Monetary Policy Council

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President & CEO, C.D. Howe Institute

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Université du Québec à  
Montréal

#### **Edward Carmichael**

Ted Carmichael Global  
Macro

#### **Beata Caranci**

TD Bank Group

#### **Michael Devereux**

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#### **Stéfane Marion**

National Bank Financial

#### **Angelo Melino**

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#### **Douglas Porter**

BMO Capital Markets

#### **Nicholas Rowe**

Carleton University

#### **Avery Shenfeld**

Canadian Imperial Bank of  
Commerce

#### **Pierre Siklos**

Wilfrid Laurier University

#### **Craig Wright**

RBC

### 2017 Research

## Monetary Policy, Financial Services and Pensions

### **Blockchain Technology – What's in Store for Canada's Economy and Financial Markets?**

February 2017 – Thorsten Koepl and Jeremy Kronick

### **Bigger CPP, Bigger Risks: What 'Fully Funded' Expansion Means and Doesn't Mean.**

April 2017 – William B.P. Robson and Alexandre Laurin

### **Greener Pastures: Resetting the Age of Eligibility for Social Security Based on Actuarial Science**

April 2017 – Robert L. Brown and Shantel Aris

### **Spendthrifts and Savers: Are Canadians Acting Like they are 'House Poor' or 'House Rich'?**

June 2017 – Jeremy Kronick

### **Mortgage Insurance Deductibles: An Idea Whose Time Hasn't Come**

July 2017 – Thorsten Koepl and James C. MacGee

### **Not Ready for Prime Time: Canada's Proposed New Securities Regulator**

September 2017 – Harvey Naglie

### **Opportunities for Better Systemic Risk Management in Canada**

September 2017 – Nicholas Le Pan

### **Revisions to Economic Statistics and Their Impact on Policymaking**

October 2017 – Philip Cross

### **Rethinking Limits on Tax-Deferred Retirement Savings in Canada**

November 2017 – William B.P. Robson

## Policy Councils

### Financial Services Research Initiative

#### CHAIR

**Nicholas Le Pan**

Former Superintendent of Financial Institutions, Canada; Director, CIBC

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C.S.T Consultants Inc.

**Paul Bourque**

The Investment Funds  
Institute of Canada

**Peter Bowen**

Fidelity Investments

**Andrew Brands**

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**Don Forgeron**

Insurance Bureau of  
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Deloitte

**Blake Goldring**

AGF Management Limited

**Victor Gomez**

Sun Life Financial Inc.

**Brenda Gonzalez-Hermosillo****Peter Hall**

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Canada

**Gail Harding**

Canadian Western Bank

**Raza Hasan**

HSBC Bank Canada

**Philip Howell****Sheryl Kennedy**

Promontory Financial  
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Queen's University

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Insurance Compensation  
Corporation

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Investment Industry  
Regulatory Organization of  
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**Winsor Macdonell**

Genworth Canada

**James MacGee**

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**Millan Mulraine**

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Christian Ouellet

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Ted Carmichael Global  
Macro

### Generating Stronger Growth and Prosperity

**S**ound economic growth is fundamental to Canadians' prosperity; looking at public policies from the viewpoint of their impact on economic growth has always been fundamental to the Institute's work.

The Institute produced a rich crop of studies on this theme in 2017, addressing a suite of policy issues affecting the Canadian economy's capacity to grow. Notable among these were the threat posed by a newly installed US administration harboring a dim view of the benefits of open trade – pulling out of the Trans-Pacific Partnership, opening a renegotiation of NAFTA, and initially contemplating tax reforms that would have discriminated against imports. New barriers to trade within North America would hurt Canada, but also the United States and Mexico, as demonstrated by a number of widely-cited Institute studies quantifying the impact. The Institute also published perceptive studies and commentaries on the various mechanisms and timelines involved in the US either pulling out of NAFTA, or adopting a renegotiated version, and the stakes in the renegotiations for Canada and the United States in particular.

The Institute also addressed concerns about stronger protection for patents and copyright in trade agreements – noting that projected negative impacts had been much exaggerated and neglected the benefits gained from such

protection. Relatedly, the Institute published a major new study on how Canadian policymakers should understand the drivers of innovation and how policy can foster them, as they seek to address Canada's innovation shortcomings that threaten our ability to generate jobs for the future.

The Institute's research also addressed in a number of papers the need to reform regulatory regimes around oil and gas developments, and electricity policymaking itself, to maximize the beneficial impact of the energy sector on Canadians' standards of living.

Savings and the ability of Canadians to use their savings in ways that support future growth in standards of living, continued to feature prominently in the Institute's work. The worrisome dissaving of governments was highlighted by this year's National Priorities document, while a considerable portion of the Institute's output early in 2017 was concerned with how the savings of Canadians in institutions such as pension funds could support productive investments in Canadian infrastructure such as ports and utilities.

In parallel, the Institute also documented in 2017 a worrisome downturn in capital formation in Canada, relative to peer economies; produced new research highlighting the deleterious impact on business investment of high property and land transfer taxes, and called for a critical examination of certain aspects of mergers policy that could hamper economic dynamism.



Hugh MacKinnon and Elyse Allan

### Policy Councils

## International Economic Policy Council

### CHAIR

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Chair, Barclays Capital Canada; Former Minister of Finance, Canada

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**Daniel Trefler**

Rotman School of  
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**Adriana Vega**

Scotiabank

**Lorna Wright**

York University

### 2017 Research

## Public Governance

**Numbers You can Trust? The Fiscal Accountability of  
Canada's Senior Governments, 2017**

April 2017 – Colin Busby and William B.P. Robson

**The Knowledge Deficit about Taxes: Who It Affects and  
What to Do About It**

July 2017 – Antoine Genest-Grégoire, Luc Godbout and Jean-  
Herman Guay

**Fuzzy Finances: Grading the Financial Reports of  
Canada's Municipalities**

November 2017 – Benjamin Dachis, William B.P. Robson and  
Farah Omran

### Policy Councils

## Energy Policy Council

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**Elyse Allan, O.C.**

President and CEO, GE Canada

**Rich Kruger**

President and CEO, Imperial Oil

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Union Gas Limited

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Deloitte

**Mark Cameron**

Canadians for Clean Prosperity

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University of Alberta

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RLG International

**Jeff Lyash**

Ontario Power Generation

**The Hon. Sergio Marchi**

Canadian Electricity Association

**Tim McMillan**

Canadian Association of Petroleum Producers

**Louise Metivier**

Natural Resources Canada (observer status)

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BC Ministry of Energy, Mines & Petroleum Resources

**Mayo Schmidt**

Hydro One Inc.

**Blake Shaffer**

University of Calgary

**Grant Sprague**

Miller Thomson

**Brian Vaasjo**

Capital Power Corporation

**Coleen Volk**

Alberta Energy

**Shell Canada Limited****Hydro-Québec****Statoil Canada Ltd.**

### 2017 Research

## Energy and Infrastructure

**New and Improved: How Institutional Investment in Public Infrastructure can Benefit Taxpayers and Consumers**

March 2017 – Benjamin Dachis

**Surge Capacity: Selling City-owned Electricity Distributors to Meet Broader Municipal Infrastructure Needs**

April 2017 – Steven Robins

**Casting Off: How Ottawa Can Maximize the Value of Canada's Major Ports and Benefit Taxpayers**

June 2017 – Steven Robins

**Adding More Juice: How Private Investors can Improve the Performance of Provincial Power Assets**

June 2017 – Steven Robins

**Ontario's Green Energy Experience: Sobering Lessons for Sustainable Climate Change Policies**

August 2017 – Michael Trebilcock

**All's Well that Ends Well: Addressing End-of-Life Liabilities for Oil and Gas Wells**

September 2017 – Benjamin Dachis, Blake Shaffer and Vincent Thivierge

Policy Councils

## Competition Policy Council

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Associate Director, Research, C.D. Howe Institute

#### Adam F. Fanaki

Partner, Competition and Foreign Investment Review and Litigation, Davies, Ward, Phillips & Vineberg LLP

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#### Renée Duplantis

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Osler, Hoskin & Harcourt LLP

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#### The Hon. Howard I. Wetston, Q.C.

The Senate of Canada

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New York University

#### Ralph A. Winter

University of British Columbia

## 2017 Research

## Competition, Investment, Trade and Innovation

### The Art of Breaking the Deal: What President Trump Can and Can't Do About NAFTA

January 2017 – Jon R. Johnson

### Protectionism and Retaliation.

January 2017 – Dan Ciuriak and Jingliang Xiao

### Aftershocks: Quantifying the Economic Impacts of a US Border Adjustment Tax.

February 2017 – Dan Ciuriak and Jingliang Xiao

### Promoting Innovation and Efficiencies In the Competition Merger Review Process

March 2017 – Brian Facey and Joshua Krane

### Patents, Copyright and Competition: Assessing the Impact of Trade Deals on Canada

March 2017 – Daniel Schwanen and Aaron Jacobs.

### Equipment Failure: Feeble Business Investment Costs Canadians their Competitive Edge.

March 2017 – William B.P. Robson, Aaron Jacobs and Benjamin Dachis

### Defining the Public Interest in Regulatory Decisions: The Case for Economic Efficiency

May 2017 – Jeffrey Church

### How to Restore Public Trust and Credibility at the National Energy Board

May 2017 – Lesley Matthews

### NAFTA Renegotiations – A Different Route to Settle Trade Disputes

May 2017 – Lawrence L. Herman

### Understanding CETA: An Upgrade for Canada's Global Connections C.D. Howe Institute Verbatim

June 2017 – Dan Ciuriak

### Table Stakes: Congress Will Be Sitting across from Canada at the NAFTA 2.0 Negotiations.

July 2017 – Christopher Sands

### The NAFTA Renegotiation: What if the US Walks Away?

November 2017 – Dan Ciuriak, Lucy Ciuriak, Ali Dadkhah and Jingliang Xiao

### Strengthening Canadian Television Content: Creation, Discovery and Export in a Digital World

December 2017 – Lawson Hunter, Kenneth G. Engelhart and Peter Miller

### Innovation Policy in Canada: A Holistic Approach

December 2017 – Daniel Schwanen

Policy Councils

## Human Capital Policy Council

### CO-CHAIRS

**Kathleen Taylor**

Chair, RBC Board of Directors

**Neil Yeates**

Former Deputy Minister, Citizenship and Immigration Canada

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Mitacs

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ADP Canada

**Serge Buy**

National Association of  
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University of Ottawa

**Jane Friesen**

Simon Fraser University

**Helena Gottschling**

RBC

**Andrew Heisz**

Statistics Canada

**Claudia Hepburn**

Immigrant Access Fund  
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**Aliza Lakhani**

Northeastern University

**Stephen Liptrap**

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**Louise Levonian**

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**Shelly Lowe**

IBM Canada Ltd.

**Shaun McKenna**

The Grocery Foundation

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Business Council of  
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**Harvey Weingarten**

Higher Education Quality  
Council of Ontario

**Jay Yakabowich**

Career Edge Organization

**Human Resources**

**Professionals Association**

## 2017 Research

## Human Capital

**Unfair Advantage? School Fundraising Capabilities and Student Results**

January 2017 – Huijie Guo and David R. Johnson

**Toward a New Balance in Social Policy: The Future Role of Guaranteed Annual Income within the Safety Net**

January 2017 – Peter Hicks

**Future Shock? The Impact of Automation on Canada's Labour Market.**

March 2017 – Matthias Oschinski and Rosalie Wyonch

**Education Quality and Immigrants' Success in the Canadian Labour Market**

July 2017 – Qing Li

**The Power of Words: Improving Immigrants' Literacy Skills**

August 2017 – Parisa Mahboubi

**Red Flags for Educators: Lessons for Canada in the PISA Results**

August 2017 – John Richards

**Closing the Divide: Progress and Challenges in Adult Skills Development among Indigenous Peoples**

September 2017 – Parisa Mahboubi and Colin Busby

**Thinking about Minimum Wage Increases in Alberta: Theoretically, Empirically, and Regionally**

September 2017 – Joseph Marchand

**Talkin' 'Bout My Generation: More Educated but Less Skilled Canadians**

November 2017 – Parisa Mahboubi

### Enhancing Opportunities for Canadians

The Institute conducts research around key issues and options for policymakers in health, education, labour markets, social security and retirement systems, with a view to finding ways to maximize Canadians' socio-economic opportunities and outcomes. As well, part of the Institute's Fiscal and Tax research area is devoted to understanding the impact that the tax system has on both opportunities and incentives for Canadians to contribute to overall economic well-being.

In 2017, the Institute published a major study on the role that a possible guaranteed annual income (GAI) program could play in the overall social safety net, cautioning against the view that all aspects of the safety net could be replaced by a GAI. Following a major examination of the extent and issues around "precarious work" in late 2016, the Institute produced a detailed examination of employment vulnerability in the face of automation – what and where are the jobs most at risk of upheaval as a result of technological change. On labour markets, Institute research also weighed in on the advisability of raising the minimum wage in Alberta, concluding that minimum wage increases are best implemented during economic upswings.

Also as part of its growing Human Capital program, the Institute published in addition a series of papers and commentaries concerned with education, immigration and skills. Topics covered included whether schools results were influenced by school fundraising, an identification of key factors accounting for the skills gap between Indigenous and other Canadian adults, the lessons for Canada's education systems of the latest round of Program for International Student Assessment testing, and an examination of why Canadians are more educated and yet are scoring less well than before on literacy skills tests. On immigration specifically, the Institute published in 2017 a paper highlighting the importance of literacy skills in the economic success of immigrants, and a paper analyzing the importance of the relative performance of immigrants' source country's education system to their success in Canada.

The Institute also continued to explore ways to improve health and long-term care services to Canadians, while also

addressing concerns about the rising costs of these services to the public purse. Building on past research, Institute health policy papers in 2017 emphasized breaking down the silos and encouraging innovation within the healthcare system, while conducting a deep dive into the different ways parents across the country could be encouraged to, and supported in, getting their children vaccinated.

The Institute's work on retirement savings in 2017 continued to emphasize the need for Canadians to be able to save sufficiently for retirement. It commented on the sustainability of public pension plans and proposals to expand them. It revisited, based on actuarial science, the question of age of eligibility for seniors' social security. And the Institute published a paper proposing to raise the limits on tax-deferred retirement savings, in light of the fact that Canadians are living longer and earning lower returns on their savings than had been envisaged when these limits were introduced.

How Canadians interact with their tax system influences many decisions with major economic consequences both for individuals and for the country as a whole. As always, the Institute weighed in with some practical recommendations on some major issues in this important area.

Notably, the Institute published an enlightening paper on a key aspect of the federal government's proposed reform of taxation of passive income in Canadian Controlled Private Corporations (CCPC). This timely analysis had a positive effect on the discussions around the proposals and their subsequent modification. As well, the Institute weighed in on the question of improving the fiscal treatment of donation of private companies' shares and real estate to charity, and on the importance of fiscal literacy among Canadians, particularly in light of the fact that issues with fiscal literacy can result in Canadians not taking advantage of support or breaks available through the tax system. Last but not least, the Institute contributed research leading to practical recommendations for in support of workers' ability to navigate the changing workplace, with new proposals regarding the heavy taxation of child care expenses, and the taxation of incomes that fluctuate from year-to-year.



John Stackhouse and Tim Hodgson



Molara Awosedo and Juan Camilo



Dominic Barton

## Policy Councils

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Former President and CEO, Ontario Teachers' Pension Plan

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Normandin Beaudry

##### **Stephen Bonnar**

##### **Peter Bowen**

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##### **Scott Clausen**

Mercer

##### **David Dodge**

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##### **Malcolm Hamilton**

##### **Ramana Rao Kovvali**

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##### **Michel Leduc**

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##### **Guy Legault**

The Conference  
for Advanced Life  
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##### **Kashif Malik**

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##### **Hugh O'Reilly**

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##### **James Pesando**

University of Toronto

##### **James Pierlot**

Pierlot Pension Law

##### **Thomas Reid**

Sun Life Financial Inc.

##### **Paulo Salomao**

Accenture

##### **Tammy Schirle**

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##### **Allan Shapira**

AON Hewitt

##### **Noeline Simon**

Canadian Life and Health  
Insurance Association Inc.

##### **George Turpie**

The Great-West Life  
Assurance Company

##### **Kevin Uebelein**

Alberta Investment  
Management Corporation

##### **Barbara Zvan**

Ontario Teachers' Pension  
Plan



Mike Wissell, Geoffrey Rubin and David Long

## Policy Councils

### Health Policy Council

#### CO-CHAIRS

##### Tom Closson

President & CEO, Tom Closson Consulting; former President & CEO, Ontario Hospital Association

##### Dr. Brian Postl

Dean of the Faculty of Medicine, University of Manitoba

#### MEMBERS (as of April 30th, 2018)

##### Richard Alvarez

##### Andrea Anonychuk

Abbott Laboratories Ltd.

##### Lesia Babiak

Johnson & Johnson Inc.  
Canada

##### Justin Bates

Neighbourhood Pharmacy  
Association of Canada

##### Dr. Robert Bell

Ontario Ministry of Health  
and Long Term Care

##### Åke Blomqvist

Carleton University

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Innovation Strategist

##### Candace Chartier

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##### Denise Cloutier

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##### Janet Davidson

##### David Dodge

Bennett Jones LLP

##### Christopher Donnelly

Manulife

##### William Falk

##### Susan Fitzpatrick

Toronto Central Local  
Health Integration  
Network

##### Stephen Frank

Canadian Life and Health  
Insurance Association Inc.

##### Neil Fraser

Medtronic of Canada Ltd.

##### Kim Furlong

Amgen Canada Inc.

##### Michael Green

Canada Health Infoway

##### Fred Horne

##### Catherine Hunter

PwC Canada

##### Nicholas Kadysh

GE Canada

##### Alok Kanti

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##### Simon Kennedy

Health Canada

##### Jim Keon

Canadian Generic  
Pharmaceutical  
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##### Guy Legault

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for Advanced Life  
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##### Britta Lesaux

3M Canada

##### Tom Magyarody

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##### David O'Toole

Canadian Institute for  
Health Information

##### Christian Ouellet

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##### Ray Pisani

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##### John Rafferty

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Institute for the Blind

##### Erik Sande

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##### Shirlee Sharkey

Saint Elizabeth Health  
Care

##### Dr. Graham Sher

Canadian Blood Services

##### Naseem Somani

Dynacare

##### Milton Sussman

Alberta Health

##### Cynthia Valaitis

HealthPRO Canada

##### Janet Yale

The Arthritis Society

##### Jennifer Zelmer

Azimuth Health Group

##### Cystic Fibrosis Canada

##### Lifelabs

## 2017 Research

### Health Policy

#### Integrated Funding: Connecting the Silos for the Healthcare We Need

January 2017 – Jason M Sutherland and Erik Hellsten

#### In Need of a Booster: How to Improve Childhood Vaccination Coverage in Canada

April 2017 – Colin Busby, Aaron Jacobs and Ramya Muthukumaran

#### The Paradox of Productivity, Technology, and Innovation in Canadian Healthcare

May 2017 – Åke Blomqvist and Colin Busby

### Enhancing the Effectiveness of Our Public Institutions

On both fiscal and regulatory issues, the Institute's work in 2017 emphasized that the effectiveness and quality of public institutions, and the public's trust in them, are essential ingredients in effective policymaking.

In that vein, the Institute produced a comprehensive look at so-called "tax expenditures," in a paper that concluded that \$16 billion in both federal spending and revenues were hidden from parliamentarians' view by provisions that deliver what are effectively spending through deductions, exemptions, deferrals, rebates and credits within the tax system. The Institute also published the 2017 installment of its fiscal accountability reports, one focusing on federal and provincial levels of government, and the other on municipal fiscal accountability. The rankings of governments in these reports have established a tradition of helping citizens hold governments to more transparent, accurate and timely budget information and are frequently cited by government officials and legislative auditor(s).

With respect to regulatory questions, the Institute published a widely-cited paper on the public interest in regulatory hearings, which explored why Canada's public utility regulators, such as in the energy and telecommunications sectors, appear to be facing a crisis of legitimacy. The paper concludes that the regime around these regulators promises more than it can deliver, and that their mandate should be refocused on promoting efficiency. Another study offered concrete suggestions for restoring and strengthening the independence of Canada's National Energy Board. Other studies related to energy-related regulation and policies made recommendations for a more efficient regime – both environmentally and economically – around liabilities for abandoned oil and gas wells, while another took a critical look at Ontario's Green energy policy decision-making. Finally, a study examined how Canada's cultural policy, and specifically the promotion of Canadian content, could become more effective in an increasingly integrated digital world.



John Tory

## THE INSTITUTE'S 2017 RESEARCH (CONTINUED)



JoAnne Butter, Charyl Galpin and Shirlee Sharkey



Montreal Roundtable with Louis Audet

### Policy Councils

## National Council

### CHAIR

#### David Dodge

Senior Advisor, Bennett Jones LLP; Former Governor, Bank of Canada

### MEMBERS (as of April 30th, 2018)

#### Steve Ambler

Université du Québec à Montréal

#### Anita Anand

University of Toronto

#### Åke Blomqvist

Carleton University

#### Tom Closson

Tom Closson Consulting

#### Marshall Cohen

Cassels Brock LLP

#### Sherry Cooper

Dominion Lending Centres

#### David Denison

#### Wendy Dobson

Rotman School of Management

#### Rupert Duchesne

#### Janet Ecker

#### Rick Ekstein

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#### Jock Finlayson

Business Council of British Columbia

#### Timothy Hearn

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#### Lawrence Herman

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#### Tim Hudak

Ontario Real Estate Association

#### Lawson Hunter

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#### Nicholas Le Pan

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#### Hari Panday

Panvest Capital Corporation

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#### Kathleen Taylor

RBC

#### Gordon Thiessen

#### Craig Thorburn

Blake, Cassels & Graydon LLP

#### Susan Wolburgh Jenah

Aird & Berlis LLP



Adel Melek and David Dodge



## 2017 POLICY EVENTS

The Institute's off-the-record, invitation-only policy roundtables, conferences and special events bring together corporate executives, policy leaders, senior civil servants, and acclaimed scholars for substantive discussions on policy issues. The Institute held the following events in 2017 (in chronological order):

Dr. Bob Bell, Deputy Minister, Ontario Ministry of Health and Long-Term Care

*The Patients First Act: A Vision for Accountable Care*

Toronto Roundtable Luncheon, January 17, 2017

Sponsored by Johnson & Johnson Inc.

Michele Bourque, President and Chief Executive Officer, Canada Deposit Insurance Corporation

*50 Years of Deposit Protection: From Paybox to Resolution Authority*

Toronto Roundtable Luncheon, January 19, 2017

Phil Howell, former Chief Executive Officer, Financial Services Commission of Ontario; Sheryl Kennedy, Chief Executive Officer, Promontory Financial Canada; and Andrew Poprawa, former Chief Executive Officer, Deposit Insurance Corporation of Ontario

*The Future of Financial Regulation in Ontario*

Toronto Roundtable Luncheon, January 26, 2017

Allan Gotlieb, former Canadian Ambassador to the United States; Larry Herman, Herman and Associates; and Peter MacKay, Partner, Baker and MacKenzie

*After the Inauguration: The Canada-US Relationship with President Trump*

Toronto Roundtable Luncheon, January 27, 2017

Mark Machin, President and Chief Executive Officer, Canada Pension Plan Investment Board

*The CPPIB's Strategy in a Changing World*

Toronto Roundtable Luncheon, February 2, 2017

Sponsored by RBC Capital Markets

Stephen Orsini, Secretary of the Cabinet, Head of the Ontario Public Service, and Clerk of the Executive Council

*The Future of a Digital Government*

Toronto Roundtable Luncheon, February 6, 2017

Sponsored by Accenture

John Tory, Mayor, City of Toronto

Toronto Roundtable Luncheon, February 9, 2017

Andy Byford, Chief Executive Officer, Toronto Transit Commission; Bruce McCuaig, President and Chief Executive Officer, Metrolinx; and Peter Wallace, City Manager, City of Toronto

*Transforming Transit in Toronto*

Toronto Roundtable Luncheon, February 13, 2017

Sponsored by Ontario Construction Secretariat, Canadian Building Trades Unions, and General Contractors Section

Louis Audet, President and Chief Executive Officer, Cogeco

*We All Want A Prosperous Quebec, But Are We Really Ready?*

Montreal Roundtable Luncheon, February 16, 2017

Heather Evans, Executive Director and Chief Executive Officer, Canadian Tax Foundation; Michael Horgan, Senior Advisor, Bennett Jones LLP; and William B.P. Robson, President and Chief Executive Officer, C.D. Howe Institute

*Getting Real – A Shadow Federal Budget for 2017*

Toronto Roundtable Luncheon, February 22, 2017

Ben Brunnen, Vice President, Oil Sands, Canadian Association of Petroleum Producers; Al Kemmere, Board President, Alberta Association of Municipal Districts and Counties; and Susan Riddell Rose, President and Chief Executive Officer, Perpetual Energy

*Taking a Load Off: Municipal Taxes on Oil and Gas Assets*

Calgary Roundtable Luncheon, February 27, 2017

Building Institutional Investment Opportunities for Canadian Capital Projects

*Special Policy Conference, Ottawa/Montreal*

February 27-28, 2017

Mark Bain, Chair, Canadian Council for Public-Private Partnerships; Andrew Claerhout, Senior Managing Director, Infrastructure and Natural Resources, Ontario Teachers' Pension Plan; and Tim Duncanson, Senior Advisor to the Deputy Minister of Finance, Department of Finance Canada

*The Infrastructure Bank: What's Next?*

Toronto Roundtable Luncheon, March 7, 2017

Sponsored by BMO Nesbitt Burns

## 2017 POLICY EVENTS (CONTINUED)



The Honourable Michael Wilson and Michael Kergin



Nora Curic and Lauren Frieze



Graeme Westwood

## 2017 POLICY EVENTS (CONTINUED)

Maureen Jensen, Chair and Chief Executive Officer, Ontario Securities Commission

*OSC LaunchPad: Being a Modern Regulator in the Age of Market Disruption*

Toronto Roundtable Luncheon, March 9, 2017

Nicolas Chapuis, French Ambassador to Canada

*Clear and Present Danger: The European Project, Populism, and Protectionism*

Toronto Roundtable Luncheon, March 10, 2017

**Sponsored by Power Corporation of Canada**

Claude Seguin, Executive Advisor, CGI Group Inc.; and Michel Leblanc, President and Chief Executive Officer, Chamber of Commerce of Metropolitan Montreal

*Growing Champions: Head Offices in a Dynamic Quebec*

Montreal Roundtable Luncheon, March 20, 2017

Lisa Campbell, Assistant Deputy Minister, Defence and Marine Procurement, Public Services and Procurement Canada; Patrick Finn, Assistant Deputy Minister, Material, Department of National Defence; and Lisa Setlakwe, Senior Assistant Deputy Minister, Innovation, Science, and Economic Development Canada

*Defence Procurement for the 21st Century*

Ottawa Roundtable Luncheon, March 22, 2017

**In partnership with Canada Company**

Mark Buzzell, President and Chief Executive Officer, Ford Canada

*The Auto Industry: Driving Change*

Toronto Roundtable Luncheon, March 22, 2017

Paul Rochon, Deputy Minister, Department of Finance Canada

*Post-budget Briefing*

Toronto Roundtable Luncheon, March 28, 2017

**Sponsored by Intact Financial**

Special Policy Conference, Toronto

*The Future of Financial Advice*

March 30-31, 2017

**Sponsored by Blake Cassels and Graydon LLP, Borden Ladner and Gervais LLP, Dentons, Desjardins, Fidelity Investments, Great-West Life, IGM Financial, Invesco, Manulife, Primerica, PwC, Royal Bank of Canada, Scotiabank, Stikeman Elliott, SunLife, and Torys LLP**

Kevan Cowan, Chief Regulator, Capital Markets Regulatory Authority

*Moving Towards Canada's Common Securities Regulator*

Toronto Roundtable Luncheon, April 4, 2017

Jeremy Rudin, Superintendent, Office of the Superintendent for Financial Institutions

*Waiting for Basel? Next Steps for Canada's Bank Capital Regime*

Toronto Roundtable Luncheon, April 6, 2017

**Sponsored by Canadian Bankers Association**

Loren Brandt, Professor, University of Toronto; and Guy Saint-Jacques, Canada's former Ambassador to China

*Fresh Start: The Canada-China Relationship*

Ottawa Roundtable Luncheon, April 7, 2017

Stéfane Marion, Chief Economist, National Bank Financial; Elisha Ram, Director, Capital Markets Division, Financial Sector Policy Branch, Department of Finance; and Wojciech Zielonka, Chief Financial Officer and Senior Vice-President, Capital Markets, Canada Mortgage and Housing Corporation

*Changing the Rules: The Effects of the New Regulations on the Housing Sector*

Toronto Roundtable Luncheon, April 12, 2017

**Sponsored by National Bank Financial**

John Knubley, Deputy Minister, Innovation, Science, and Economic Development Canada

*Canada's Innovation Agenda: Next Steps*

Toronto Roundtable Luncheon, April 18, 2017

**Sponsored by Johnson & Johnson Inc.**

John Crow, Fifth Governor, Bank of Canada; David Dodge, Seventh Governor, Bank of Canada; Gordon Thiessen, Sixth Governor, Bank of Canada

*Protectionist Trade and Monetary Policy: The Consequences for Canada*

Patrons' Circle Dinner, April 19, 2017

**Sponsored by TD Bank and CIBC**

Michael Ferguson, Auditor General, Canada; Bonnie Lysyk, Auditor General, Ontario; and William Robson, President and Chief Executive Officer, C.D. Howe Institute

*Impulse Spending: Fiscal Accountability of the Federal and Provincial Governments*

Toronto Roundtable Luncheon, April 25, 2017

**Supported by Lotte & John Hecht Memorial Foundation**

## 2017 POLICY EVENTS (CONTINUED)

Kevin Uebelein, Chief Executive Officer, AIMCo  
*Active vs. Passive and the Canadian Advantage*  
Toronto Roundtable Luncheon, April 26, 2017

Mary Deacon, Chair, Bell Let's Talk Mental Health Initiative;  
the Hon. Michael Wilson, Chair, Mental Health Commission  
of Canada; and Dr. Catherine Zahn, President and Chief  
Executive Officer, Centre for Addiction and Mental Health  
*Bridging the Gap: Improving Mental Health Care in Canada*  
Toronto Roundtable Luncheon, May 2, 2017  
Sponsored by Morneau Shepell

Charles Sousa, Ontario's Minister of Finance  
*Post-Budget Briefing*  
Toronto Roundtable Luncheon, May 4, 2017

Lorna Rosen, Deputy Minister, Alberta Treasury Board  
and Finance  
*Economic Update*  
Calgary Roundtable Luncheon, May 8, 2017  
Sponsored by Intact Insurance

Benoit Daignault, President and Chief Executive Officer,  
Export Development Corporation  
*Canada's Business Prosperity: Why International Trade Must be a  
Team Sport*  
Toronto Roundtable Luncheon, May 9, 2017

Luke Bugeja, Asset Director, Ontario Airports Investment  
Ltd.; David Stanton, Vice Chairman, Copenhagen Airport;  
and Thomas Woldbye, Chief Executive Officer, Copenhagen  
Airport  
*Executive Access Briefing*  
May 9, 2017

Robert Kaplan, President, Federal Reserve Bank of Dallas  
*Monetary Policy in a Changing World*  
Annual Director's Dinner, May 24, 2017  
Sponsored by Bennett Jones LLP

Lawrence Cannon, Canada's Ambassador to France  
*Executive Access Briefing*  
May 25, 2017

Timothy Sargent, Deputy Minister, International Trade,  
Global Affairs Canada  
*The International Trade Landscape for the Year Ahead*  
Toronto Roundtable Luncheon, May 26, 2017  
Sponsored by Barrick Gold

Health Partnership Summit  
Special Policy Conference, Victoria, May 26-28, 2017  
Sponsored by Bayer, Canada Health Infoway, Cerner,  
Lifelabs, Medavie, and St. Elizabeth Health

C. Michael Mitchell, Vice-Chair, Ontario Labour Relations  
Board; and John C. Murray, former Judge of the Superior  
Court of Ontario  
*The Future of Work in Ontario*  
Toronto Roundtable Luncheon, May 29, 2017

Matt Jones, Director General, Climate Change Office,  
Environment and Climate Change Canada  
*Clean Growth for Canada: Next Steps on the Pan-Canadian  
Framework*  
Calgary Roundtable Luncheon, June 1, 2017  
Sponsored by Bank of Montreal and Enbridge



Montreal Roundtable Event

## 2017 POLICY EVENTS (CONTINUED)

Mark Cameron, Executive Director, Canadians for Clean Prosperity; Stewart Elgie, Associate Professor, University of Ottawa Faculty of Law; and Richard Morgenstern, Senior Fellow, Resources for the Future

*Working in Harmony? Coordinating Climate Policies*

Ottawa Roundtable Luncheon, June 5, 2017

In partnership with Canadians for Clean Prosperity

Michael Balagus, Chief of Staff to Andrea Horwath; Tim Murphy, Co-Chair, Project Finance, Infrastructure and Energy, McMillan LLP; and Will Stewart, Managing Principal, Navigator

*Decision 2018: The Forces Shaping Ontario's 42nd Election*

Toronto Roundtable Luncheon, June 7, 2017

Elyse Allan, President and Chief Executive Officer, GE Canada

*Digital Transformation and the Future of Work*

Toronto Roundtable Luncheon, June 8, 2017

Betsy Price, Mayor, Fort Worth; Michael Rawlings, Mayor, City of Dallas; and Dany Carriere, Director, Trade Negotiations-North America, Global Affairs Canada

*NAFTA: Local Impact, National Concern*

Toronto Roundtable Luncheon, June 12, 2017

In partnership with Dallas Chamber of Commerce, Fort Worth Chamber of Commerce, and Dallas-Fort Worth International Airport

The Future of the Public Company

Special Policy Conference, Toronto, June 15, 2017

Joseph Heath, Professor of Philosophy, University of Toronto; Goldy Hyder, President and Chief Executive Officer, Hill+Knowlton Canada; and John Stackhouse, Senior Vice President, Office of the Chief Executive Officer, Royal Bank of Canada

*Fake News vs. Facts: Who's Winning the War on Reality?*

Annual Scholars' Dinner, June 19, 2017

Supported by Dr. Wendy Dobson

The Hon. Bob McLeod, Premier, Northwest Territories; and the Hon. Peter Taptuna, Premier, Nunavut

*The Promise and Potential of Canada's Territories*

Calgary Roundtable Luncheon, June 19, 2017

Dr. David Naylor, Chair, Canada's Fundamental Science Review

*Strengthening the Foundations of Canadian Research*

Toronto Roundtable Luncheon, June 22, 2017

Andy Charles, President and Chief Executive Officer, Canada Guaranty; Tim Hudak, Chief Executive Officer, Ontario Real Estate Association; and Benjamin Tal, Deputy Chief Economist, CIBC World Markets

*How Should Property Prices in the GTA be Cooled?*

Toronto Roundtable Luncheon, June 26, 2017

James Ireland, Vice President, Liquidity and Market Risk, Central 1 Credit Union; and Grant MacKenzie, President and Chief Executive Officer, People's Group

*The Stability and Funding of Small Domestic FIs*

Toronto Roundtable Luncheon, June 27, 2017

Dr. Catherine Mann, Chief Economist, Organization for Economic Co-operation and Growth

Toronto Roundtable Luncheon, August 30, 2017

Timothy Congdon, Chairman, International Monetary Research; and Charles Goodhart, Emeritus Professor of Banking and Finance, London School of Economics

*The Global Financial Crisis: Did the Authorities Fail Again?*

Annual David Laidler Luncheon, September 11, 2017

Michael Katchen, Chief Executive Officer, WealthSimple; and Kendra Thompson, Managing Director, Accenture Wealth Management

*Hybrid Advice and the Future of Investing*

Toronto Roundtable Luncheon, September 19, 2017

Sponsored by CIRANO, Toronto Financial Services Alliance, and University of Calgary School of Policy Studies

Dan Ciuriak, Director and Principal, Ciuriak Consulting Inc.; Brian Kingston, Vice President, International and Fiscal Issues, Business Council of Canada; and David Usher, Director General, Trade Negotiations, Global Affairs Canada

*Progressive Trade in the Age of President Trump*

Ottawa Roundtable Luncheon, September 21, 2017

Rene Beaudry, Partner, Normandin Beaudry; Serge Charbonneau, Partner, Pension Consulting Practice, Morneau Shepell; Bernard Morency, former Executive Vice President, Depositors Strategy and Chief Operations Officer, Caisse de dépôt et placement du Québec; and Michel St-Germain, Partner, Mercer

*Enhancing the QPP? Next Steps for the Plan*

Montreal Roundtable Luncheon, September 26, 2017

Mexico's NAFTA Business Advisory Board

*Executive Access Briefing*

September 28, 2017

## 2017 POLICY EVENTS (CONTINUED)

JoAnne Butler, Vice President, Market and Resource Development, Independent Electricity System Operator; Charyl Galpin, Chair, Investment Industry Association of Canada; and Shirlee Sharkey, President and Chief Executive Officer, St. Elizabeth Health Care

*Women in Leadership*

Rising Leaders Series, October 2, 2017

Sponsored by The Donner Canadian Foundation

Daniel Trefler, Douglas and Ruth Grant Canada Research Chair in Competitiveness and Prosperity, Professor of Economic Analysis and Policy, University of Toronto, Rotman School of Management; Christopher Sands, Senior Associate, Americas Program, Center for Strategic and International Studies; and Dan Ciuriak, former Deputy Chief Economist, Department of Foreign Affairs and International Trade, and Director and Principal, Ciuriak Consulting Inc.

*NAFTA Renegotiations*

Webinar, October 3, 2017

Tax Fairness for Owners of Private Corporations? A Review of the Federal Government's Tax Reform Plan

Special Policy Conference, Toronto, October 4, 2017

Sponsored by Torys LLP

John Fowler, Chief Executive Officer, Supreme Pharmaceuticals; the Hon. Anne McLellan, Senior Advisor, Canadian and International Strategic Planning, Bennett Jones LLP; and Russell Stanley, Equity Analyst, Special Situations, Echelon Wealth Partners

*High Stakes: Legalizing Cannabis in Canada*

Toronto Roundtable Luncheon, October 5, 2017

Aaron Groulx, Partner, HR Transformation, Deloitte Canada

*Human Capital Trends-Experience HR in the Digital Age*

Toronto Roundtable Luncheon, October 10, 2017

Peter Hall, Vice President and Chief Economist, Export Development Canada; Michael Hyatt, Executive Chairman and Co-Founder, BlueCat; and Duncan Sinclair, Vice-Chair, Deloitte

*Failure to Launch: Why Aren't Canadian Businesses on the Global Hunt?*

Toronto Roundtable Luncheon, October 12, 2017

Sponsored by AIMIA

Dominic Barton, Global Managing Partner, McKinsey & Company

*Global Forces: Thriving in an Age of Disruption*

Calgary Roundtable Luncheon, October 12, 2017

Toronto Videoconference, October 12, 2017

Steve Ambler, Professor of Economics, Université du Québec; and Thorsten Koepl, Professor and Royal Bank of Canada Fellow, Queen's University

*Blockchain*

Webinar, October 18, 2017

Mario Iacobacci, Partner, Economics and Assets Advisory, Financial Advisory, Deloitte LLP; Louis Lévesque, Chief Executive Officer, Finance Montréal; Lionel Perez, Executive Committee Member Responsible for Infrastructure, City of Montreal

*Outlook for Infrastructure Investments*

Montreal Roundtable Luncheon, October 19, 2017

Christian Noyer, Honorary Governor of the Banque de France

Executive Access Briefing, October 20, 2017

Bob Hamilton, Commissioner of Revenue and Chief Executive Officer, Canada Revenue Agency

Annual Jack Mintz Lecture, October 30, 2017

Robert Dunlop, former Assistant Deputy Minister, Industry Canada; Dr. Peter Nicholson, inaugural Chief Executive Officer, Council of Canadian Academies; and Dr. David Wolfe, Co-Director, Innovation Policy Lab, Munk School of Global Affairs

*Innovation Policy: Is this Time Different?*

Ottawa Roundtable Luncheon, October 30, 2017

David Long, Senior Vice President and Chief Investment Officer, ALM, Derivatives and Fixed Income, Healthcare of Ontario Pension Plan; Geoffrey Rubin, Vice President and Head Portfolio Management, Canada Pension Plan Investment Board; and Mike Wissell, Senior Managing Director, Portfolio Construction Group, Ontario Teachers' Pension Plan

*Portfolio Construction in Canadian Pension Plans*

Toronto Roundtable Luncheon, November 2, 2017

Sponsored by JPMorgan

David Daien, Division Head, Primary Care, Trillium Health Partners; Michael Green, President and Chief Executive Officer, Canada Health Infoway; Alies Maybee, Co-Founder, Patient Advisors Network

*Ending the Cycle of Fake News in Canadian Healthcare*

Toronto Roundtable Luncheon, November 3, 2017

Sponsored by Canada Health Infoway

## 2017 POLICY EVENTS (CONTINUED)



Michael Katchen



Our guests at the Rising Leaders Series

## 2017 POLICY EVENTS (CONTINUED)

Scott Hendry, Senior Special Director, Financial Technology, Bank of Canada; Brian Lang, President, MasterCard Canada; Thorsten Koeppl, Professor and Royal Bank of Canada Fellow, Queen's University

*Currency Without Cash*

Toronto Roundtable Luncheon, November 6, 2017

Sponsored by OFX

John Baird, Senior Advisor, Bennett Jones LLP; and Peter MacKay, Partner, Baker & McKenzie LLP

*Absent Trump-Here's the New TPP*

Sylvia Ostry Lecture, November 9, 2017

Marcia Moffat, Managing Director, Head of BlackRock Canada

*The Business of Investing in Disruptive Times*

Toronto Roundtable Luncheon, November 10, 2017

Sponsored by BMO Financial Group

Michael Wilson, Canadian Ambassador to the United States (2006-2009); and Michael Kergin, Canadian Ambassador to the United States (2000-2005)

*The Elephant and the Mouse: Reflections on the Canada-US Relationship*

Benefactors Dinner, November 13, 2017

Canada's Housing Sector: What Are We Trying to Achieve?

Special Policy Conference, Toronto, November 20, 2017

Sponsored by Canada Guaranty, and Home Trust

Adam Blinick, Head, Public Affairs, Uber Canada; Don Forgeron, President and Chief Executive Officer, Insurance Bureau of Canada; and Barrie Kirk, Executive Director, Canadian Automated Vehicles Centre of Excellence

*Autonomous Vehicles: Driving the Future*

Toronto Roundtable Luncheon, November 21, 2017

Simon Kennedy, Deputy Minister, Health Canada

*Supporting Change in Health Care – A Federal Perspective*

Toronto Roundtable Luncheon, November 22, 2017

Sponsored by Johnson & Johnson Inc.

Leslie Woo, Chief Planning Officer, Metrolinx

*Connecting People: A Draft Transportation Plan for the GTHA*

Toronto Roundtable Luncheon, November 24, 2017

Growing Canada's Financial Services Sector

Special Policy Conference, Toronto, November 27, 2017

Sponsored by Canadian Life and Health Insurance Association, Canadian Credit Union Association, Insurance Bureau of Canada, The Investment Funds Institute of Canada, Investment Industry Association of Canada, and Toronto Financial Services Alliance

Dawn Farrell, President and Chief Executive Officer, TransAlta; Jason Kenney, Leader, United Conservative Party of Alberta; Rich Kruger, President and Chief Executive Officer, Imperial Oil; and Grant Sprague, Associate Council, Miller Thomson LLP and former Deputy Minister of Energy for Alberta

*Canada's Energy Agenda & National Unity*

Calgary Dinner, November 23, 2017

Sponsored by GE Canada

Laura Friese, Founder, TalentEgg and Senior Director of Digital HR, Royal Bank of Canada; Karl Moore, Associate Professor, McGill University Faculty of Management; and Jay Yakabowich, Senior Vice President, Career Edge Organization

*Millennials: Leveraging our Future Human Capital*

Rising Leaders Series, November 30, 2017

Sponsored by Royal Bank of Canada

Nico Lange, Director, Washington Office, Konrad Adenauer-Stiftung

*Trade, the European Union, and Canada*

Executive Access Briefing, December 1, 2017

Laurie LeBlanc, Deputy Minister, Ministry of Municipal Affairs and Housing Ontario; and Scott Thompson, Deputy Minister, Ministry of Finance Ontario

*New Housing Strategy for Ontario*

Toronto Roundtable Luncheon, December 4, 2017

Sponsored by Ontario Real Estate Association

Christyne Tremblay, Deputy Minister, Natural Resources Canada; and Cécile Siewe, Director General of Innovation and Technology, Natural Resources Canada

*Low-Carbon Economy: Clean Energy Future for Canada*

Calgary Roundtable Luncheon, December 4, 2017

## 2017 POLICY EVENTS (CONTINUED)



Our guests at the Scholars Dinner

Perrin Beatty, President and Chief Executive Officer, Canadian Chamber of Commerce; Michael Runia, Managing Partner, Deloitte Private; and Michael Wolfson, Professor, University of Ottawa

*Toward Federal Tax Reform: The View from Ottawa*  
Ottawa Roundtable Luncheon, December 6, 2017

Neil Parmenter, President and Chief Executive Officer, Canadian Bankers Association

*Review of Canada's Bank Act: Views from the CBA*  
Toronto Roundtable Luncheon, December 7, 2017  
Sponsored by Equitable Bank

Richard Carleton, Chief Executive Officer, Canadian Securities Exchange; Nicholas Thadane, President and Chief Executive Officer, Global Equity Capital Markets, TMX Group; and Jos Schmitt, Chief Executive Officer, Aequitas Innovations Inc.

*Competitive Landscape in Canadian Equity Marketplaces*  
Toronto Roundtable Luncheon, December 12, 2017  
Sponsored by CIBC

John Manley, President and Chief Executive Officer, Business Council of Canada

*Low Interest Rates and Productivity*  
Toronto Roundtable Luncheon, December 14, 2017  
Sponsored by The Petman Foundation

Tim Beauchamp, former Director, Public Sector Accounting Board; Guillaume Lavoie, former City Councillor, City of Montreal; Bonnie Lysyk, Auditor General, Ontario; and William B.P. Robson, President and Chief Executive Officer, C.D. Howe Institute

*Leaders and Laggards: The 2017 Score Card on Cities' Financial Reporting*  
Toronto Roundtable Luncheon, December 18, 2017  
Supported by Lotte & John Hecht Memorial Foundation

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### Dinner Sponsors



### Conference Sponsors



## Conference Sponsors



## Roundtable Luncheon & Special Event Sponsors



## 2017 SPONSORS (CONTINUED)

### Roundtable Luncheon & Special Event Sponsors (continued)



### Student Table Sponsors



Aaron Regent with guests at the Annual Benefactors' Dinner



## THE INSTITUTE'S MEMBERS IN 2017

### Individual Members

Babak Abbaszadeh  
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Lalit Aggarwal  
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David Allan  
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George Bezaire  
William Black  
David Bond  
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David Dodge  
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Douglas Grundy  
Geoffrey Hale  
Graham Hallward  
Mary Hallward  
Malcolm Hamilton  
Raza Hasan  
Chad Hauser  
Timothy Hearn  
Ali Hedayat  
Gerald Heffernan  
Lawrence Herman  
Garrett Herman  
James Hinds  
Tim Hodgson  
Igal Holtzer  
Michael Horgan  
Rebecca Horwood  
Paula Hughes  
H. Douglas Hunter  
Julien Hutchinson  
Richard Ivey  
Jon Johnson  
Robert Kaplan  
Marcel Kasumovich  
John Kazanjian  
Claire M.C. Kennedy  
Jan Kestle  
Thomas Kierans  
Paul Kirkconnell  
Robert Korthals  
Michael Landry  
Spencer Lanthier  
David LeGresley  
David Leslie  
Henry Lotin  
Jeffrey Lozon  
J.W. (Wes) MacAleer  
Kevin MacKinnon  
Senator Sabi Marwah  
R.B. (Biff) Matthews  
Gerald McCaughey  
James McIlroy

John McNeil  
Mark McQueen  
Jack Mintz  
Bruce Mitchell  
William Molson  
Gary Mooney  
Robert Morrison  
Edward Neufeld  
Angelo Nikolakakis  
Raoul Nsabimana  
Joe Nunes  
Dave Oblender  
Nick Pantaleo, FCPA, FCA  
Steve Parker  
Dani Peters  
Kelly Reimer  
Donald Reimer  
Grant L. Reuber  
Robert Richards  
Margot Ritchie  
William B.P. Robson  
W.P. Rosenfeld, Q.C.  
Gerald Schwartz  
Christophe Sepulchre  
Helen Sinclair  
Geoff Smith  
Paul G. Smith  
Andrew Spence  
Paul Stanley  
Garence Staraci  
Wayne Steadman  
Daniel Sullivan  
Catherine Swift  
Richard Tattersall  
John Tennant  
Simon Thang  
The Petman Foundation  
Craig Thorburn  
Tom Trimble  
Annette Verschuren  
Wei Wang  
John Wilkinson  
Alfred Wirth  
David Wishart  
Thomas Woods



Our guests at the Annual Benefactors' Dinner



Eleanor McIntyre and Marcia Moffat



Lawrence Herman and Bill Robson

## THE INSTITUTE'S MEMBERS IN 2017 (CONTINUED)

### Post Secondary

Carleton University  
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HEC Montréal  
McMaster University  
Northeastern University  
Queen's University  
The University of Calgary  
The University of Western Ontario  
University of Alberta  
University of British Columbia  
University of Manitoba  
University of Toronto  
Wilfrid Laurier University

### Corporate, Association and Foundation Members

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Accenture  
Advocis  
AECOM  
AGF Management Limited  
Agnico-Eagle Mines Ltd.  
Agrium Inc.  
Aimia  
Aird & Berlis LLP  
Alberta Blue Cross  
Altus Group  
Amgen Canada Inc.  
AMJ Campbell  
Appraisal Institute of Canada  
ARC Financial Corp.  
Association of Canadian Pension Management  
Assuris  
ATB Financial  
ATCO Ltd. & Canadian Utilities Limited  
Barrick Gold Corporation  
Bayer Inc.

BCI  
Bell Canada  
Bennett Jones LLP  
BlackRock Asset Management  
Blake, Cassels & Graydon LLP  
BMO Financial Group  
Bombardier Inc.  
Borden Ladner Gervais LLP  
Brookfield Asset Management Inc.  
Brookfield BRP Canada Corp  
Burgundy Asset Management  
BURNCO Group of Companies  
Business Council of British Columbia  
Business Council of Canada  
Business Development Bank of Canada  
C.S.T. Consultants Inc.  
Cadillac Fairview Corp. Ltd.  
Caisse de dépôt et placement du Québec  
Calgary Real Estate Board  
Canada Deposit Insurance Corporation  
Canada Guaranty  
Canada Overseas Investments Limited  
Canada Pension Plan Investment Board  
Canadian Association of Petroleum Producers  
Canadian Automobile Dealers Association  
Canadian Bankers Association  
Canadian Blood Services  
Canadian Credit Union Association  
Canadian Electricity Association  
Canadian Energy Pipeline Association  
Canadian Finance & Leasing Association

Canadian Gas Association  
Canadian Generic Pharmaceutical Association  
Canadian Home Builders' Association  
Canadian Imperial Bank of Commerce  
Canadian Institute for Health Information  
Canadian Life and Health Insurance Association Inc.  
Canadian National Institute for the Blind  
Canadian National Railway  
Canadian Natural Resources Limited  
Canadian Tax Foundation  
Canadian Trucking Alliance  
Canadian Western Bank  
Canadian Wireless Telecommunications Association  
Canadians for Clean Prosperity  
Candor Investments Ltd.  
Capital One  
Capital Power Corporation  
Capitalize for Kids  
CareerEdge  
Cargill Limited  
Cenovus Energy Inc.  
Chemistry Industry Association of Canada  
Cirque du Soleil Canada Inc.  
Clairvest Group Inc.  
Cogeco Communication Inc.  
Concentra Bank  
CPA Canada  
Cumberland Private Wealth Management  
D+H  
DBRS  
Deloitte  
Desjardins Group



Donald Reimer and Marshall Cohen



Marie Rajic

## THE INSTITUTE'S MEMBERS IN 2017 (CONTINUED)

Devon Canada Corporation	Investors Group	Property and Casualty Insurance Compensation
Donner Canadian Foundation	J.P. Morgan Securities Canada Inc.	Public Sector Pension Investment Board
DuPont Canada	Jackman Foundation	PwC Canada
Dynacare	Johnson & Johnson Inc. Canada	Randstad
eBay Canada	Kiewit Corp	RBC
Economap Inc.	Kinross Gold Corporation	Repsol Oil & Gas Canada Inc.
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E-L Financial Corporation Limited	Lifelabs	Rogers Communications Inc.
EllisDon Inc.	Maclab Development Group	Saint Elizabeth Health Care
Enbridge	Magris Resources Inc.	Sandoz Canada Inc.
Encana Corporation	Manulife Financial	Scotiabank
Ensign Energy Services Inc.	MasterCard Canada	Shell Canada Limited
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Fednav Limited	McCain Foods Limited	Statoil Canada Ltd.
Fidelity Investments	McCarthy Tetrault LLP	Summa Strategies Canada Inc.
Finance Montréal	MD Physican Services	Summerhill Capital Management
First National Financial LP	Medavie EMS	Sun Life Financial Inc.
Ford Motor Company of Canada, Limited	Medcan Health Management Inc.	TD Bank Group
Forest Products Association of Canada	Medisys Health Group	Teck Resources Limited
Four Halls Inc.	Medtronic of Canada Ltd.	TekSavvy Solutions Inc.
GE Canada	Mercer	Telpay
Genworth Financial Canada	Metrolinx	The Arthritis Society
Goldman Sachs Canada	Miller Thomson LLP	The Canadian Council for Public-Private Partnerships
Google Canada Inc.	MITACS	The Conference for Advanced Life Underwriting
Gordon J. Homer Advisory Services	Morgan Meighen & Associates	The Great-West Life Assurance Company, London Life Insurance Company and Canada Life
Grant Thornton LLP	Morneau Shepell	The Guarantee Company of North America
Greater Saskatoon Chamber of Commerce	National Association of Career Colleges	The Gwyn Morgan & Patricia Trottier Foundation
Greater Toronto Airports Authority	National Bank of Canada	The Investment Funds Institute of Canada
Green Shield Canada	NAV CANADA	TMX Group Inc.
GWN Capital Management Ltd.	Normandin Beaudry	Toronto Financial Services Alliance
Harvard Developments Inc., A Hill Company	Northland Wealth Management	Toronto Real Estate Board
Hatch	NOVA Chemicals Corporation	Toronto Region Board of Trade
Healthcare of Ontario Pension Plan	Oak Hill Financial	Torys LLP
Healthcare Supply Chain Network	OFX	Transat A.T. Inc.
HealthPRO Canada	OMERS	Uber BV
Hill & Knowlton	Ontario Construction Secretariat	Union Gas Limited
Home Trust Company	Ontario Dental Association	VIA Rail Canada Inc.
Hugessen Consulting	Ontario Long Term Care Association	Visa Canada
Human Resources Professionals Association (HRPA)	Ontario Power Generation Inc.	Weston Forest
Hydro One Inc.	Ontario Real Estate Association	Willis Towers Watson PLC
ICICI Bank Canada	Ontario Teachers' Pension Plan	
Imperial Oil Limited	Ontario Trillium Foundation	
Independent Electricity System Operator	OPTrust	
Insurance Bureau of Canada	Osler, Hoskin and Harcourt LLP	
Intact Financial Corporation	Parkland Fuel Corporation	
Intuit	Payments Canada	
Investment Industry Association of Canada	Persis Holdings Ltd	
Investment Industry Regulatory Organization of Canada	Pfizer Canada Inc.	
	Pirie Foundation	
	Polytechnics Canada	
	Potash Corporation of Saskatchewan Inc.	
	Power Corporation of Canada	
	Progress Energy Canada Ltd	
	Promontory Financial Group Canada	

# THE INSTITUTE'S PEOPLE

## 2017 Scholars

### Fellows-In-Residence

Adam Found  
Åke Blomqvist  
Alex Usher  
Blake Shaffer  
Brenda Gonzales Hermosillo  
Dan Ciuriak  
Edward Iacobucci  
John Richards  
Kevin Milligan  
Steve Ambler  
Thorsten Koeppl

### Senior Fellows

Richard Alvarez  
Paul Beaudry  
Alister Campbell  
John Crow  
John Curtis  
Kevin Dancey  
Janet Davidson  
Leo de Bever  
Don Drummond  
Janet Ecker  
Kenneth G Engelhart  
William Falk

Claude Forget  
Malcolm Hamilton  
Lawrence Herman  
Philip Howell  
Lawson Hunter  
Paul Jenkins  
Warren Jestin  
Jon R. Johnson  
Thomas E. Kierans  
Nicholas Le Pan  
Louis Lévesque  
Peter Miller  
John Murray  
Edward Neufeld  
Al O'Brien  
Henri-Paul Rousseau  
Andrew Spence  
Grant Sprague  
John Stackhouse  
Frank Swedlove  
Gordon Thiessen  
Konrad von Finckenstein  
Edward Waitzer  
Howard Wetston  
Kenneth Whyte  
Jennifer Zelmer  
Mark Zelmer

### Research Fellows

Charles Beach  
Richard Bird  
Marcel Boyer  
John Chant  
Miles Corak  
Philip Cross  
Bev Dahlby  
James Davies  
Michael Devereux  
Donald Dewees  
Erwin Diewert  
Wendy Dobson  
Pierre Duguay  
Ross Finnie  
Pierre Fortin  
John Helliwell  
Ian Irvine  
Mark Jaccard  
David R. Johnson  
Cally Jordan  
David Laidler  
Qing Li  
David Longworth  
James MacGee

Paul Masson  
Angelo Melino  
Michael Parkin  
Christopher Ragan  
Angela Redish  
William Scarth  
Tammy Schirle  
Anindya Sen  
Pierre Siklos  
Arthur Sweetman  
Michael Trebilcock  
Daniel Trefler  
William Watson  
Thomas Wilson  
Lorna Wright

### International Fellows

Timothy Brennan  
Willem Buiter  
Martin Eichenbaum  
Peter Howitt  
Lawrence White

### C.D. Howe Institute Staff



Alex McBrien and Maria Mikey



Benjamin Dachis



Farah Omran with our guest



Jacquelin Wong and Jennifer West



Stephane Paris



Jeremy Kronick



## Institute Staff

(as of April 30th, 2018)

**Ana Remedios Bondoc**  
Office Coordinator

**Laura Bouchard**  
Communications  
Coordinator

**Nairy Cappiello**  
Executive Assistant to  
the SVP & COO, HR and  
Development Coordinator

**Vincent Custode**  
Development Officer

**Benjamin Dachis**  
Associate Director, Research

**Aline Emirzian**  
Office Manager

**James Fleming**  
Editor and Vice President,  
Media

**Devan Gander**  
Manager, Policy Councils  
and Assistant Manager,  
Events

**Kristine Gray**  
Senior Coordinator,  
Research and Executive  
Assistant to the Vice  
President, Research

**Nicky Hui**  
Researcher

**Robin Ivory**  
Development Officer,  
Member Relations

**Rowena Jeffers**  
Controller

**Jacob Kim**  
Researcher

**Hal Koblin**  
Director of Research  
Advancement

**Jeremy Kronick**  
Associate Director, Research

**Alexandre Laurin**  
Director of Research

**Colin MacKenzie**  
Editor, Intelligence Memos

**Parisa Mahboubi**  
Senior Policy Analyst

**Alex McBrien**  
Manager, Communications  
and Public Affairs

**Madeleine Merrick**  
Manager, Events

**Maria Mikey**  
Communications  
Coordinator

**Polina Moskvina**  
Event Planner

**Duncan Munn**  
Senior Vice President and  
Chief Operating Officer

**Farah Omran**  
Junior Policy Analyst

**Stephane Paris**  
Manager, Development and  
Member Relations

**Joan Price**  
Corporate Secretary and  
Executive Assistant to the  
President and Chief Executive  
Officer

**William B.P. Robson**  
President and Chief  
Executive Officer

**Daniel Schwanen**  
Vice President, Research

**Abby Sullivan**  
Researcher

**Dharti Thakkar**  
Office Coordinator

**Vinh Tran**  
Digital Communications  
Coordinator

**Tammy Trepanier**  
Event Planner

**Jennifer West**  
Events Administrative  
Assistant

**Jacquelin Wong**  
Event Coordinator

**Rosalie Wyonch**  
Policy Analyst

**Yang Zhao**  
Senior Graphic Designer



## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF C.D. HOWE INSTITUTE

We have audited the accompanying financial statements of the C.D. Howe Institute, which comprise the statement of financial position as at December 31, 2017, the statements of operations, changes in fund balances and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the C.D. Howe Institute as at December 31, 2017 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.



Chartered Professional Accountants  
Licensed Public Accountants  
Vaughan, Ontario  
May 4, 2018

# C.D. HOWE INSTITUTE

## STATEMENT OF FINANCIAL POSITION

### AS AT DECEMBER 31, 2017

	2017	2016
	\$	\$
<b>Assets</b>		
Current assets		
Cash and cash equivalents	3,240,256	3,819,353
Short-term investments	174,514	-
Accounts receivable	165,745	223,126
Prepaid expenses	86,679	83,251
	<b>3,667,194</b>	<b>4,125,730</b>
Long-term investments (Note 4)	5,842,770	5,788,637
Capital assets (Note 5)	588,156	733,759
	<b>10,098,120</b>	<b>10,648,126</b>
<b>Liabilities</b>		
Current liabilities		
Accounts payable and accrued liabilities (Note 6)	122,950	356,990
Deferred revenue	1,635,618	2,058,832
	<b>1,758,568</b>	<b>2,415,822</b>
Long-term		
Deferred capital contributions	165,909	189,873
Deferred rent	176,656	186,783
	<b>342,565</b>	<b>376,656</b>
	<b>2,101,133</b>	<b>2,792,478</b>
<b>Fund balances</b>		
Invested in Capital Assets (Note 7)	422,247	543,886
Operating	1,748,994	1,539,225
Endowment Funds (Note 8)	5,825,746	5,772,537
	<b>7,996,987</b>	<b>7,855,648</b>
	<b>10,098,120</b>	<b>10,648,126</b>

Approved by the Board



Chair of the Board



Chair, Audit, Finance and Risk Committee

The accompanying notes to the financial statements are an integral part of this financial statement.

# C.D. HOWE INSTITUTE

## STATEMENT OF OPERATIONS

### YEAR ENDED DECEMBER 31, 2017

	2017	2016
	\$	\$
<b>Revenue</b>		
Contributions and subscriptions	4,739,323	4,413,658
Events revenue	1,363,095	1,076,356
Investment income – realized gains	23,369	17,362
Investment income – unrealized gains	3,576	4,550
Publication sales	5,796	5,640
Contract revenue	21,035	12,787
	6,156,194	5,530,353
<b>Expenses</b>		
Research, administrative and project expenses	5,836,274	5,153,020
Amortization	231,790	214,637
	6,068,064	5,367,657
<b>Excess of revenue over expenses for the year</b>	<b>88,130</b>	<b>162,696</b>

# C.D. HOWE INSTITUTE

## STATEMENT OF CHANGES IN FUND BALANCES

### YEAR ENDED DECEMBER 31, 2017

	Invested in Capital Assets Fund	Operating Fund	Endowment Funds	2017 Total	2016 Total
	\$	\$	\$	\$	\$
<b>Balances, beginning of year</b>	543,886	1,539,225	5,772,537	7,855,648	7,199,620
Excess of revenue over expenses for the year	(207,826)	295,956	-	88,130	162,696
Unrealized gains (losses) on investments (Note 8)	-	-	105,854	105,854	(16,169)
Contributions received during the year (Note 8)	-	-	50,000	50,000	137,785
Investment income (Note 8)	-	-	219,002	219,002	589,420
Transfer to deferred revenue during the year (Note 8)	-	-	(321,647)	(321,647)	(217,704)
Purchases of capital assets	86,187	(86,187)	-	-	-
<b>Balances, end of year</b>	<b>422,247</b>	<b>1,748,994</b>	<b>5,825,746</b>	<b>7,996,987</b>	<b>7,855,648</b>

The accompanying notes to the financial statements are an integral part of this financial statement.

# C.D. HOWE INSTITUTE

## STATEMENT OF CASH FLOWS

### YEAR ENDED DECEMBER 31, 2017

	2017	2016
	\$	\$
<b>Operating activities</b>		
Excess of revenue over expenses for the year	88,130	162,696
Items not affecting cash		
Amortization of capital assets	231,790	214,637
Amortization of deferred capital contributions	(23,964)	(23,964)
Unrealized gains on operating investments	(3,576)	(4,550)
Amortization of deferred rent	(10,127)	(10,128)
	282,253	338,691
Changes in non-cash working capital items		
Accounts receivable	57,381	190,590
Prepaid expenses	(3,428)	(26,605)
Accounts payable and accrued liabilities	(234,040)	45,133
Deferred revenue	(423,214)	259,800
	(321,048)	807,609
<b>Investing activities</b>		
Purchases of capital assets	(86,187)	(215,853)
Purchase of short-term investments	(174,514)	-
Purchases of long-term investments	(803,178)	(4,507,710)
Proceeds on sale of long-term investments	752,621	4,017,284
	(311,258)	(706,279)
<b>Financing activity</b>		
Endowment contributions and income, less expenses and transfer (Note 8)	53,209	493,332
(Decrease) increase in cash and cash equivalents during the year	(579,097)	594,662
Cash and cash equivalents, beginning of year	3,819,353	3,224,691
<b>Cash and cash equivalents, end of year</b>	<b>3,240,256</b>	<b>3,819,353</b>
<b>Cash and cash equivalents is comprised of:</b>		
Cash	310,788	376,238
Cash equivalents	2,929,468	3,443,115
	3,240,256	3,819,353

The accompanying notes to the financial statements are an integral part of this financial statement.

# C.D. HOWE INSTITUTE

## NOTES TO THE FINANCIAL STATEMENTS

### DECEMBER 31, 2017

#### 1. Description of organization

The C.D. Howe Institute (the “Institute”) is an independent, not-for-profit, research and educational organization. It carries out independent analysis and critique of public policy issues and translates scholarly research for action by the government and the private sector. The Institute is a registered charity exempt from paying income taxes under Section 149(1) (f) of the *Income Tax Act*. The Institute was incorporated under Part II of the *Canada Business Corporations Act* on April 23, 1958 and was continued under the *Canada Not-for-Profit Corporations Act* on June 6, 2014.

#### 2. Summary of significant accounting policies

The financial statements of the Institute have been prepared in accordance with Canadian accounting standards for not-for-profit organizations published by the Chartered Professional Accountants of Canada using the deferral method and reflect the following significant accounting policies:

##### Contributions

Contributions are recorded as received, except when specified by the donor that they relate to the following year(s), in which case they are deferred until eligible expenses are incurred. Contributions of materials and services used in the normal course of the Institute’s operations are recorded at their fair value when the amounts can be reasonably estimated. Endowment contributions are recognized as direct increases in the Fund balance. Transfers from the Endowment Fund to deferred revenue are recognized in keeping with the agreements with the Endowers.

##### Financial instruments

Financial assets and financial liabilities are initially recognized at fair value when the Institute becomes a party to the contractual provision of the financial instrument. Subsequently, all financial instruments are measured at amortized cost, except for long-term investments. The Institute has elected to use the fair value option to measure long-term investments, with any subsequent changes in fair value recorded in the Statement of operations.

Financial assets measured at amortized cost are assessed at each reporting date for indications of impairment. If such impairment exists, the asset is written down and the resulting impairment loss is recognized in the Statement of operations.

##### Cash and cash equivalents

Cash and cash equivalents are defined as cash, interest bearing deposits that are redeemable on demand, and Canadian securities with original maturity dates of three months or less.

##### Short-term investments

Short-term investments consist of Canadian securities with original maturity dates of more than three months and less than one year.

# C.D. HOWE INSTITUTE

## NOTES TO THE FINANCIAL STATEMENTS

### DECEMBER 31, 2017

#### 2. Summary of significant accounting policies (continued)

##### Long-term investments

Long-term investments are accounted for on the settlement date basis and any transaction costs are expensed as incurred.

##### Capital assets

Capital asset additions are recorded at cost. Amortization is calculated using the straight-line basis at 33-1/3% per annum for electronic equipment, and computer hardware and software and 10% per annum for furniture, fixtures and equipment. Conference equipment is amortized on the straight-line basis over six years. Signage and leasehold improvements are amortized on the straight-line basis over the term of the lease.

##### Publications

Publications are not recorded as inventory. Costs are accrued for publications in progress. All costs of publications that have entered the production stage by the end of the year are expensed.

##### Deferred capital contributions

Deferred capital contributions relate to funds received for office leasehold improvements and are amortized on the straight-line basis over the term of lease.

##### Deferred rent

Deferred rent, consisting of tenant allowances, free rent and reduced rent, is amortized on the straight-line basis over the term of the lease.

##### Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect amounts reported therein. Areas which involve a significant degree of estimation include the valuation of long-term investments, accounts payable and accrued liabilities, deferred revenue and the useful life of capital assets. Actual results may differ from such estimates.

##### Description of funds

###### *Operating Fund*

Amounts received, used or held for the research and educational goals of the Institute, are recorded in the Operating Fund.

###### *Endowment Funds*

Endowment Funds represent amounts received which are externally endowed, together with any designated unspent investment income.

###### *Invested in Capital Assets Fund*

The Invested in Capital Assets Fund records the Institute's cost of capital assets, less accumulated amortization and unamortized deferred capital contributions.

# C.D. HOWE INSTITUTE

## NOTES TO THE FINANCIAL STATEMENTS

### DECEMBER 31, 2017

### 3. Commitments

The Institute has a lease commitment for premises located at 67 Yonge Street, Toronto, Ontario. The lease expires on November 30, 2024. Future minimum commitments (excluding operating costs) under the lease are as follows:

	\$
2018	85,284
2019	87,061
2020	106,605
2021	106,605
2022 and thereafter	310,931
	<b>696,486</b>

### 4. Long-term Investments

Long-term investments are recorded in the following funds:

	2017	2016
	Total	Total
	\$	\$
Long-term	<b>5,842,770</b>	5,788,637
Long-term investments consist of		
Fixed income	<b>1,767,915</b>	1,802,559
Canadian equity	<b>949,232</b>	946,290
US equity	<b>1,528,014</b>	1,509,941
International equity	<b>1,597,609</b>	1,529,847
	<b>5,842,770</b>	5,788,637

# C.D. HOWE INSTITUTE

## NOTES TO THE FINANCIAL STATEMENTS

### DECEMBER 31, 2017

#### 5. Capital assets

			2017	2016
	Cost	Accumulated amortization	Net book value	Net book value
	\$	\$	\$	\$
Furniture, fixtures and equipment	469,495	371,536	97,959	113,431
Computer hardware and software	957,408	815,780	141,628	206,779
Electronic equipment	70,638	68,022	2,616	3,425
Conference equipment	92,867	83,644	9,223	24,700
Signage	12,289	6,874	5,415	6,196
Leasehold improvements	726,310	394,995	331,315	379,228
	<b>2,329,007</b>	<b>1,740,851</b>	<b>588,156</b>	<b>733,759</b>

#### 6. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities include \$Nil (2016 – \$Nil) with respect to amounts owing to the Government.

#### 7. Invested in Capital Assets Fund

The Invested in Capital Assets Fund balance consists of:

	2017	2016
	\$	\$
Capital assets (Note 5)	588,156	733,759
Deferred capital contributions	(165,909)	(189,873)
	<b>422,247</b>	<b>543,886</b>

# C.D. HOWE INSTITUTE

## NOTES TO THE FINANCIAL STATEMENTS

### DECEMBER 31, 2017

## 8. Endowment Funds

	2017					2016
	Roger Phillips	Jack Mintz	Special Studies	Sylvia Ostry	Monetary Policy	Total
	\$	\$	\$	\$	\$	\$
Balances, beginning of the year	1,159,216	243,740	2,427,312	782,719	1,159,550	5,772,537
Revenue						
Contributions received	-	-	-	-	50,000	50,000
Unrealized (losses) gains	17,175	4,674	46,678	14,350	22,977	105,854
Investment income	46,991	9,075	90,257	29,799	42,880	219,002
	64,166	13,749	136,935	44,149	115,857	374,856
Transfer to deferred revenue	(101,559)	(10,671)	(106,194)	(33,522)	(69,701)	(321,647)
Balance, end of year	1,121,823	246,818	2,458,053	793,346	1,205,706	5,825,746

The Roger Phillips Endowment Fund was established to advance social policy dialogue. The capital is to be invested and the investment income earned is available to fulfill the purpose of the endowment.

The Jack Mintz Endowment Fund was established to support an annual visit and economic seminar by an eminent expert. The capital is to be invested and the investment income is available to fulfill the purpose of the endowment.

The Special Studies Endowment Fund was established to support special projects which would otherwise be difficult to fund through annual membership contributions. The capital is to be invested and the investment income earned is being retained in the Fund to fulfill the purpose of the endowment.

The Sylvia Ostry Endowment Fund was established to stage an annual lecture in Sylvia Ostry's name, featuring a distinguished speaker on a topic related to international economic policy. The capital is to be invested and the investment income earned is available to fulfill the purpose of the endowment.

The Monetary Policy Endowment Fund was established during 2009 to support research, publications and events resulting in further understanding of, and offer policy advice on, Canadian Monetary policy. During the year, further contributions of \$50,000 (2016 – \$137,785) were received. The capital is to be invested and the investment income earned is being retained in the Fund to fulfill the purpose of the endowment.

During the year, in accordance with the wishes of the Endowers, \$321,647 (2016 – \$217,704) was transferred to deferred revenue for the purpose of funding future activities over the fiscal years 2018 to 2021.

The Endowment Funds have been invested in long-term investments (Note 4).

# C.D. HOWE INSTITUTE

## NOTES TO THE FINANCIAL STATEMENTS

### DECEMBER 31, 2017

#### 9. Pension plan

The Institute sponsors a group registered retirement savings plan for its employees. The Institute's liability is limited to matching contributions for the year and these amounted to \$106,363 (2016 – \$93,223).

The Institute sponsors a registered pension plan and contributions for the year amounted to \$36,708 (2016 – \$38,117).

#### 10. Guarantees

In the normal course of business, the Institute enters into agreements that meet the definition of a guarantee. The Institute's primary guarantees are as follows:

- (a) The Institute has provided indemnities under a lease agreement for the use of operating facilities. Under the terms of the agreement, the Institute agrees to indemnify the counterparties for various items including, but not limited to, all liabilities, loss, suits, and damages arising during, on or after the term of the agreement. The maximum amount of any potential future payment cannot be reasonably estimated.
- (b) Indemnity has been provided to all directors and/or officers of the Institute for various items including, but not limited to, all costs to settle suits or actions due to involvement with the Institute, subject to certain restrictions. The Institute has purchased directors' and officers' liability insurance to mitigate the cost of any potential future suits or actions. The term of the indemnification is not explicitly defined, but is limited to the period over which the indemnified party served as a trustee, director or officer of the Institute. The maximum amount of any future payment cannot be reasonably estimated.
- (c) In the normal course of business, the Institute has entered into agreements that include indemnities in favour of third parties, such as confidentiality agreements, engagement letters with advisors and consultants, outsourcing agreements, leasing contracts, information technology agreements and service agreements. These indemnification agreements may require the Institute to compensate counterparties for losses incurred by the counterparties as a result of breaches in representation and regulations or as a result of litigation claims or statutory sanctions that may be suffered by the counterparties as a consequence of the transaction. The terms of these indemnities are not explicitly defined and the maximum amount of any potential reimbursement cannot be reasonably estimated.

The nature of these indemnification agreements prevents the Institute from making a reasonable estimate of the maximum exposure due to the difficulties in assessing the amount of liability, which stems from the unpredictability of future events and the unlimited coverage offered to counterparties. Historically, the Institute has not made any significant payments under such or similar indemnification agreements and therefore no amount has been accrued in the financial statement, with respect to these agreements.

#### 11. Risk management

The Institute follows a Statement of Investment Policies, which provides the investment objectives, performance expectations and guidelines for the management of its investments.

##### Market risk

Market risk is the risk that the value of an investment will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the specific individual investment or factors affecting all securities traded in

# C.D. HOWE INSTITUTE

## NOTES TO THE FINANCIAL STATEMENTS

### DECEMBER 31, 2017

#### 11. Risk management (continued)

the market. To mitigate this specific risk, the Institute invests in a diversified portfolio of investments in accordance with the Institute's Statement of Investment Policies.

##### **Interest rate risk**

The Institute is exposed to interest rate risk with respect to its long-term investments. Changes in the prime interest rate will have a positive or negative impact on the Institute's interest income. Such exposure will increase accordingly should the Institute maintain higher levels of long-term investments in the future.

##### **Credit risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur financial loss. The Institute's investment policies define permitted investments and provide guidelines and restrictions on acceptable investments, which minimizes credit risk.

##### **Foreign exchange risk**

Foreign exchange risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Institute invests in non-Canadian equities and is therefore directly exposed to currency risk, as the value of equities denominated in other currencies will fluctuate due to changes in exchange rates.

## BECOME A MEMBER

Your membership is a philanthropic investment in research that seeks to advance systems, structures and policies that support our businesses, and improves the economic and social well-being of all Canadians. Your support of these efforts means a great deal to the Institute.

For more information about becoming a member of the Institute, please contact:  
Stephane Paris at 416-865-1904, ext 0238, or email [SParis@cdhowe.org](mailto:SParis@cdhowe.org)

## SUPPORT THE INSTITUTE

Your personal support is critical to the Institute enhancing its policy impact. As a charity, we ask that you to take a moment and consider making a personal contribution to the C.D. Howe Institute today. You can call in your donation at 416-865-1904 or send an email to [cdhowe@cdhowe.org](mailto:cdhowe@cdhowe.org).

## CONTACT US

You can contact us by telephone at 416-865-1904 or visit our website: [cdhowe.org](http://cdhowe.org).

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