



INSTITUT C.D. HOWE INSTITUTE

**QUARTERLY REPORT TO MEMBERS,  
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*SECOND QUARTER, 2013*

*Essential Policy Intelligence*

# Q2 highlights: effective and efficient policy research & outreach



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## Q2 Research

- 12 research papers
- 2 Monetary Policy Council releases

## Q2 Policy Events

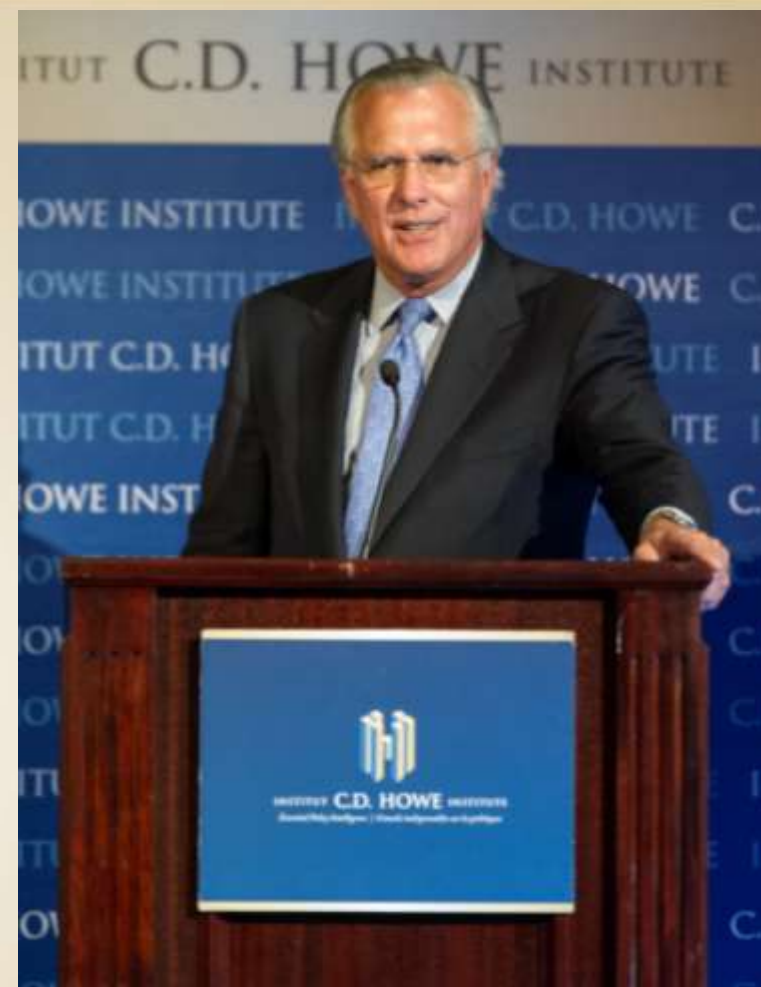
- 23 policy events, including:
  - **Patrons' Circle Dinner:** An Evening with Chief Risk Officers: Claude Accum, Rahim Hirji, Robert Pitfield, Surjit Rajpal, and Tom Woods: April 30, 2013
  - **Annual Mintz Economic Lecture:** Andrew Treusch, Commissioner of Revenue and CEO, Canada Revenue Agency: May 8, 2013
  - **Inaugural Scholars' Dinner:** John Helliwell, Senior Fellow at CIFAR and Professor Emeritus at the UBC Vancouver School of Economics: May 15, 2013
  - **Annual Directors' Dinner:** Richard Fisher, President and CEO, Federal Reserve Bank of Dallas: June 4, 2013

## Q2 Policy Council Meetings

- Monetary Policy, Competition Policy, Financial Services Research Initiative, Fiscal and Tax Competitiveness, Health Policy, and Pensions Policy

## Outreach

- 86,722 website pageviews in Q2 2013, compared to 84,768 pageviews in Q2 2012
- 16 policy outreach presentations
- 39 *National Post* and *Globe and Mail* citations
- Citations in 78 media outlets
- 47 media interviews
- 25 opinion and editorial pieces



Federal Reserve Bank of Dallas President Richard Fisher delivered the Institute's 2013 Directors' Dinner Lecture, "[The Status of the U.S. Economy and a Perspective on The Modern Monetarism](#)." The Institute thanks [Bennett Jones LLP](#) for sponsoring the event.

## The Ontario government announced plans to convert select carpool lanes on Toronto's 400-series freeways into High-Occupancy Toll (HOT) lanes

- The Institute has published a number of papers recommending road tolls ([\*Congestion Relief: Assessing the Case for Road Tolls in Canada\*](#)), and HOT lanes in particular ([\*Congestive Traffic Failure: The Case for High-Occupancy and Express Toll Lanes in Canadian Cities\*](#))
- The Institute engaged in the subsequent policy debate after the government's announcement ([\*Toronto Star\*](#))

## Ontario is also changing its green energy policies

- The Ontario Government has begun to alter its green energy policies emphasizing the purchase and reselling of alternative energy ([\*Globe and Mail\*](#)).
- The elimination of this program was recommended in the Institute's 2011 paper: [\*Zapped: The High Cost of Ontario's Renewable Electricity Subsidies\*](#)
- Other work in this area includes:
  - [\*Mergers by Choice, Not Edict: Reforming Ontario's Electricity Distribution Policy\*](#)
  - [\*Ontario's Green Energy "Fee": The Trouble with Taxation through Regulation\*](#)

## Quebec tabled Pooled Registered Pension Plan (PRPP) legislation that includes a Tax Free Savings Account (TFSA) component

- The Quebec government introduced Bill 39 (May 2013) instituting Voluntary Retirement Savings Plans ([\*National Assembly\*](#)).
- The degree to which many workers would benefit more from a tax-prepaid than a tax-deferred arrangement was highlighted in the Institute's paper: [\*Pooled Registered Pension Plans: Pension Savior – or a New Tax on the Poor?\*](#)
- Other work in this area includes [\*Saving Pooled Registered Pension Plans: It's Up To the Provinces\*](#)
- The Institute's [\*A New Option for Retirement Savings: Tax-Prepaid Savings Plans\*](#) (2001) is regarded by many to have helped pave the way for the creation of TFSAs

1. [\*\*A Reality Check for BC: The Impact of Behavioural Responses on the 2013 Budget's Proposed Income Tax Increases\*\*](#) – Alexandre Laurin
2. [\*\*Paying for Hospital Services: A Hard Look at the Options\*\*](#) – Jason Sutherland, R. Trafford Crump, Nadya Repin and Erik Hellsten
3. [\*\*Improving the Tax Treatment of Intellectual Property Income in Canada\*\*](#) – Nick Pantaleo, Finn Poschmann and Scott Wilkie
4. [\*\*Access Denied: The Effect of Apprenticeship Restrictions in Skilled Trades\*\*](#) – Robbie Brydon and Benjamin Dachis
5. [\*\*Coming in From the Cold: Improving Cartel Detection and Reporting\*\*](#) – C.D. Howe Institute Competition Policy Council
6. [\*\*The Dangers of an Extended Period of Low Interest Rates: Why the Bank of Canada Should Start Raising Them Now\*\*](#) – Paul R. Masson
7. [\*\*Beer, Butter, and Barristers: How Canadian Governments Put Cartels Before Consumers\*\*](#) – Robert Mysicka and Marty McKendry
8. [\*\*The New “Normal” for Interest Rates in Canada: The Implications of Long-Term Shifts in Global Saving and Investment\*\*](#) – Paul Beaudry and Philippe Bergevin
9. [\*\*From Curiosity to Wealth Creation: How University Research Can Boost Economic Growth\*\*](#) – Peter Howitt
10. [\*\*Rethinking Pharmacare in Canada\*\*](#) – Steven Morgan, Jamie Daw and Michael Law
11. [\*\*Improving Immigrant Selection: Further Changes Are Required Before Increasing Inflows\*\*](#) – Christopher Worswick
12. [\*\*The Seductive Myth of Canada's “Overvalued” Dollar\*\*](#) – Christopher Ragan



# The five most-visited publications on the Institute website in Q2



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1. [Ontario's Best Public Schools: 2009-2011](#) – David Johnson and Robbie Brydon
2. [The Dangers of an Extended Period of Low Interest Rates: Why the Bank of Canada Should Start Raising Them Now](#) – Paul R. Masson
3. [Rethinking Pharmacare in Canada](#) – Steven Morgan, Jamie Daw and Michael Law
4. [Access Denied: The Effect of Apprenticeship Restrictions in Skilled Trades](#) – Robbie Brydon and Benjamin Dachis
5. [Paying for Hospital Services: A Hard Look at the Options](#) – Jason Sutherland, R. Trafford Crump, Nadya Repin and Erik Hellsten

# Q2 op-eds and media columns



## April

- Les fonds de travailleurs sont peu efficaces pour financer l'innovation: [Les Affaires](#)
- Manufacturing 'clusters' policy unlikely to drive prosperity: [Globe and Mail](#)
- Hospital funding with few strings attached is now inexcusable: [Toronto Sun](#)
- Perverse power taxes: [Financial Post](#)
- Time to address global trade barriers together: [Embassy](#)
- Should Canada punish hospitals for poor care? Other countries do it: [Globe and Mail](#)
- Does debt slow a nation's growth? [Financial Post](#)

## May

- The new governor may be a surprise, but the bank's role is firm: [Globe and Mail](#)
- Stephen Poloz: A subtle shift in Bank of Canada policy? [Financial Post](#)
- Aboriginals and the census: Time for a closer look at definitions: [Globe and Mail](#)
- Ontario's hospitals: Pitfalls and opportunities for high-quality care: [Toronto Star](#)
- Your bitcoin primer: [Financial Post](#)
- Restrictive provincial ratios bog down access to apprenticeships: [Globe and Mail](#)
- Tax Avoision: [Financial Post](#)
- A HOT Idea: Converting carpool lanes to toll lanes will benefit Toronto drivers: [Toronto Star](#)
- Bank of Canada's growth view is clouded with hazy thinking: [Globe and Mail](#)
- Interest Rates: What Will the New Normal Look Like? [Financial Post](#)

## June

- Let curiosity drive commerce, not the reverse: [Globe & Mail](#)
- Taxpayer-lite housing finance change coming to Canada: [Financial Post](#)
- Carney's bold entrance, Poloz's measured exit: [Globe and Mail](#)
- B.C.'s Fair PharmaCare fares poorly compared with other system: [Vancouver Sun](#)
- Ontario hospitals: Time to move into the 21st century – [Globe and Mail](#), [Waterloo Record](#)
- Five ways to help Canada clinch global trade deals: [Globe and Mail](#)
- The seductive myth of Canada's overvalued dollar: [Globe and Mail](#)
- Why New Brunswick has to rethink pharmacare: [Telegraph Journal](#)

# Q2 member events & special meetings



INSTITUT C.D. HOWE INSTITUTE

1. [John Pecman, Interim Commissioner of Competition, Competition Bureau of Canada](#): April 5, 2013 – Toronto Roundtable Event – *The Interim Commissioner of Competition's Priorities in Applying Canadian Competition Law*
2. [Bob Paulson, Commissioner, Royal Canadian Mounted Police](#): April 10, 2013 – Calgary Roundtable Event – *Bill C-42, Enhancing the RCMP Accountability Act: Moving the RCMP into the Present and Positioning for the Future*
3. [David Moloney, Senior Advisor, Privy Council Office](#): April 15, 2013 – Toronto Roundtable Event – *The Shared Canada-US Vision: Regulatory Cooperation Council and Beyond the Border Action Plans*
4. [F. Edward \(Ted\) Price, Deputy Superintendent, OSFI](#): April 19, 2013 – Toronto Roundtable Event – *Corporate Governance and the International Financial Regulatory Agenda*
5. [Ian Shugart, Deputy Minister, Human Resources and Skills Development Canada](#): April 25, 2013 – Toronto Roundtable Event – *Canada's Labour Market: Skills to Support Jobs and Growth*
6. [Leo de Bever, CEO, Alberta Investment Management Corporation \(AIMCo\)](#): April 29, 2013 – Toronto Roundtable Event – *Imagining a Better Future: Why Forecasts of a Mediocre Future are Probably Wrong*. Sponsored by [RBC Capital Markets](#)
7. [Sudhir Vyas, Secretary \(West\), Ministry of External Affairs, Government of India](#): April 30, 2013 – Toronto Roundtable Event – *Canada-India Relations: The Untapped Potential*
8. [An Evening with Chief Risk Officers: Claude Accum, Rahim Hirji, Robert Pitfield, Surjit Rajpal, and Tom Woods](#): April 30, 2013 – Patrons' Circle Dinner – *Risky Business: How to Manage in an Uncertain Economy*. Sponsored by [Grant Thornton LLP](#).
9. [Michael Horgan, Deputy Minister, Finance Canada](#): May 1, 2013 – Toronto Roundtable Event – *Finance Canada's View of the 2013 Budget*. Sponsored by [First National Financial LP](#).

# Q2 member events & special meetings



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10. [Andrew Treusch, Commissioner of Revenue and CEO, Canada Revenue Agency](#): May 8, 2013 – Annual Mintz Economic Lecture – *CRA's Strategic Directions for Tackling Aggressive Tax Avoidance*. Sponsored by [OpenText Corporation](#).
11. [Janice Stein, Director, The Munk School of Global Affairs, University of Toronto](#): May 9, 2013 – Toronto Roundtable Event – *New Nuclear Powers? The Challenges of North Korea and Iran*
12. [Kerry Bowman, Bernard Dickens, The Hon. Sharon Carstairs](#): May 13, 2013 – Healthcare Policy Roundtable Series Feature Event – *Confronting End-of-Life Care: Patient Choices*. Sponsored by [Manulife Financial](#).
13. [John Helliwell, Senior Fellow at CIFAR and Professor Emeritus at UBC Vancouver School of Economics](#): May 15, 2013 – Inaugural Scholars' Dinner – *Building Better Lives: New Lessons from the Science of Happiness*. Supported by a grant from [Dr. Wendy Dobson](#), Professor at the Rotman School of Business and Co-Director of the Rotman Institute for International Business.
14. [Wayne Smith, Chief Statistician of Canada, Statistics Canada](#): May 16, 2013 – Toronto Roundtable Event – *The Collection of Official Statistics in a Modern Democracy*
15. [Craig Alexander, Senior Vice President & Chief Economist, TD Bank Group](#): May 21, 2013 – Toronto Roundtable Event – *The Rocky Road Ahead: Risk in European and American Markets and What It Means for Canadians*
16. [Lawson Hunter, Paul Boothe, Daniel Barclay, The Hon. Michael Wilson](#): May 27, 2013 – Toronto Roundtable Event – *The State of Play of the ICA: What We've Learned and Where We're Going with the Investment Canada Act*. Sponsored by the Ivey Business School's [Lawrence National Centre for Policy and Management](#) and by [Stikeman Elliott LLP](#).
17. [Richard Fisher, President and CEO, Federal Reserve Bank of Dallas](#): June 4, 2013 – Annual Directors' Dinner – *The Status of the U.S. Economy and a Perspective on 'The Modern Monetarism.'* Sponsored by [Bennett Jones LLP](#).



# Q2 member events & special meetings



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18. **Gordon J. Fyfe, President and CEO, Public Sector Pension Investment Board**: June 6, 2013 – Toronto Roundtable Event – *Lifting the Veil on PSP Investments: One of Canada’s Largest Yet Least-known Pension Investment Funds*
19. **Timothy Caulfield and Stephen Scherer**: June 10, 2013 – Healthcare Policy Roundtable Series Feature Event – *Genomics: The Evolving Science and Its Implications for Health Policy*. Sponsored by [Manulife Financial](#)
20. **Dan Kelly, President & CEO, Canadian Federation of Independent Business**: June 12, 2013 – Toronto Roundtable Event – *Are We Too Good for “Bad” Jobs? A Look at Small Business and the Temporary Foreign Worker Program*
21. **The Hon. Bob Rae, Liberal Member of Parliament, Toronto Centre**: June 14, 2013 – Toronto Roundtable Event – *Political Leadership: Lessons Learned in the Hot Seat*
22. **Stephen Orsini, Deputy Minister, Ontario Ministry of Finance**: June 17, 2013 – Toronto Roundtable Event – *The Ontario 2013 Budget*
23. **The Hon. Tim Hudak, Ontario PC Leader and Leader of the Official Opposition**: June 18, 2013 – Toronto Roundtable Event – *Choosing a Better Ontario*

# Q2 selected media coverage



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## **National/International**

BBC – Good Morning  
Scotland  
BBC – Canada Report  
Benefits Canada  
Bloomberg  
Buffalo Online  
Business News Network –  
The Close  
Business News Network –  
Market Sense  
Canada Stockwatch  
Canadian Business  
CBC News Now – The  
Lang & O’Leary  
Exchange  
CBC News Now – Power  
and Politics  
Daily Commercial News  
Dallasnews.com  
Dow Jones  
Embassy  
eSource Canada Business  
News Network  
Financial Market  
Regulatory Wire  
Financial Times  
GlobalData

HedgeWorld News  
India Banking News  
Inside U.S. Trade  
IRBIS: Kazakhstan  
Financial Market News  
Maclean’s  
Market News International  
MarketWire - All sources  
Mondaq Business Briefing  
National Post  
NoticiasFinancieras  
Postmedia Breaking News  
Radio Canada (national)  
Reddit  
Reuters  
Saskatoon Star Phoenix  
SEC Wire  
Shenzhen Daily  
Sun News Network  
The Bond Buyer  
The Canadian Press  
The Globe and Mail  
The Wall Street Journal

## **Atlantic**

News 91.9 Moncton  
News 95.7 Halifax  
News 889 Saint John

Telegraph Journal  
The Chronicle Herald

## **Quebec**

CJAD 800  
La Presse  
Le Devoir  
Les Affaires  
Montreal Gazette

## **Ontario**

570 News (Kitchener  
Waterloo)  
Brantford Expositor  
CHCH News  
Guelph Mercury  
Ottawa Citizen  
Radio Canada (Ontario)  
St. Thomas Times-Journal  
The Hamilton Spectator  
The London Free Press  
The Ottawa Sun  
The Toronto Sun  
Toronto Star  
TVO  
Waterloo Region Record  
Windsor Star

## **Western Canada**

660NEWS Calgary  
CBC Radio Calgary  
CBC Radio Vancouver  
CBC Radio Victoria  
CKNW AM980 Vancouver  
Calgary Herald  
Edmonton Journal  
Fort McMurray Today  
Regina Leader Post  
Vancouver Province  
Vancouver Sun  
Victoria Times Colonist  
Winnipeg Free Press

1. *Bill Robson* presented to the **Ontario Teachers Federation Pension Forum** on “*Pension Tension*”, Toronto, April 11, 2013
2. *Colin Busby* presented at the **2nd Annual Evidence-Based Market Access Strategies for Medical Devices in Canada Conference** on “*The Emergence of Activity Based Funding Reforms in Canadian Hospitals: How Might They Respond?*” Toronto, April 12, 2013
3. *Finn Poschmann* presented by invitation to the **House of Commons Standing Committee on Finance** on income inequality, Ottawa (by videoconference), April 16, 2013
4. *Bill Robson* presented to the **Granite Club** on “*No Taxation without Representation! The Need for Better Fiscal Accountability in Canada*,” Toronto, April 17, 2013
5. *Bill Robson* presented at the **BC Public Sector Pension Conference** on “*Discount Rates versus Saving Rates: What the Valuation Debate is Really About*,” Victoria, April 25, 2013
6. *Colin Busby* presented to the **BC Care Providers Association 36th Annual Conference** on “*Managing the Cost of Healthcare for an Aging Population: How do Provinces Compare?*” Whistler, May 7, 2013
7. *Bill Robson* presented to the **Canadian Branch of the International Fiscal Association** on “*Economic Growth, Investment Returns, and Fiscal Sustainability*,” Montreal, May 23, 2013
8. *Bill Robson* presented to **Chartered Professional Accountants of Canada “Future of Assurance” Conference** on “*Strengthening Public Trust in Information and Institutions*,” Toronto, May 27, 2013
9. *Ben Dachis* presented to the **Canadian Home Builders’ Association** on apprenticeships policy, Ottawa, May 30, 2013
10. *Philippe Bergevin* and *Alexandre Laurin* chaired a session at the **47th Annual Conference of the Canadian Economics Association** on “*Long-Term Investment Returns: Expectations and Policy Implications*,” Montreal, June 1, 2013

11. *Daniel Schwanen* was a panelist at the **Carleton University/University of Ottawa School of Public Policy/Centre for Trade Policy and Law** conference “Making Sense of Canada’s Trade Policy Agenda,” speaking on “*Canada’s Global Commerce Strategy 2.0: Making it Relevant to Canada’s Trade Policy Options*,” Ottawa, June 3, 2013
12. *Finn Poschmann* presented to the **Financial Management Institute of Canada’s Public Sector Management Workshop** on “*New Frontiers in Public Sector Management*,” Toronto, June 4, 2013
13. *Daniel Schwanen* presented to **The Public Policy Forum/Internal Trade Secretariat Symposium on the Agreement on Internal Trade** on “*Extra-Provincial Corporate Registration and Reporting*,” Ottawa, June 13, 2013
14. *Finn Poschmann* presented to the **Canadian Association of Accredited Mortgage Professionals** on “*Credit Market Policy Actions in Canada and the US, and the Outlook for Changes to the Housing Finance Policy Framework*,” Toronto, June 13, 2013
15. *Daniel Schwanen* presented to **Department of Foreign Affairs and International Trade** officers on “*The Importance of Trade in Services*,” Ottawa, June 14, 2013
16. *Bill Robson* presented at the **National Economic Research Organisations / Organisation for Economic Cooperation and Development Conference** on “*Canada in a ‘Low for Long’ Environment*,” Paris, June 21, 2013



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# The C.D. Howe Institute's Mission



INSTITUT C.D. HOWE INSTITUTE

- The C.D. Howe Institute is a national, nonpartisan, nonprofit organization that aims to improve Canadians' standard of living by fostering sound economic and social policy.
- It is Canada's most trusted source of essential policy intelligence: its rigorously refereed work is evidence-based, timely, constructive, and authoritative.
- It has an established public policy track record: its work helped lay the foundation for such key initiatives as continental free trade, inflation control, balanced budgets, more sustainable pensions, lower marginal effective tax rates, and immigration reform.
- The Institute's nationwide activities include regular policy roundtables and presentations by policy staff in major centres, as well as before parliamentary committees.
- The Institute's individual and corporate supporters are drawn from business, universities, the public service and the professions across Canada.
- The C.D. Howe Institute celebrated its 50th Anniversary in 2008. The Chairman of the Institute is William Morneau, Executive Chairman of Morneau Shepell; William B.P. Robson is President & CEO.
- For more information about the Institute, please visit its website: [www.cdhowe.org](http://www.cdhowe.org)