

Quarterly Report to Members, Subscribers and Friends

Third Quarter, 2017



INSTITUT C.D. HOWE INSTITUTE

Essential Policy Intelligence | Conseils indispensables sur les politiques

Q3 Highlights: Impactful Policy Research & Outreach

Q3 Research

- ❖ **14** research papers
- ❖ **2** Monetary Policy Council releases

Q3 Policy Events

- ❖ **6** policy events and special meetings, including
 - ❖ Toronto Roundtable – Catherine Mann, Organization for Economic Co-operation and Growth
 - ❖ Ottawa Roundtable – Dan Ciuriak, Ciuriak Consulting; Brian Kingston, Business Council of Canada; and David Usher, Global Affairs Canada
 - ❖ Montreal Roundtable – René Beaudry, Normandin Beaudry; Serge Charbonneau, Morneau Shepell; Bernard Morency, Caisse de dépôt et placement du Québec; and Michel St-Germain, Mercer
 - ❖ Inside Access conference calls featuring the authors of Institute research summarizing their work
- ❖ **13** Inside Access conference calls featuring the authors of Institute research summarizing their work

Policy Outreach in Q3

- ❖ **148,274** website page views
- ❖ **6** policy outreach presentations
- ❖ **23** *National Post* and *The Globe and Mail* citations
- ❖ citations in more than **300** media outlets
- ❖ **29** media interviews
- ❖ **10** opinion and editorial pieces
- ❖ **63** Intelligence Memos

Report: “[The Valuation of Public Projects: Risks, Cost of Financing and Cost of Capital](#)” by Marcel Boyer, Éric Gravel, and Sandy Mokbel

- ❖ In its [final report](#) to the Government of British Columbia on the Site C Inquiry, the B.C. Utilities Commission recommends to establish a discount rate for value calculations that is based on analysis of a project’s risks, quoting the C.D. Howe Institute’s research.

Report: “[What to Do about Canada’s Declining Math Scores](#)” by Anna Stokke

- ❖ In September 2017, Ontario Premier Kathleen Wynne and Minister of Education Mitzie Hunter announced a [multi-year initiative to modernize school curriculums](#) in the province, with an emphasis on improving student achievement in math. The Institute’s commentary highlighted the need to rewrite the provincial math curricula by removing ineffective pedagogical methods, such as discovery-based instruction.

Intelligence Memo: “[Don't \(Over\) Tax that Joint, My Friend](#)” by Anindya Sen and Rosalie Wyonch

- ❖ The tax rate and revenue sharing proposals in the [Proposed Excise Duty Framework for Cannabis Products](#) are in line with the views of the Institute’s researchers. Similarly, during the consideration of the Bill C-45 (The Cannabis Act) by the Standing Committee on Health, Don Davies, the Vice-Chair of the committee, [cited](#) the Institute’s work on competition between the licit and illicit market and its implications for policy.

Report: “[Mortgage Insurance Deductibles: An Idea Whose Time Hasn’t Come](#)” by Thorsten V. Koepl and James C. MacGee

- ❖ Ottawa has not followed through on its October 2016 proposal for deductibles on mortgage insurance; the C.D. Howe Institute paper argued that deductibles are the wrong tool for mitigating moral hazard in this area.

Q3 Publications

1. [All's Well that Ends Well: Addressing End-of-Life Liabilities for Oil and Gas Wells](#) – September 28, 2017 - [Benjamin Dachis](#), [Blake Shaffer](#) and Vincent Thivierge
2. [Thinking about Minimum Wage Increases in Alberta: Theoretically, Empirically, and Regionally](#) – September 26, 2017 – Joseph Marchand
3. [Opportunities for Better Systemic Risk Management in Canada](#) – September 21, 2017 – [Nicholas Le Pan](#)
4. [Not Ready for Prime Time: Canada's Proposed New Securities Regulator](#) – September 19, 2017 – Harvey Naglie
5. [Ottawa Should Seize Opportunity to Reform Tax Rules for Charitable Donations](#) – September 12, 2017 – Adam Aptowitzer
6. [Closing the Divide: Progress and Challenges in Adult Skills Development among Indigenous Peoples](#) – September 6, 2017 – [Parisa Mahboubi](#) and [Colin Busby](#)
7. [Red Flags for Educators: Lessons for Canada in the PISA Results](#) – August 29, 2017 – [John Richards](#)
8. [Bits, Bytes, and Taxes: VAT and the Digital Economy in Canada](#) – August 23, 2017 – [Rosalie Wyonch](#)

Q3 Publications, Cont.

9. [Ontario's Green Energy Experience: Sobering Lessons for Sustainable Climate Change Policies](#) – August 15, 2017 – [Michael J. Trebilcock](#)
10. [The Power of Words: Improving Immigrants' Literacy Skills](#) – August 1, 2017 – [Parisa Mahboubi](#)
11. [Education Quality and Immigrants' Success in the Canadian Labour Market](#) – July 20, 2017 – [Qing \(Felix\) Li](#)
12. [Mortgage Insurance Deductibles: An Idea Whose Time Hasn't Come](#) – July 19, 2017 – [Thorsten V. Koepl](#) and [James MacGee](#)
13. [Table Stakes: Congress Will Be Sitting across from Canada at the NAFTA 2.0 Negotiations](#) – July 13, 2017
Christopher Sands
14. [The Knowledge Deficit about Taxes: Who It Affects and What to Do About It](#) – July 5, 2017 – Antoine Genest-Grégoire, Luc Godbout and Jean-Herman Guay

Our Website's Five Most-Visited Publications in Q3

1. [Thinking about Minimum Wage Increases in Alberta: Theoretically, Empirically, and Regionally](#) - September 26, 2017 - Joseph Marchand
2. [Ontario's Green Energy Experience: Sobering Lessons for Sustainable Climate Change Policies](#) - August 15, 2017 - [Michael Trebilcock](#)
3. [The Knowledge Deficit about Taxes: Who It Affects and What to Do About It](#) - July 5, 2017 - Antoine Genest-Grégoire, Luc Godbout, Jean-Herman Guay
4. [Table Stakes: Congress Will Be Sitting across from Canada at the NAFTA 2.0 Negotiations](#) - July 13, 2017 - Christopher Sands
5. [Bits, Bytes, and Taxes: VAT and the Digital Economy in Canada](#) - August 23, 2017 - [Rosalie Wyonch](#)

Q3 Opinion Pieces

July Op-Eds

- ❖ Bank of Canada bets on growth with interest rate hike: [Globe and Mail Op-Ed](#), July 12
- ❖ Covering drugs for young people isn't the best way to fill gaps in health care: [Toronto Star Op-Ed](#), July 17
- ❖ Canada will have to play hardball at NAFTA talks: [Globe and Mail Op-Ed](#), July 18
- ❖ Mortgage insurance deductibles: an idea whose time hasn't come: [Globe and Mail Op-Ed](#), July 28

August Op-Eds

- ❖ Canada should prepare for life without NAFTA: [Globe and Mail Op-Ed](#), August 22
- ❖ Canada must stop giving foreign companies a digital advantage: [Globe and Mail Op-Ed](#), August 24

September Op-Eds

- ❖ When will Ontario break the cycle that is failing its math students?: [Globe and Mail Op-Ed](#), September 2
- ❖ Bank of Canada fuelling uncertainty with poor messaging on rates: [Globe and Mail Op-Ed](#), September 6
- ❖ Ontario makes a hash of marijuana retail distribution: [Globe and Mail Op-Ed](#), September 8
- ❖ Ottawa's tax moves reveal sad state of doctor compensation: [Globe and Mail Op-Ed](#), September 21

July Intelligence Memos

- ❖ James Coleman - [Be Careful What You Wish For: Energy Transport Investors Need Certainty to Build the New Energy Economy](#), July 7
- ❖ Wyonch and Busby - [The Great Minimum Wage Debate: How to Balance Good Intentions and Evidence](#), July 11
- ❖ Ben Dachis - [How to Kickstart the Infrastructure Spending Boom](#), July 12
- ❖ Sands and MacKenzie - [New Rules for NAFTA](#), July 13
- ❖ Blomqvist and Busby - [It's Time for Healthcare to Join the Productivity Parade](#), July 14
- ❖ Daniel Schwanen - [A Big Day for NAFTA](#), July 17
- ❖ Christopher Sands - [The US NAFTA Agenda](#), July 18
- ❖ Sen and Wyonch - [Don't \(Over\) Tax that Joint, My Friend](#), July 19
- ❖ Ben Dachis - [Airport Overhaul Ready for Takeoff](#), July 21
- ❖ Finnie, Mueller, and Sweetman - [Education is Key to Immigrant Integration in Canada](#), July 24
- ❖ Omran, Robson, and Busby - [It's Midsummer: Where are the Public Accounts?](#), July 25
- ❖ Pierre L. Siklos - [For Central Banks, it's a Question of Credibility](#), July 27
- ❖ Pierre L. Siklos - [Should We Revisit Monetary Policy to Consider a Financial Stability Link?](#), July 28

August Intelligence Memos

- ❖ Konrad von Finckenstein - [How we can save NAFTA's Chapter 19](#), August 1
- ❖ Pierre L. Siklos - [Pull Back the Curtain, Let Us See How Monetary Policy is Formed](#), August 2
- ❖ Parisa Mahboubi - [Let's Toughen Literacy Standards to Boost Immigrant Success](#), August 3
- ❖ Busby and Blomqvist - [Here's a better plan for OHIP+](#), August 4
- ❖ Schwanen and Jacobs - [No Reason to Fear the Intellectual Property Bogeyman](#), August 9
- ❖ Jon Johnson - [NAFTA Chapter 19 Reality Check](#), August 10
- ❖ Daniel Schwanen - [A Positive NAFTA Start, But Canada Can't Cower on Agriculture](#), August 14

Q3 Intelligence Memos, Cont.

August Intelligence Memos, Cont.

- ❖ Dionisio Pérez Jácome - [The Mexican agenda for the modernization of the NAFTA](#), August 17
- ❖ Jon Johnson - [Critical Choice Looming in Softwood Lumber](#), August 18
- ❖ Michael Trebilcock - [Ontario's self-defeating green energy program](#), August 19
- ❖ Dachis and Schwanen - [Seize the Day and Free the CRTC from Cancon Regulation](#), August 22
- ❖ Rosalie Wyonch - [Let's Focus on the Supply for Getting High](#), August 24
- ❖ Finnie, Mueller, and Sweetman - [The Cultural Determinants of Access to Higher Education](#), August 25
- ❖ Rosalie Wyonch - [It's Time for the Taxman to Join the Digital Age](#), August 28
- ❖ Busby and Mahboubi - [Challenges for International Students in Canadian Immigration System](#), August 29
- ❖ Christopher Sands - [NAFTApocalypse Now?](#), August 30
- ❖ John Richards - [A Back to School Wake-up Call](#), August 31

September Intelligence Memos

- ❖ Kronick and Wyonch - [Don't Strangle the Marijuana Business in the Stock Market](#), September 1
- ❖ Ben Dachis - [Hurricane Harvey Shows the Risk of Having Few Pipelines](#), September 5
- ❖ Jon Johnson - [Another Fly in the NAFTA Ointment](#), September 6
- ❖ Robson and Laurin - [Investment Risks in an Expanded CPP](#), September 7
- ❖ Blake Shaffer - [An Ontario surprise: a good idea about electricity pricing](#), September 8
- ❖ J. Rhys Kesselman - [Broader Policies Needed To Restore Housing Affordability](#), September 11
- ❖ Rosalie Wyonch - [Let's Untangle Work Integrated Learning](#), September 12
- ❖ Jon Johnson - [Investor State Dispute Settlement Dies if US Withdraws from NAFTA](#), September 13
- ❖ Catherine L. Mann - [Four Challenges of Inclusive Growth From the OECD's Chief Economist](#), September 14
- ❖ Andy Charles - [Housing Prices in the GTA and Mortgage Lending](#), September 15

September Intelligence Memos, Cont.

- ❖ Kronick and Muthukumaran - [Look Ma, We've Brought Back the Diffusion Index](#), September 18
- ❖ John Palmer - [Bread and Circuses Revisited. The Reality of Taxpayer Support for Arenas](#), September 19
- ❖ Harvey Naglie - [The New Capital Markets Securities Regulator Is Not Investor Friendly](#), September 20
- ❖ Nicholas Le Pan - [Getting Canada Ready for Its Systemic Risk Audit](#), September 21
- ❖ Peter Tertzakian - [Oil Under the NAFTA Microscope](#), September 22
- ❖ Adam Aptowitzer - [Charitable Donations of Private Shares and Real Estate: Let's Not Overthink This](#), September 25
- ❖ Busby and Mahboubi - [Let's Close the Skills Gaps between Indigenous People and Non-Indigenous Canadians](#), September 26
- ❖ Sharon Mascher - [Defining a Threshold for a Credible Federal Impact Assessment Process](#), September 27
- ❖ Dachis, Blake, and Thivierge - [Alberta's Orphan Well Challenge](#), September 28
- ❖ Jon Johnson - [Access to Mexico Auto Market – NAFTA Best Trade Deal Ever](#), September 29

Q3 Member Events & Special Meetings

1. [Dr. Catherine Mann, Chief Economist, Organization for Economic Co-operation and Development \(OECD\):](#) Toronto Roundtable Luncheon, August 30, 2017
2. [The Global Financial Crisis: Did the Authorities Fail Again?:](#) David Laidler Lecture with Timothy Congdon and Charles Goodhart, September 11, 2017
3. [Hybrid Advice and the Future of Investing:](#) Toronto Roundtable Luncheon with Michael Katchen and Kendra Thompson, September 19, 2017
4. [Progressive Trade in the Age of President Trump Progressive Trade in the Age of President Trump:](#) Ottawa Roundtable Luncheon with Dan Ciuriak, Brian Kingston and David Usher, September 21, 2017
5. [RPC/RRQ bonifié : Quelle est la suite?/Enhanced C/QPP: what's next?:](#) Montreal Dîner-conférence/Roundtable Luncheon - René Beaudry, Serge Charbonneau, Bernard Morency et/and Michel St-Germain, September 26, 2017
6. [All's Well that Ends Well: Addressing Orphan Wells:](#) Calgary Roundtable Luncheon with Brad Herald, Stacey Schorr and Blake Shaffer, September 28, 2017

Q3 Selected Media Coverage

National & International

24News.ca
Benefits and Pensions Monitor
Benefits Canada
Bloomberg
Business News Network
Canada.com
CanadianBusiness.com
Canadian Press
CBC – The Current
CBC News – The Exchange
CTV News
Financial Post
Globe and Mail
Global News
The Economist
Huffington Post Canada
iPolitics
La Presse Canadienne
Maclean's
Money
National Newswatch
National Post

Ontario

Global News
Hamilton Spectator
Hill Times
London Free Press
Ottawa Citizen
Ottawa Star
Ottawa Sun
The Sudbury Star
Toronto Star
Toronto Sun
Waterloo Region Record
Windsor Star

Atlantic

Chronicle Herald
CTV Atlantic News
Telegram

Quebec

CTV Montreal News
Les Affaires
Le Devoir
Le Journal de Montréal
Le Journal de Québec

La Presse
Le Huffington Post
Montreal Gazette
Radio Canada
QMI

Western

Calgary Herald
Calgary Sun
CBC Manitoba
CBC News British Columbia
CTV Winnipeg
Global BC
Edmonton Examiner
Edmonton Journal
Edmonton Sun
Province
Regina Leader Post
Star Phoenix
Times Colonist
Vancouver Sun
Winnipeg Free Press
Winnipeg Metro
Winnipeg Sun



Q3 Policy Outreach by Institute Staff

1. *Ben Dachis* participated in a roundtable discussion on Ontario government's long-term infrastructure plan, titled "**Stakeholder Roundtable: Financing Infrastructure**" at the Ontario Investment & Trade Centre – July 18, Toronto
2. *Daniel Schwanen* served as a panelist at the Atlantic Council conference on "**A Future Without NAFTA**" – July 27, Mexico City
3. *Rosalie Wyonch* presented on the labour market impacts of automation during the '**Lunch and Learn**' series at the Ontario Ministry of Transportation – July 27, Toronto
4. *Bill Robson* attended a Bank of Canada workshop, "**Monetary Policy Framework Issues: Toward the 2021 Inflation-Target Renewal**" – September 14, Ottawa
5. *Rosalie Wyonch* presented her research "**Bits Bytes and Taxes: VAT and the Digital Economy in Canada**" at the Canadian Law and Economics Association annual conference – September 16, Toronto
6. *Jeremy Kronick* participated in the **Canada 150 Economist Breakfast & Panel Discussion** co-hosted by the Risk Management Association and EY – September 20, Toronto
7. *Bill Robson* served as a keynote speaker at the **2017-18 Kickoff Event** by Toronto Association for Business and Economics at the National Club – September 21, Toronto
8. *Alexandre Laurin* presented at the Canadian Tax Foundation's conference entitled "Tax Planning Using Private Corporations" – September 25, Ottawa

Academics Using the Institute's Research in Their Courses

1. *John Richards*, Professor, School of Public Policy, **Simon Fraser University**
2. *Carolyn Tuohy*, Professor Emeritus, School of Public Policy & Governance, **University of Toronto**
3. *Ian Irvine*, Professor, Economics, **Concordia University**
4. *Paul Jenkins*, Senior Distinguished Fellow, Faculty of Public Affairs, **Carleton University**
5. *Jonathan Rhys Kesselman*, Professor, School of Public Policy, **Simon Fraser University**
6. *Kevin Milligan*, Professor, Vancouver School of Economics, **University of British Columbia**
7. *Ugurhan Berkok*, Adjunct Assistant Professor, Department of Economics, **Wilfrid Laurier University**
8. *Pierre Siklos*, Professor, Department of Economics, **Wilfrid Laurier University**
9. *Zachary Spicer*, Assistant Professor, **Brock University**
10. *William Watson*, Professor, Department of Economics, **McGill University**
11. *Jim Davies*, Professor, Department of Economics, **Western University**
12. *Patrick Fafard*, Associate Professor, Faculty of Social Sciences, **University of Ottawa**

Institute Staff Teaching Positions

1. *Bill Robson* teaches public finance at the **School of Public Policy and Governance, University of Toronto**

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- 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 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 Chairman of the Institute is [Hugh MacKinnon](#), Chairman & CEO of Bennett Jones; [William B.P. Robson](#) is President & CEO.
- For more information about the Institute, please visit its website: www.cdhowe.org