

# Quarterly Report to Members, Subscribers and Friends

*Fourth Quarter, 2018*



INSTITUT C.D. HOWE INSTITUTE

*Essential Policy Intelligence | Conseils indispensables sur les politiques*

## *Q4 Highlights: Impactful Policy Research & Outreach*

### ***Q4 Research***

- ❖ **9** research papers
- ❖ **2** books
- ❖ **2** Monetary Policy Council releases

### ***Q4 Policy Events***

- ❖ **18** policy events and special meetings, including:
  - ❖ Toronto Roundtable – Bob Hamilton, Commissioner, Canada Revenue Agency
  - ❖ Montreal Dinner – Alain Dupont, Michel Dumoulin and Sylvain Durocher
  - ❖ Calgary Roundtable – Mary Ballantyne, Jeff Boyd, and Trevor Tombe
- ❖ **5** *Inside Access* conference calls featuring the authors of Institute research summarizing their work

### ***Policy Outreach in Q4***

- ❖ **234,667** website page views
- ❖ **9** policy outreach presentations
- ❖ **56** *National Post* and *The Globe and Mail* citations
- ❖ Citations in more than **800** media outlets
- ❖ **33** media interviews
- ❖ **5** opinion and editorial pieces
- ❖ **56** Intelligence Memos

### **Commentary “[Unhappy Returns: A Preliminary Estimate of Taxpayers Responsiveness to the 2016 Top Tax Rate Hike](#)” by Alexandre Laurin**

- ❖ Cited by Chartered Professional Accountants of Canada in their report Canada's Tax System: What's so Wrong and Why it Matters.

### **Commentary “[Hidden Beneficial Ownership and Control: Canada as a Pawn in the Global Game of Money Laundering](#)” by Denis Meunier**

- ❖ Senator Tkachuk references paper on Hidden Beneficial Ownership at Senate Finance Committee and referred to it as a "source of credible information“.

### **Op-Ed: “[High minimum wages have minimum benefit: Globe and Mail Op-Ed](#)” by Parisa Mahboubi**

- ❖ The new Ontario government decided to halt planned minimum wage hike from January 1<sup>st</sup>.

### **Report: “[Tooling Up: Canada Needs More Robust Capital Investment](#)” by William B.P. Robson, Jeremy Kronick and Jacob Kim**

- ❖ Fiscal update introduced immediate expensing for machinery and equipment.

### **Intelligence Memo: “[Pantaleo, Laurin - US Tax Reform Requires Immediate Action](#)” by Nick Pantaleo and Alex Laurin**

- ❖ Fiscal Update introduced Accelerated Investment Incentive that will effectively suspend the half-year rule. Eliminating the half-year rule that would enable businesses to claim in the first year the maximum depreciation deduction otherwise available, as opposed to only one-half.

**Report: “Retiring Employees, Unretired Debt: The Surprising Hidden Cost of Federal Employee Pensions” by William B.P. Robson and Alex Laurin**

- ❖ Ottawa's financial results for the 2017/18 fiscal year reflected a more realistic measurement of the government's unfunded pension liability.

**Report: “The Rocky Road to Canada-wide Carbon Pricing?” by Tracy Snoddon**

- ❖ The federal government opted to return majority of carbon backstop revenues to households.

**Report: “High Standards: A Blueprint for the Marijuana Market in Canada” by Anindya Sen and Benjamin Dachis**

- ❖ The Federal government will table a bill next year creating a new amnesty process for Canadians convicted of possession of under 30 grams of cannabis.

## Q4 Publications

1. [Wild Numbers: Getting Better Fiscal Accountability in Canada's Municipalities](#), December 13, 2018 – William B.P. Robson, Farah Omran
2. [Business Tax Burdens in Canada's Major Cities: The 2018 Report Card](#), December 11, 2018 – Adam Found, Peter Tomlinson
3. [Navigating Turbulence: Canadian Monetary Policy Since 2004](#), December 4, 2018 - Steve Ambler, Jeremy Kronick
4. [Pursuing Reconciliation: The Case for an Off-Reserve Urban Agenda](#), November 27, 2018 – John Richards
5. [Tales from the Crypt - How to Regulate Initial Coin Offerings](#), November 21, 2018 – Jeremy Kronick
6. [Show Us the Numbers: Grading the Financial Reports of Canada's Municipalities](#), November 13, 2018 – William B.P. Robson, Farah Omran
7. [Assessing Active Labour-Market Programs: How Effective is Ontario Works?](#) October 31, 2018 – Jason Adams, Ken Chow, David Rosé
8. [A Roadmap to Municipal Reform: Improving Life in Canadian Cities](#), October 17, 2018 – Benjamin Dachis

## *Q4 Publications*

9. [The Rocky Road to Canada-wide Carbon Pricing](#), October 17, 2018 – Tracy Snoddon
10. [Cannabis Countdown: Estimating the Size of Illegal Markets and Lost Tax Revenue Post-Legalization](#), October 11, 2018 – Anindya Sen, Rosalie Wyonch
11. [Piling On – How Provincial Taxation of Insurance Premiums Costs Consumers](#), October 2, 2018 – Alex Laurin, Farah Omran

## *Our Website's Five Most-Visited Publications in Q4*

1. [Tooling Up: Canada Needs More Robust Capital Investment](#), September 13, 2018 - William B.P. Robson, Jeremy Kronick and Jacob Kim
2. [Cannabis Countdown: Estimating the Size of Illegal Markets and Lost Tax Revenue Post-Legalization](#), October 11, 2018 – Anindya Sen, Rosalie Wyonch
3. [Assessing Active Labour-Market Programs: How Effective is Ontario Works?](#) October 31, 2018 – Jason Adams, Ken Chow, David Rosé
4. [The Rocky Road to Canada-wide Carbon Pricing](#), October 17, 2018 – Tracy Snoddon
5. [Show Us the Numbers: Grading the Financial Reports of Canada's Municipalities](#), November 13, 2018 – William B.P. Robson, Farah Omran

### *October Op-Eds*

- ❖ [Without easy retail access to cannabis, the black market will thrive](#) - Globe and Mail Op-Ed, October 16

### *November Op-Eds*

- ❖ [Canada still has more work to do to restore tax competitiveness](#) - Globe and Mail Op-Ed, November 22

### *December Op-Eds*

- ❖ [Initial coin offerings could provide badly needed funding for Canadian startups](#) – Globe and Mail Op-Ed, December 12
- ❖ [Ottawa must prioritize the well-being of off-reserve First Nations citizens](#) – Globe and Mail Op-Ed, December 13
- ❖ [The Bank of Canada needn't overhaul its 2% inflation target. It's a proven success](#) - Financial Post Op-Ed, December 18



### October Intelligence Memos

1. [Kronick, Robson - The High Bar to Replace the Bank of Canada's 2-percent target](#), October 1, 2018
2. [Rosalie Wyonch - Regulation of Edible and Concentrated Marijuana Products](#), October 2, 2018
3. [Daniel Schwanen - New trade agreement with the United States and Mexico](#), October 3, 2018
4. [Laurin, Omran - Insurance Premium Taxation is Archaic and Counterproductive](#), October 4, 2018
5. [Mahboubi, Sullivan - The Brain Drain Continues; Let's Stop It](#), October 5, 2018
6. [Lawrence Herman - The US-Mexico-Canada Trade Deal – Assessing the China Controversy](#), October 9, 2018
7. [Andrew Roman - The Trans Mountain Appeal: delay is denial](#), October 10, 2018
8. [William B.P. Robson - Pensions of Federal Employees are Way Underfunded – Including Yours](#), October 11, 2018
9. [Grant Sprague - With no change in the decision-making process, how will Bill C-69 result in change?](#), October 12, 2018
10. [Sen, Wyonch - Missing Out on Marijuana Taxes](#), October 16, 2018
11. [Grant Bishop - Federal carbon-pricing backstop is new constitutional territory](#), October 17, 2018
12. [Found, Tomlinson - Tax Barriers to Investment – Large Canadian Cities Edge Out US Competitors](#), October 18, 2018
13. [Tracy Snoddon - How Should Ottawa Distribute its Carbon Pricing Revenues?](#) October 19, 2018
14. [Bill Robson - Ottawa Comes Part-Way Clean on its Pensions](#), October 19, 2018
15. [Mahboubi, Schwanen - Translating population growth into the labour force](#), October 22, 2018
16. [Debra Steger - Reform of the World Trade Organization](#), October 23, 2018
17. [Jon Johnson - Clarity still needed on USMCA auto rules of origin](#), October 24, 2018
18. [Farah Omran - What the Carbon Backstop Means for Households](#), October 25, 2018
19. [Ambler, Kronick - How Fast Should the Bank Tighten?](#) October 26, 2018

## *Q4 Intelligence Memos, Cont.*

### *October Intelligence Memos, Cont.*

20. [Daniel Schwanen - Canadian interest and possibilities in avoiding a “hard Brexit” \(Part One\)](#), October 30, 2018
21. [Daniel Schwanen - Canadian interest and possibilities in avoiding a “hard Brexit” \(Part Two\)](#), October 31, 2018

### *November Intelligence Memos*

1. [Anna Stokke - What to Do about Canada’s Declining Math Scores](#), November 1, 2018
2. [Andrew Dusevic - How the New Impact Assessment Act Could Block Canada's Nuclear Progress](#), November 2, 2018
3. [William B.P. Robson - Stimulus is Over – Now Your Spending is Crowding Everyone Else Out](#), November 5, 2018
4. [Grant Bishop - Foreign Investment Would Benefit from the End of Net Benefit](#), November 6, 2018
5. [David Rosé - Skills Training Versus Job Placement: It’s Complicated](#), November 7, 2018
6. [Parisa Mahboubi - How to speed labour market integration of immigrants and refugees](#), November 8, 2018
7. [Christopher Sands - How U.S. Midterm Results Will Affect Congressional Approval of the USMCA](#), November 9, 2018
8. [Grant Bishop - Should Calgary go for Olympic gold?](#) November 9, 2018
9. [Don Drummond - Making Good on the Promise to Support Indigenous Languages](#), November 12, 2018
10. [Kronick, Hui - The Path to Open Banking in Canada](#), November 13, 2018
11. [Anita Anand - The Supreme Court Opens Door to a New Model of Securities Regulation](#), November 13, 2018

### *November Intelligence Memos, Cont.*

12. [Joe Oliver - The Regent Debate: Is Canada Facing an Existential Crisis in Competitiveness?](#) November 19, 2018
13. [Jonathan Fried - Anchoring Sustainable Growth in Disruptive Times](#), November 15, 2018
14. [Parisa Mahboubi - The benefits of encouraging greater labour force participation of older workers](#), November 16, 2018
15. [Kevin Milligan - It's Time for a Tax Reform Two-Step](#), November 19, 2018
16. [Jeremy M. Kronick - Improving the Financial Services Sector](#), November 20, 2018
17. [Omran, Bishop - Ottawa must clear the air on details of its carbon pricing backstop](#), November 21, 2018
18. [William B.P. Robson - That Rainy Day You Should Be Saving For? It's Getting Closer](#), November 22, 2018
19. [Brad Duguid – The Regent Debate: Is Canada Facing an Existential Crisis in Competitiveness?](#) November 23, 2018
20. [Irvine, Wyonch - Pricing Cannabis on the Street](#), November 27, 2018
21. [Robson, Omran - Grading the Financial Reports of Canada's Municipalities](#), November 28, 2018
22. [Alexandre Laurin - Retirement policy planning for Budget 2019](#), November 29, 2018
23. [Grant Bishop - Alberta faces tough choices on discounted oil prices: could auctioning pipeline capacity be an option?](#), November 30, 2018

### *December Intelligence Memos*

1. [Alexandre Laurin - Let's Revisit that Tax Hike](#), December 3, 2018
2. [Robson, Omran - Fiscal Transparency: How the Federal Government Can Get an A+](#), December 4, 2018
3. [Janet Ecker - The Regent Debate: Is Canada Facing an Existential Crisis in Competitiveness?](#), December 5, 2018
4. [Dwight Duncan - The Regent Debate: Is Canada Facing an Existential Crisis in Competitiveness?](#)  
December 6, 2018
5. [Kristen van de Biezenbos - Unpacking the Keystone XL Mess](#), December 10, 2018
6. [The Regent Debate: Duncan, Duguid – Rebuttals](#), December 11, 2018
7. [Rosalie Wyonch - Competitive Digital Taxation for Federal Budget 2019](#), December 12, 2018
8. [The Regent Debate: Oliver, Ecker – Rebuttals](#), December 13, 2018
9. [John Richards - Education the Critical Piece for an Indigenous Urban Agenda](#), December 14, 2018
10. [Daniel Schwanen - Supporting Open and Fair Trade in Budget 2019](#), December 17, 2018
11. [Blake Shaffer - You get what you pay for: Cost and value in renewables procurement](#), December 18, 2018
12. [Koepl, Kronick - How to Regulate Initial Coin Offerings](#), December 19, 2018
13. [Jon Johnson - The Art of Breaking the Deal is Back on the Table](#), December 20, 2018
14. [Wyonch, Omran - Budget 2019: Regulation of Edibles and Concentrated Marijuana Products](#), December 21, 2018
15. [Alexandre Laurin - Canada's Two-Parent Tax Trap and How to Fix It](#), December 31, 2018

## *Q4 Member Events & Special Meetings*

1. Provincial Taxations of Insurance Premiums: The Way Forward - Roundtable Luncheon with Alex Laurin, Jack Mintz and Sarah Nofzell, October 3, 2018
2. The Innovation and Competitive Imperative: Seizing Opportunities for Growth: Roundtable Luncheon with Murad Al-Katib, Charles Deguire, and Lorraine Mitchelmore, October 4, 2018
3. The US-Mexico-Canada Agreement: What Does it Mean? Roundtable Luncheon with Lawrence Herman, Caroline Hughes and Daniel Schwanen, October 10, 2018
4. Anchoring Sustainable Growth in Disruptive Times: Annual Sylvia Ostry Lecture with Jonathan T. Fried, October 15, 2018
5. Standing Against the Tide: Canada's Place in a Strange New World: Annual Scholars' Dinner with Michael Ignatieff, President, Central European University, and Former Leader of the Liberal Party of Canada, October 22, 2018
6. Fixing the Growth Capital Gap in Canada: Canadian Business Growth Fund: Roundtable Luncheon with George Rossolatos, Chief Executive Officer, Canadian Business Growth Fund, October 23, 2018
7. Bob Hamilton, Commissioner, Canada Revenue Agency: Roundtable Luncheon, October 25, 2018
8. Weak Business Investment: Addressing a Grave Threat to Canada's Economy: Roundtable Luncheon with William Robson, Hugh Swandel, and Peter van Dijk, October 29, 2018
9. Managing Expectations: Doing Trade with the Trump Administration: Roundtable luncheon with Mary Ballantyne, Jeff Boyd, and Trevor Tombe, October 30, 2018

## *Q4 Member Events & Special Meetings*

10. The Value of a Good Pension: How to Improve the Efficiency of Retirement Savings in Canada: Roundtable Luncheon with Jim Keohane and Alex Mazer, November 1, 2018
11. Regent Debate: Is Canada Facing an Existential Crisis in Competitiveness? The Second Regent Debate, November 6, 2018
12. Special Policy Conference: Open Banking in Canada: The Time is Now, November 15, 2018
13. Unlocking Canada's Potential: Roundtable Luncheon with The Hon. Andrew Scheer, Leader of the Official Opposition & Leader of the Conservative Party of Canada, November 26, 2018
14. Changing Markets Require Responsive Regulation: Annual Benefactors' Lecture and Dinner with Maureen Jensen, Chair and Chief Executive Officer of the Ontario Securities Commission (OSC), November 29, 2018
15. Transforming Canada's Healthcare System with a Value-Based Approach: Roundtable Luncheon with Melissa Farrell, Wendy Levinson and Christopher Naugler, December 3, 2018
16. Adopter l'approche de la fabrication additive: Le Québec, moteur de l'innovation mondiale / Taking the Additive Approach: Québec as a Driver of Global Innovation: Dîner/Dinner - Alain Dupont, Michel Dumoulin et/and Sylvain Durocher, December 6, 2018
17. Managing Risk in the Canadian Housing Market: Special Policy Conference, December 11, 2018
18. "Regulator" Reform: 2018 Annual Financial Services Conference, December 13, 2018



## Q4 Selected Media Coverage

### NATIONAL

THE GLOBE AND MAIL

NATIONAL POST



**BNN**  
BUSINESS NEWS NETWORK

**CTV**  
NEWS



### INTERNATIONAL

*Rolling Stone*

NEW YORK POST

The  
Economist



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# Q4 Selected Media Coverage

## ONTARIO



## WESTERN



## QUEBEC





## *Q4 Policy Outreach by Institute Staff*

1. *Bill Robson* was invited to appear before the Standing Committee on Government Operations during its review of public sector pension – Ottawa (via videoconference), October 2
2. *Alexandre Laurin* participated in the invitation-only Canadian Chamber of Commerce Tax Competitiveness Roundtable– Toronto, October 11
3. *Daniel Schwanen* was featured speaker at a Royal Bank of Canada (UK) phone “Fireside Chat” on “Brexit: What Exactly Does a “Canada Deal” Entail?” – London, October 11
4. *Rosalie Wyonch* liaised with the Office of the Auditor General of Canada on the topic of indirect taxation of the digital economy – Ottawa (via phone), October 24
5. *Bill Robson* gave the keynote dinner speech at the Annual Senior Tax Practitioners’ Institute – Cambridge, October 25
6. *Bill Robson* participated in the Bank of Canada’s Annual Economic Conference on Inflation Targeting – Ottawa, November 1
7. *Daniel Schwanen* spoke on “Trade Wars and Currencies” at the Independent Financial Brokers of Canada Fall Summit – Toronto, November 7, 2018.
8. *Alexandre Laurin* presented on tax issues affecting retirement at iAIC Wealth Management Conference – Montreal, November 8
9. *Jeremy Kronick* was invited to take part in the Bank of Canada Financial System Survey – Toronto, November 16

## *Q4 Policy Outreach by Institute Staff, cont.*

10. *Bill Robson* addressed the Canadian Forces College National Security Programme on long-term challenges to Canada's economy and Canada's place in the world – Toronto, November 19
11. *Bill Robson* participated in the closing panel discussion on Canada's investment climate at the Tax Executives International Conference – Toronto, November 20
12. *Bill Robson* participated in a roundtable discussion on pension risks at the 2018 Pension Regulation Symposium hosted by OPTrust and HOOPP – Toronto, November 23
13. *Rosalie Wyonch* was invited to present on Digital Taxation at the Canadian Tax Foundation Annual Conference – Vancouver, November 27
14. *Rosalie Wyonch* was invited to take part in a panel discussion on home care and the future of aging at the SE Heath and Longwoods Healthcare Rounds – Toronto, November 29
15. *Daniel Schwanen* was invited to speak on “Trade Wars” at Cumberland Wealth Management – Toronto, December 4
16. *Parisa Mahboubi* participated in the invitation-only Deloitte LLP roundtable on Canada's AI opportunity – Toronto, December 5
18. *Grant Bishop* presented to the executive committee of Alberta Economic Development & Trade – Edmonton, December 10

## *Q4 Policy Outreach by Institute Staff, cont.*

19. *Grant Bishop* was appointed to serve on a Production Curtailment Issues Panel for the Alberta Energy Regulator and the Government of Alberta – Edmonton, December 10
20. *Grant Bishop* presented on a panel hosted by the University of Calgary School of Public Policy concerning “Oil Price Differential: Causes, Consequences and the Challenge Ahead” – Calgary, December 13

## *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**
13. *Joerg Wittenbrinck*, Lecturer, **Ryerson University**

### **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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- 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.
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- The Chairman of the Institute is [Hugh MacKinnon](#), Chairman & CEO of Bennett Jones; [William B.P. Robson](#) is President & CEO.
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