Quarterly Report to Members, Subscribers and Friends

Fourth Quarter, 2019
Q4 Highlights: Impactful Policy Research & Outreach

Q4 Research
- 12 research papers
- 2 Monetary Policy Council releases
- 1 Competition Policy Council release

Q4 Policy Events
- 32 policy events and special meetings, including:
  - Toronto Roundtable – Matthew Boswell
  - Calgary Roundtable – Stephen de Boer
  - Montreal Roundtable – Yoshua Bengio
  - 13 Inside Access conference calls featuring the authors of Institute research summarizing their work

Policy Outreach in Q4
- 132,852 website page views
- 12 policy outreach presentations
- 57 National Post and The Globe and Mail citations
- Citations in more than 800 media outlets
- 44 media interviews
- 21 opinion and editorial pieces
- 71 Intelligence Memos
Commentary “Bits, Bytes, and Taxes: VAT and the Digital Economy in Canada” by Rosalie Wyonch

- Federal finance mandate letter promised to "Work with the Organization for Economic Co-operation and Development to ensure that international digital corporations whose products are consumed in Canada collect and remit the same level of sales tax as Canadian digital corporations."

Intelligence Memo “Improving Ottawa’s Changes to the Tax Treatment of Employee Stock Options” by Nick Pantaleo

- Finance pushed back the planned implementation date for new changes to the tax treatment of employee stock options, pending the 2020 budget. As a result, the proposed new changes to limit the preferential personal tax treatment of employee stock options did not come into force on January 1, 2020.

Commentary “Ripe for Reform: Modernizing the Regulation of Financial Advice” by Joanne De Laurentiis

- Canadian Securities Administrators (CSA) announced that it will undertake a review of the regulatory framework for the Investment Industry Regulatory Organization of Canada (IIROC) and the Mutual Fund Dealers Association of Canada (MFDA).

Intelligence Memo “Moving Ontario’s Cannabis Retail Plan from Good to Great” by Ian Irvine and Rosalie Wyonch

- Ontario to remove cap on number of Cannabis retail stores, and eliminate pre-qualification requirements for prospective retailers.
Intelligence Memo “Senior Price Index Follies” by William B.P. Robson
✓ Seniors Price Index not present in Finance Minister's mandate letter.

Commentary “Show Us the Numbers: Grading the Financial Reports of Canada’s Municipalities” by William B.P. Robson
✓ 9 Canadian cities switched to PSAS-consistent budgeting standards.
✓ Manitoba introduced new Summary Budgeting Act, aligning budgets and financial statements.

Commentary “Looking for Liquidity: Banking and Emergency Liquidity Facilities” by Jeremy Kronick
✓ Bank of Canada announced introduction of the Standing Term Liquidity Facility, which allows the Bank to provide loans to individual prudentially regulated members of Payments Canada that are experiencing idiosyncratic stress where the Bank has no concerns about their financial soundness.

Intelligence Memos “Does Accounting Drive Budget Decisions? The Strange Case of the Toronto Subway ‘Upload’” by William B.P. Robson
✓ The City of Toronto came to an agreement with the Ford government on retaining ownership of Toronto’s subway system
1. **A Tale of Two Pension Plans: My Experience with a Contingent Pension Plan and the Lessons Learned**, October 3, 2019 – Randy Bauslaugh

2. **Decision Time: The Alberta Shadow Budget 2019**, October 10, 2019 – Grant Bishop


5. **Keeping Score: Investor-State Dispute Awards between the US and Canada**, October 31, 2019 – Lawrence Herman


10. Living Tree or Invasive Species? Critical Questions for the Constitutionality of Federal Carbon Pricing, December 5, 2019 – Grant Bishop


12. TFSAs: Time for a Tune-Up, December 19, 2019 – Alexandre Laurin


October Op-Eds

- **Canada knows what smart fiscal policy looks like. We should not be doubling down on dumb** - National Post Op-Ed, October 9
- **Without a bottom line, this federal election has devolved into fiscal debauchery** – Globe and Mail Op-Ed, October 15
- **The bold steps Alberta should take to address its fiscal woes** - Globe and Mail Op-Ed, October 19
- **Shattered global order means a heavy burden for Canada’s next trade minister** - Globe and Mail Op-Ed, October 29
- **Alberta’s carbon-pricing policy is imperfect – but in one significant way, it’s actually better than Ottawa’s** - Globe and Mail Op-Ed, October 29

November Op-Eds

- **What explains Canada’s higher interest rate?** - Globe and Mail Op-Ed, November 5
- **Feds have role to play in modernizing Canada’s health-care systems** - Hill Times Op-Ed, November 6
- **The answer to Calgary’s budgeting woes is ... better budgeting** - Calgary Herald Op-Ed, November 13
- **Now can we have an adult conversation about Canada’s energy future and its economy?** - Globe and Mail Op-Ed, November 13
- **Our financial system saved us from the worst of the 2009 crisis, now it’s holding our economy back** - Financial Post Op-Ed, November 17
- **The net neutrality fanatics were wrong** - Financial Post Op-Ed, November 21
- **Requiring the Bank of Canada to follow a financial stability mandate is a bad idea** - Globe and Mail Op-Ed, November 24
December Op-Eds

- Modernizing the regulation of financial advice - Globe and Mail Op-Ed, December 6
- The Bank of Canada and the uncertain outlook for inflation - Globe and Mail Op-Ed, December 10
- Has Canada reached a breaking point or turning point? - Hill Times Op-Ed, December 11
- The ‘Solomon’s Choice’ that could render Ottawa’s carbon-pricing backstop unconstitutional - Globe and Mail Op-Ed, December 11
- Can the global order survive a failing WTO? - Globe and Mail Op-Ed, December 14
- Five key economic growth risks to keep your eye on heading into 2020 - Globe and Mail Op-Ed, December 17
- A professional critic’s festive fulmination - Financial Post Op-Ed, December 27
October Intelligence Memos

1. Glen Hodgson – Why Are Recessions So Hard to Forecast? October 1
2. Laurent Desbois – Comment la planche à billet est devenue inévitable, October 2
3. Laurent Desbois – Going to Print: One Recession Away from the Inevitable, October 2
4. Alex Usher – Lessons for Ontario in Performance-Based Funding Models, October 3
5. Beach, Milne – Unintended Consequences Abound in Post-Secondary Metrics, October 4
7. Jon Johnson – The Warren Manifesto, October 8
8. Denis Meunier – Canada Business Corporation Act changes to beneficial ownership: half-measures to combat money laundering and terrorist financing, October 9
9. William B.P. Robson – Campaign 2019: Dumb on Deficits, October 10
10. Ambler, Kronick - Lessons for Canada in the US Repo Rate Spike, October 11
11. Gros, Sanders - Pension Regulations Headed in the Wrong Direction, October 15
12. William B.P. Robson – No bottom line has made the federal election a fiscal fantasy, October 17
14. Blake Shaffer – Using forward contracts to deliver reliable and affordable power, October 18
15. Alexandre Laurin – Ministerial Mandate Letter: Minister of Finance, October 21
16. Tammy Schirle - Ministerial Mandate Letter: Minister of Women and Gender Equality, October 22
17. Grant Bishop – Ministerial Mandate Letter: Minister of Natural Resources, October 23
18. Grant Bishop - Ministerial Mandate Letter: Minister of Environment and Climate Change, October 24
21. Alexandre Laurin – Ministerial Mandate Letter: Minister of National Revenue, October 28
22. Brian Livingston – Encouraging more crude-by-rail requires “rail above curtailment”, October 29
23. Jeremy M. Kronick – Ministerial Mandate Letter: Minister of Finance, October 29
October Intelligence Memos (cont.)

24. Parisa Mahboubi – Ministerial Mandate Letter: Minister of Immigration, Refugees and Citizenship, October 30
25. Konrad von Finckenstein – Dealing with Internet Giants, October 30

November Intelligence Memos

27. Benjamin Dachis – Ministerial Mandate Letter: Ministers of Transport and Infrastructure, November 1
28. Miles Corak – Ministerial Mandate Letters: Minister of Families, Children and Social Development, November 4
29. Lawrence Herman - Ministerial Mandate Letter: Minister of Foreign Affairs, November 5
30. Sinclair, Walker, Simpson and Drummond - Toward Healthcare’s Culture Change, November 5
32. Sinclair, Walker, Simpson, Drummond – Getting to a People-Centred Health System, November 6
33. Benjamin Dachis – Ministerial Mandate Letter: President of the Treasury Board, November 7
34. Alexandre Laurin - Ministerial Mandate Letter: Minister of Finance, November 8
35. Bob Bell – Increased Oversight of OHIP is Overdue, November 8
36. Lawrence Herman – Keeping Score of the US-Canada Trade Disputes, November 11
37. William B.P. Robson – Ministerial Mandate Letter: Minister of Intergovernmental and Northern Affairs and Internal Trade, November 12
38. Åke Blomqvist and Rosalie Wyonch – Hospital Beds and Long-Term Care Wait Lists, November 12
39. Sylvain Charlebois – Ministerial Mandate Letter: Minister of Agriculture and Food, November 13
November Intelligence Memos (cont.)

40. Beach, Milne – Making Ontario’s Colleges and Universities Decide on their Mission, November 14
41. Wyonch, Blomqvist, Falk – Ministerial Mandate Letter: Minister of Health, November 14
42. Daniel Schwanen – Ministerial Mandate Letter: Minister of Canadian Heritage and Multiculturalism, November 15
43. Daniel Schwanen – Ministerial Mandate Letter: Minister of Trade Diversification, November 18
44. William B.P. Robson – The Answer to Calgary’s Budgeting Woes is … Better Budgeting!, November 18
45. Bev Dahlby – The evidence that corporate tax cuts work, November 19
46. Glen Hodgson – Creating a policy framework for sustainable green finance, November 20
47. Benjamin Dachis – Mandate letters to the incoming Canadian government, November 20
49. Bishop, Greenspon – Canada should tread carefully on “common ownership” concerns, November 22
50. Laurin, Omran – Opting out of the Canada Pension Plan, November 25
51. Jon Johnson - Section 232 Auto Threat Expires, November 26
52. Omran, Robson – The surprisingly robust fiscal health of Canadian cities, November 27
53. Jan Carr – Toward a National Grid, November 28
December Intelligence Memos

55. Alexandre Laurin – Reforming the Child Care Expense Deduction, December 2
56. Ken Engelhart - Look, the US ended net neutrality and the sky did not fall, December 3
57. Ian Irvine – The Vilification of Vaping, December 4
58. Rosalie Wyonch – Myth Busting: Drug Spending, Prices and Pharmacare, December 5
59. Lawrence Herman – It’s Time for Corporate Trade-Related Risks to get Full Disclosure, December 6
60. Miles Wu – A dollar drop likely to come with the next downturn, December 9
61. Peter Tomlinson – Has land value taxation gained a toe-hold in Ontario? December 10
62. Trevor Tombe – The Benefits of Expanding the New West Partnership, December 11
63. David Johnson – Time travelling in the Ontario secondary school system, December 12
64. Ambler, Kronick - The Bank of Canada’s data-driven balancing act, December 13
65. Beach, Milne – Financial Risks of Growing Post-Secondary Reliance on Foreign Students, December 16
66. Brian Livingston – International Credits for Canada Reducing Overseas GHG Emissions, December 17
67. Michael Fenn – Assessing Ottawa’s new Infrastructure Mandate, December 18
68. Omran, Robson - Removing an obstacle to timely budgets from Ontario’s Municipalities, December 19
69. Andrew Parkin – The real roots of Canada’s educational test successes, December 20
70. Sinclair, Walker, Simpson, Drummond – Assessing Ottawa’s New Health Mandate, December 23


3. Aging, Long-Term Care and Income Security – Roundtable Luncheon with The Honourable Merrilee Fullerton, Dr. Bonnie-Jeanne MacDonald, and Dr. Samir K. Sinha, Toronto, October 8.


5. À la découverte du plan d’action pour faire face à la rareté de la main-d’œuvre au Québec – Roundtable Luncheon with The Honorable Jean Boulet, Montreal, October 21.


Q4 Member Events & Special Meetings


24. Ontario Taking the Lead in Attracting Trade Investment – Roundtable Breakfast with the Honorable Vic Fedeli, Toronto, November 27.


27. The Entrenched vs. the Newcomers – 2019 Scholar’s Dinner with Edward Glaeser, Toronto, December 5.
Q4 Member Events & Special Meetings


Q4 Selected Media Coverage

**National**
- NATIONAL POST
- THE GLOBE AND MAIL
- CTV
- CBC
- Global News

**Ontario**
- Toronto Star
- Hamilton Spectator
- The London Free Press
- Ottawa Citizen
- Windsor Star
Q4 Selected Media Coverage

Quebec
- Montreal Gazette
- La Presse
- Le Journal de Montréal
- Le Journal de Québec

Western
- Vancouver Sun
1. Grant Bishop met with Alberta Energy Deputy Minister and staff regarding the Institute’s Alberta Shadow Budget, Edmonton, October 9.

2. Grant Bishop met with Alberta Economic Development and Trade Deputy Minister and staff regarding the Institute’s Alberta Shadow Budget, Edmonton, October 9.

3. Grant Bishop met with Alberta Executive Council to discuss Alberta internal trade initiatives and intergovernmental affairs, Edmonton, October 10.

4. Grant Bishop met with the Alberta Treasury Board and deputy minister of Finance, regarding the Institute’s Alberta Shadow Budget, Edmonton, October 11.

5. Daniel Schwanen and Senior Fellow Glen Hodgson presented to the staff of Global Affairs Canada on the topic of Canada’s Competitiveness: Key Issues, Ottawa, October 23.

6. Benjamin Dachis presented on An Insider’s View of Housing Affordability, at the Urban Development Institute, Okanagan Chapter, Kelowna, October 29.

7. Grant Bishop took part in the Canadian Bar Association/federal Department of Justice panel on the constitutionality of the federal carbon-pricing backstop, Ottawa, November 1.

8. Grant Bishop took part in a panel discussion on the Alberta budget at the University of Calgary School of Public Policy, Calgary, November 5.


11. Parisa Mahboubi was invited to present her research on immigration at Immigration, Refugees and Citizenship Canada, Ottawa, November 26.

12. Daniel Schwanen presented an *Update on Trade Agreements* at the Annual Economic Outlook Conference of the Association des économistes québécois, Montreal, November 28.

13. Grant Bishop took part in a teleconference with the Alberta Community and Social Services deputy minister to discuss the social policy priorities of the Alberta government, Calgary, December 10.
Examples of 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
14. Thorsten Koepl, Professor and RBC Fellow, Queen’s University
15. Anindya Sen, Professor of Economics and Director of the Master of Public Services, University of Waterloo
16. David Johnson, Professor of Economics, Wilfrid Laurier University
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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.

- 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