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Where Tomorrow's Public Policy Begins Today

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Part One: Still More Equal than Others: The truth behind the equalization debate.

With the equalization debate in full swing and threats of legal action over broken promises rampant, AIMS used its equalization expertise to re-examine the issue and concludes that, new formula or not, equalization-receiving provinces are getting more than their fair share.

This Commentary, *Still More Equal than Others: Capped equalization still too much*, by Senior Policy Analyst Bobby O'Keefe examines how Ottawa overpays equalization receiving provinces.

The latest in the AIMS Special Commentary Series on Equalization shows that the equalization program continues to assume, wrongly, that the cost of essential public services is the same from province to province. *Still More Equal than Others* demonstrates that, when you adjust for the fact that a dollar does not buy the same in Ontario that it does in Nova Scotia or Alberta, equalization-receiving provinces spend more on public services than non-receiving provinces.

"The bottom line is that Canada over-equalizes considerably," says AIMS acting President Charles Cirtwill. "That erodes political support for the program but more importantly it is in

fundamental opposition to the principals of equality for which the program is supposed to stand."

To read the complete Commentary, click here.

The Commentary came in the midst of the ongoing equalization debate over the federal budget. In a series of op/eds, interviews and newspaper articles from Calgary to Halifax, with a stop in Toronto, AIMS cut through the static surrounding the equalization debate with facts, solid analysis and insightful research.

In an op/ed, penned at the behest of the Globe and Mail, O'Keefe points out that there is more ado about the cap than the Atlantic Accords. AIMS acting President Charles Cirtwill was a guest on a Calgary phone-in show to give an in-depth analysis of the new equalization formula and the Atlantic Accords.

To listen to the interview with 770AM Calgary, click here.

To read O'Keefe's piece from the Globe and Mail, click here.

Part Two: Equalization Deal or No Deal! Why Ontario isn't going to pay for equalization anymore!

Born and educated in Atlantic Canada, David MacKinnon has seen equalization from both sides now. Working with the Nova Scotia government early in his career he understood what it meant to the provincial coffers. Moving to Ontario and working in a number of senior public and private sector jobs, he came to see equalization through the eyes of a province that pays, but doesn't receive.

On 13 June he was AIMS' guest at a senior policy briefing in Halifax where he candidly admitted, "This is not a speech about how great we are because we share and all that. Many of you will even be offended by my message and my language."

"I will argue that our system of regional subsidies has hurt everybody and is a fundamental cause of the productivity and competitiveness problems we are experiencing. Equally, rather than being a source of unity, the evidence available to me is that the subsidies divide rather than unite us."

To read a transcript of MacKinnon's remarks, click here.

Part Three: Separating fact and fiction: AIMS at Atlantica 2007.

While AIMS isn't the only proponent of the Atlantica concept, it certainly attracts a lot of attention from the opposition. That was certainly the case during the recent Atlantica 2007 conference hosted by the Atlantic Provinces Chambers of Commerce.

The conference provided AIMS acting President Charles Cirtwill an opportunity to dispel the Atlantica myths expounded by the opposition.

To read the text of Cirtwill's remarks, click here.

Part Four: AIMS' paper shows regional growth benefits from the Port of Halifax.

AIMS' second paper in the Atlantica Ports Series explains that benefits derived from growing the Port of Halifax have a positive impact on cities throughout the region.

Everybody Wins: Why Growing the Port of Halifax Matters to Moncton (and Saint John, Amherst, Bangor...) analyzes the "cluster concept" in ports and its impact on surrounding areas within a region. For seaports, clusters are generally considered groups of businesses and organizations whose economic performance and sustainability is linked to their common area of expertise.

Everybody Wins concludes that the future looks promising for regional port-led industry through further development of Halifax.

"In short, the Port of Halifax lies at the centre of a regional cluster which is attracting significant investment... The success of the Port of Halifax and the region are tied in a virtuous circle; when one wins, we all win."

The Atlantica Ports Series takes a comprehensive look at the existing flows, industries, and services that surround Atlantica and asks: What opportunities exist for Atlantica ports to increase volumes?

To read the complete paper, click here.

Part Five: AIMS examines New Brunswick education policy.

AIMS' acting President Charles Cirtwill provided New Brunswickers insightful analysis following the release of their province's new education plan; When Kids Come First.

Cirtwill examined a number of issues and his breakdown of the new policy was featured in all major newspapers in the province.

In articles from the Telegraph Journal, Daily Gleaner and Times and Transcript, he points out that *When Kids Come First* takes a "feel good" approach to education, but does not outline a schedule or plan for substantive change. Cirtwill also notes that there are major areas for concern such as regulatory encroachment on how parents educate their children before they start school and few apparent changes to the highly centralized education model.

To read complete coverage, click here.

Part Six: Sacrificing health for ideology?

You hear it as one of the biggest complaints of the Canadian health care system. Wait times – whether it is to see a specialist or to have a surgical procedure, the phrase has taken on an almost folkloric aura. The latest background paper from the Canadian Health Care Consensus Group (CHCCG) examines a proven way to reduce wait times that is being ignored by health care administrators.

In *Private Supply, Public Benefit: Reduce wait times with specialty hospitals,* the CHCCG examines the reluctance of health care decision makers to acknowledge private supply of care as an effective contribution to solving the challenges currently faced by the system.

"For all the claims that the self-styled defenders of Medicare make about the damage private supply of care would do to Canada's health care system," notes *Private Supply, Public Benefit*, "the international evidence is that expanded private supply would only benefit the system."

Private Supply Public Benefit examines the suggestion that specialty hospitals are a threat to the Canadian system and concludes such a claim is not based on fact.

"The idea that private specialty hospitals would be a threat to the Canadian health care system simply doesn't hold up when you go beyond ideology and look at the international evidence. there seems no basis for opposing specialty hospitals other than pure ideological stubbornness."

To read the complete paper, click here.

Part Seven: Trading up: Why a regional trade agreement is only second best.

Imitation may be the sincerest form of flattery, but the fact remains that there is no substitute for the original, as AIMS acting President Charles Cirtwill points out in his fortnightly column in the Chronicle Herald. Cirtwill explains why signing the established Trade, Investment and Labour Mobility Agreement (TILMA), would be better for the region than a separate regional trade deal on the east coast.

Signing TILMA provides the region with access to the large market of British Columbia and Alberta, and signing early provides for better opportunities than for provinces that sign on later.

"We have more to gain by linking to those economies than we do to the economies of our neighbouring provinces," says Cirtwill. "Better still, how far behind in signing do you think New Brunswick would be if Nova Scotia signed TILMA tomorrow, or vice versa? We can get our regional TILMA by joining the national one, and we can get it quicker, with less effort and with greater overall benefits."

To read the column, click here.

AIMS took the deal one step further by hosting a Breakfast Briefing, *Selling to the West instead of moving there*, with Alberta's chief TILMA negotiator, Shawn Robbins. The event provided business leaders and policy makers a behind the scenes look at how the deal was negotiated and why.

Robbins provided business leaders from around the region in-depth information on the agreement's labour mobility aspects. He also pointed out to attendees that the TILMA has generated interest on a number of political levels and is the most innovative inter-provincial

agreement with respect to reducing trade, investment and labour mobility issues.

To access the event proceedings, click here.

A day after the AIMS event, Industry Minister Maxime Bernier announced that barriers to labour mobility must come down so workers can have their qualifications recognized anywhere in the country. The changes will be effective as of April 1, 2009 and mirror part of the Trade Investment and Labour Mobility Agreement signed between British Columbia and Alberta.

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