

Annual Report 2003 - 2004

**Atlantic
Institute for**

AIMS



Market Studies

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Saar Fabrikant, Web Developer/développeur Web

Karen Fraser, Finance Consultant/conseillère financière

Jamie MacNeil, Manager of Health Policy/directeur, politique sur la santé

Lynne Pascoe, Event Manager/gestion d'événements

Lisa Savoie, Junior Researcher and Database Administrator/chercheuse junior et administratrice de base de données

Chairman's Message / Rapport du président du Conseil

Fiscal 2003 marked the eve of AIMS' 10th anniversary and my first year as Chair of the Board of Directors.

AIMS continues to serve as a strong and distinctive voice on public policy in Atlantic Canada and beyond. As this report demonstrates, we continue to set the benchmark on public policy by drawing together the most forward-looking thinking available from some of the world's leading experts and applying that thinking to the challenges we face.

None of this is achieved without the hard work and dedication of many individuals. It is my pleasure to recognize and to thank them.

Our Board of Directors represents the best of the best. The 24 men and women around the table bring not only a wealth of experience and insight, they bring a vision for the future and a commitment to attaining that vision. In particular, I would like to thank outgoing Chair Gerald Pond, who so capably offered his guidance and leadership for two years. Not only did the organization benefit as a result, but my job as Chair has been made all the easier and all the more rewarding.

I would be remiss if I did not make special mention of Fae Shaw and Martin MacKinnon. As Corporate Secretary and Treasurer, respectively, they keep us on track and on budget.

On behalf of all of the Board of Directors, I also wish to extend thanks to the members of the Board of Research Advisors. Under the direction of Chair Robin Neill, this group helps ensure that our research efforts meet and often exceed the most demanding standards.

Of course, without the AIMS staff, our achievements would be lost. Year over year, this team proves that huge resources are not necessary to achieve impressive results. Hats off to Vice-President and Director of Operations Charles Cirtwill, who not only oversees the running of the organization but also manages to find time to produce the high school report card, a major milestone for any organization and a critical evaluative tool for Atlantic Canada. Sincere thanks as well to Finance Consultant Karen Fraser; Event Management Coordinator Lynne Pascoe; and Junior Researcher and Database Administrator Lisa Savoie. I would also like to extend our thanks to members of the AIMS team who are no longer with the organization but whose contributions have been significant: Don McIver, Director of Research; Rolando Inzunza, Operations and Information Coordinator; Bonnie Williams, Administrative Assistant; and Jordi Morgan, Director of Communications.

L'exercice 2003 précède immédiatement le 10^e anniversaire de la fondation de l'AIMS, et c'est aussi ma première année à titre de président du conseil d'administration.

L'AIMS continue à faire entendre une voix forte et distinctive sur la politique publique au Canada atlantique et bien plus loin. Comme le démontre ce rapport, l'organisation reste le point de référence en matière de politique publique en regroupant les opinions les plus progressistes émises par certains des plus grands spécialistes du monde et en appliquant ces opinions aux défis à relever.

Rien de tout cela ne serait possible sans le dévouement et la détermination de nombreuses personnes. Je suis heureux de souligner leur contribution et de les remercier.

Notre conseil d'administration regroupe la crème de la crème des administrateurs. Les 24 femmes et hommes autour de la table y apportent non seulement une abondante expérience et de vastes connaissances, ils ont une vision de l'avenir et la détermination de réaliser cette vision. Je tiens à remercier tout particulièrement Gerald Pond, président sortant, qui a dirigé pendant deux ans les destinées de l'AIMS avec grande compétence et un formidable leadership. Non seulement l'organisation en a-t-elle bénéficié énormément, mais mon travail en tant que président en a été facilité et, qui plus est, enrichissant.

Je m'en voudrais de ne pas mentionner spécialement Fae Shaw et Martin MacKinnon dont le travail en tant que secrétaire et que trésorier respectivement nous permet de respecter nos engagements et notre budget.

Au nom de tous les membres du conseil d'administration, je tiens aussi à remercier tous les membres du comité consultatif sur la recherche. Grâce au travail de ce groupe présidé par Robin Neill, nos efforts de recherche ont été conformes aux normes les plus élevées et les ont même dépassées.

Évidemment, sans le travail du personnel de l'AIMS, nos réalisations seraient perdues. Année après année, cette équipe prouve qu'il n'est pas nécessaire d'avoir des ressources sans fin pour obtenir des résultats impressionnants. Chapeau à Charles Cirtwill, vice-président et directeur des opérations, qui, en plus de superviser le fonctionnement de l'organisation, réussit à trouver le temps de préparer le bulletin des écoles secondaires, document important pour toute organisation et outil d'évaluation critique pour le Canada atlantique. Merci beaucoup aussi à Karen Fraser, conseillère financière, à Lynne Pascoe, coordonnatrice de la gestion d'événements et à Lisa Savoie, chercheuse junior et administratrice de bases de données. J'aimerais également remercier les membres

Last but never least, I want to recognize the tireless efforts of Brian Lee Crowley. Without his energy and innovativeness, AIMS would not be the award-winning organization it is today and public policy in this region would not be as robust or as challenged.

Finally, I wish to extend our heartfelt thanks to all of the Institute's donors who continue to support the work we do. Like the advances of the Institute itself, our list of donors continues to grow. Again this year we witnessed a growth in support from individuals, corporations, and foundations. This growth, we believe, is directly linked to the impact that AIMS is having in Atlantic Canada and beyond. Last year, we were granted charitable status in the United States, which has enabled us to expand our donor base and to generate new support for the work we undertake.

That work will continue unabated in fiscal 2004 as we celebrate 10 years of linking ideas with public policy challenges and making sure that business leaders, the media, policy makers, and all citizens have the knowledge and the understanding necessary to ensure that government action will contribute to a safer, stronger, freer, and more prosperous region and country.

We will continue to make a difference in the next decade.

David McD. Mann
Chairman



de l'équipe de l'AIMS qui ne font plus partie de l'organisation mais qui ont fait des contributions remarquables : Don McIver, directeur de la recherche, Rolando Inzunza, coordonnateur des opérations et de l'information, Bonnie William, adjointe administrative, et Jordi Morgan, directeur des communications.

Enfin, je m'en voudrais de ne pas mentionner le travail inlassable de Brian Lee Crowley. Sans son énergie et son esprit toujours à l'affût, l'AIMS ne serait pas l'organisation extraordinaire qu'elle est aujourd'hui, et la politique publique dans la région ne serait ni aussi solide ni aussi formidable qu'elle l'est.

Enfin, je souhaite remercier de tout cœur tous les donateurs dont la générosité permet à l'institut de poursuivre le travail qu'il a entrepris. Tout comme les progrès réalisés par l'AIMS, la liste de ses donateurs continue de s'allonger. Cette année encore, nous avons enregistré une augmentation du soutien que nous recevons de particuliers, d'entreprises et de fondations. Nous croyons que cette croissance est directement liée à l'impact de l'AIMS au Canada atlantique et au-delà. L'année dernière, nous avons obtenu le statut d'organisme de bienfaisance aux États-Unis, ce qui nous a permis d'élargir notre bassin de donateurs et d'obtenir un appui plus fort pour nos travaux.

Ces travaux se poursuivront sans relâche pendant l'exercice 2004 alors que nous célébrerons 10 années au cours desquelles nous avons établi des liens entre les idées et les défis présentés par la politique publique, où nous nous sommes assurés que les chefs d'entreprises, les médias, les responsables des politiques et tous les citoyens ont les connaissances et l'information nécessaires pour insister pour que les actions du gouvernement contribuent à renforcer notre région et notre pays et à engendrer plus de liberté et de prospérité.

Nous continuerons à faire la différence pendant la prochaine décennie.

David McD. Mann
Président

President's Message / Rapport du président

This year seemed to come – and go – in the blink of an eye. No doubt that was due to the fact that in 2003-04 we issued 12 new reports on critical public policy issues, hosted upwards of 10 key events, published 22 commentaries to engage the public, policy makers and the private sector, and addressed Standing Committees at the House of Commons and provincial legislative committees seeking input on timely public policy.

The impact of this work cannot be overestimated, especially as we stand poised to celebrate our 10th anniversary, a milestone for any organization. What is clear is that the positions we have presented – positions that rest on solid research and clear, impartial thinking – are being driven home, often to the discomfort of those who set policy in Atlantic Canada and across the country. Our reach is widespread, encompassing a breadth of media coverage around the globe, feedback from the public and private sector internationally, and recognition from public policy organizations worldwide.

You will read in this report about the many papers, presentations, commentaries, and events that AIMS was involved with over the past 12 months. I'd like to share with you some highlights. 2003-'04 was a significant year for the growth and development of Atlantica as a vital concept for the region. It was also a building year: work done in the past on such critical issues as fisheries and aquaculture, education, and urban development was broadened and enhanced. Finally, we explored issues central to the pharmaceutical industry — and the current climate south of the border regarding “re-importation” — that will form the foundation of more research in the future.

Raising Atlantica

Atlantica: the International Northeast Economic Region is defined chiefly by geography, economic trends and trade patterns; common problems and experiences; and politics. Much of this wedge of territory has been outside the charmed circle of North American prosperity for years.

The reasons are buried deep in our history. But now, continental free trade and globalization could put an end to the isolation of Atlantica. The east-west axis for development of North America is being supplemented by a drive to stitch back together the old north-south trade routes that had flourished across the continent before 1867.

The success that could be Atlantica was a theme reiterated throughout the year. The fourth edition of our flagship

L'année terminée a semblé s'écouler en coup de vent. C'est sûrement dû au fait qu'en 2003-2004, nous avons publié 12 nouveaux rapports sur d'importantes questions de politique publique, que nous avons organisé plus de 10 événements, publié 22 communiqués à l'intention du public, des responsables de l'élaboration des politiques et du secteur privé, que nous sommes intervenus devant des comités permanents de la Chambre des communes et des comités législatifs provinciaux qui avaient sollicité des observations sur les politiques publiques.

Les effets de ce travail ne peuvent être surestimés, particulièrement alors que nous nous apprêtons à célébrer un événement marquant pour toute organisation : le 10^e anniversaire de l'Association! Il ressort clairement que les positions que nous avons présentées - qui ont été établies à partir de recherches minutieuses et reposent sur des points de vue clairs et impartiaux - font leur chemin dans l'esprit des gens, souvent au grand dam de ceux qui établissent les politiques au Canada atlantique et dans le reste du pays. Nous réussissons à atteindre un vaste auditoire grâce à une vaste couverture médiatique mondiale, aux commentaires que nous recevons du public et du secteur privé à l'échelle internationale et à la reconnaissance que nous donnent diverses organisations de politique publique de partout dans le monde.

Ce rapport vous renseignera sur les nombreux documents, exposés, commentaires et événements qui ont occupé l'AIMS au cours des douze derniers mois. J'aimerais vous souligner quelques faits saillants. L'exercice 2003-2004 a été important pour la croissance et le développement du concept « Atlantica », concept vital pour la région. Nous avons également poursuivi le travail déjà entrepris sur des enjeux importants comme la pêche et la pisciculture, l'éducation et le développement urbain. Enfin, nous nous sommes penchés sur des questions critiques pour l'industrie pharmaceutique — et sur ce qui se passe actuellement chez nos voisins du sud relativement à la « réimportation » — questions qui constitueront le fondement des recherches futures.



« Atlantica », ou la région atlantique

Atlantica : La région économique internationale du nord-est est définie principalement par la géographie, les tendances économiques et la structure des échanges commerciaux, par les expériences et les problèmes communs et par la politique. Pendant des années, une grande partie de ce territoire a été exclue du cercle de prospérité dont a bénéficié le reste de l'Amérique du Nord.

Les raisons pour cela sont aussi obscures qu'historiques. Mais aujourd'hui, le libre-échange sur l'ensemble du continent et la mondialisation peuvent briser l'isolement

publication, *Ideas Matter*, was devoted exclusively to this topic. Three key sections were prepared: “Better Borders, Better Trade;” “Two Countries, One Region;” and “Tales of the Silk Road.” This comprehensive edition demonstrates how we can recreate this bi-national region’s once-prosperous trade routes and why this is vital.

Other Atlantica-related initiatives included “Alice in Borderland: Why Canadians Cannot Afford to be Complacent About American Drug Re-importation,” a commentary that explains why, if re-importation ever becomes law in the US, American drug prices will not fall, while in Canada we will either find drug prices rising to US levels or supplies being restricted and shortages developing.

Brian Ferguson’s commentary, which is based on a paper by Art Woolf, Associate Professor of Economics at the University of Vermont, offers us a wake-up call. In spite of what should be some comparative economic strengths (such as the high level of education of its people and high levels of education spending), the state of Vermont has been complacent in the face of its economic challenges and has allowed poor quality government to become an almost insurmountable obstacle to growth. Yet as Professor Woolf also notes, just across the Connecticut River, in New Hampshire, many of these same challenges have been met and largely mastered. It’s an all-too-familiar theme for Atlantic Canadians: public policy matters, whether for good or ill.

A second paper, “The Atlantica Power Market: A Plan for Joint Action” by Gordon L. Weil, argues that the region is primed for the development of a more competitive regional market for electricity. The problem he considers is how to get the provinces and states to operate their power grids to promote the development of this market.

In Nation States and Economic Regions in the Global Network, an AIMS breakfast briefing, Michael Gallis, renowned authority on regional economies and expert on international trade patterns, noted that to compete successfully in global and continental markets, local economies must organize and act in concert as broader regions, and that Atlantic Canada is part of a broader and definable international region that straddles the Canada-US border and hence has unique opportunities as well as vulnerabilities.

Fish Stories

Early in the year, at the international Foreshore, Law and Politics conference held at the New Zealand Parliament, we released “Fencing the Last Frontier: The Case for Property Rights in Canadian Aquaculture,” which was completed in partnership with the Canadian Aquaculture Institute. This was a pivotal venue to unveil this important work; the conference was a major initiative focused on property rights in the ocean and AIMS was clearly seen to be at the forefront of an international effort to clarify and strengthen the property rights that must underpin any sensible and thoughtful approach to managing our coastal resources for the benefit of all.

dont a souffert la région atlantique. L’axe est-ouest de développement de l’Amérique du Nord doit maintenant faire face à un mouvement visant à réinstaurer les anciennes routes du commerce nord-sud qui ont prospéré sur le continent avant 1867.

La réussite du projet « Atlantica » a été le leitmotiv repris tout au long de l’année. La quatrième édition de notre publication phare, *Ideas Matter* (Les idées, ça compte) a été consacrée exclusivement à ce sujet. Elle était divisée en trois grandes sections : « Better Borders, Better Trade », « Two Countries, One Region » et « Tales of the Silk Road ». Cette édition très complète explique comment nous pouvons rouvrir les routes commerciales binationales autrefois si prospères, et pourquoi il est essentiel de le faire.

Une autre initiative ciblant la région atlantique s’intitulait « Alice in Borderland: Why Canadians Cannot Afford to be Complacent About American Drug Re-importation », commentaire expliquant pourquoi, si les États-Unis devaient adopter une loi sur la réimportation, le prix des médicaments ne baisserait pas aux États-Unis tandis qu’au Canada, il augmenterait jusqu’à ce qu’il atteigne les prix pratiqués chez nos voisins du sud ou jusqu’à ce que l’approvisionnement soit limitée et qu’il y ait pénurie.

Les observations de Brian Ferguson, fondées sur un article écrit par Art Woolf, professeur agrégé de sciences économiques à l’université du Vermont, a sonné le réveil. Malgré ce qui devrait être des forces économiques comparables (par exemple le niveau élevé d’éducation de ses habitants et de fortes dépenses en éducation), l’état du Vermont a été plutôt négligent à relever ses défis économiques et a laissé un gouvernement amorphe devenir un obstacle quasi insurmontable à sa croissance. Pourtant, comme le souligne le professeur Woolf, au New Hampshire, juste de l’autre côté de la rivière Connecticut, beaucoup des mêmes défis ont été relevés et les problèmes maîtrisés. C’est là un thème trop souvent entendu par les Canadiens de la région atlantique : la politique publique est importante, pour le meilleur ou pour le pire.

Un deuxième article, intitulé « The Atlantica Power Market: A Plan for Joint Action » par Gordon L. Weil, avance que la région est en excellente position pour le développement d’un marché régional plus compétitif pour l’énergie électrique. À son avis, le problème consiste à déterminer comment les provinces et les états peuvent exploiter leurs réseaux électriques pour promouvoir le développement de ce marché.

Lors d’un déjeuner-causerie organisé par l’AIMS, Michael Gallis, spécialiste réputé des économies régionales et des échanges commerciaux internationaux, a entretenu les participants des états-nations et des régions économiques dans le réseau mondial (Nation States and Economic Regions in the Global Network). Il a rappelé que pour être compétitives dans les marchés mondiaux et continentaux, les économies locales doivent s’organiser et agir de concert comme de grandes régions, que le Canada atlantique fait partie d’une grande région internationale facile à définir qui chevauche la frontière Canada-États-Unis, et qu’à ce titre, elle a des possibilités uniques, mais aussi des vulnérabilités uniques.

Histoires de pêche

Au début de l’année, au cours d’une conférence internationale sur les zones littorales, le droit et la politique (Foreshore, Law and Politics)

We were invited to give the keynote address at this important international event – literally half a world away – because of our international reputation in this area. The speech touched on all the property issues around the sea, including aquaculture. After giving this address, we were invited to reprise the speech at the International Submerged Lands Management Conference in Halifax.

Our exploration of aquaculture issues, which builds on our work in the wild fishery, included two other significant papers: “Framing the Fish Farmers” and “Canadian Aquaculture: Drowning in Regulation.” As well, we have worked to raise awareness of critical components linked to this sector through such commentary as “Foreshore, Law and Politics - AIMS at the New Zealand Parliament” and “Blue Revolution: From Fishing to Farming the Seas,” and such media coverage as “Canadian aquaculture caught in regulatory fog,” which appeared in *The Guardian*.

In “Fencing the Last Frontier: The Case for Property Rights in Canadian Aquaculture,” Robin Neill, UPEI economist and Chair of AIMS’ Board of Research Advisors, argues that because there is no comprehensive body of law dealing with the industry, producers are forced to navigate a maze of sluggish and inept bureaucracy with no restraint on government and administrative discretion. The paper also draws a stark comparison between the property rights central to agriculture and the rules governing aquaculture, which may suit the “hunter/gatherer” nature of the wild fishery for which they were developed, but that are totally inappropriate for settled aquaculture operations. In aquaculture, the fish belong to a private citizen, but the fish farm, the productive space in which the resource is contained and raised, does not.

Reading, ‘Riting and ‘Rithmetic

In 2003, AIMS released its first *Report Card on Atlantic Canadian High Schools*. The objective of the report card was – and remains – to stimulate ongoing improvement in system accountability, school performance and the report card itself through discussion and debate on best practices and ways to improve reporting to students, parents, teachers, administrators, and other education stakeholders.

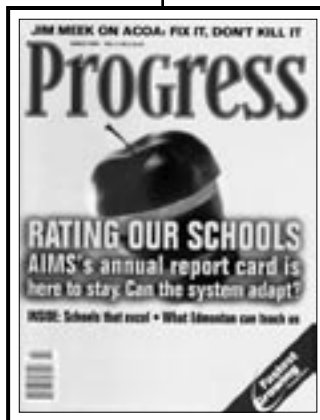
The impact of the AIMS Report Card was immediate. Within weeks, every provincial department of education announced improved accountability measures and an unprecedented level of debate surrounding school performance emerged in the media.

Building on the impact generated by the report card, we devoted our third edition of *Ideas Matter* to educational pursuits. We gathered together some of the highlights of our Education Reform Initiative over the past eight years, including highlights from our 1997 conference, Choosing Better Schools, regional response to the first report card, and the remarkable story of the success of the Edmonton public school system as told by one of its leading architects, Superintendent Angus McBeath.

tenue au Parlement de Nouvelle-Zélande, nous avons lancé « Fencing the Last Frontier: The Case for Property Rights in Canadian Aquaculture » (Fermer la dernière frontière : les droits de propriété dans la pisciculture canadienne) », préparé en collaboration avec le Canadian Aquaculture Institute. Lancer cette publication dans le cadre de cette conférence a été un coup de maître : la conférence portait sur les droits de propriété en mer et l’AIMS a ainsi été vue comme étant à l’avant-garde d’un effort international pour clarifier et renforcer les droits de propriété qui doivent sous-tendre toute approche raisonnable et réfléchie pour gérer les ressources côtières afin que tous en bénéficient.

Nous avons été invités à prononcer l’allocution d’ouverture de cet important événement international – littéralement aux antipodes – à cause de la réputation internationale que nous avons acquise dans ce domaine. L’allocution a touché toutes les questions relatives à la propriété maritime, notamment la pisciculture. À la suite de l’allocution, nous avons été invités à la reprendre au cours de la conférence internationale sur la gestion des terres submergées, à Halifax.

Notre examen des questions concernant la pisciculture, fondé sur nos travaux sur la pêche sauvage, comportait deux autres documents d’importance : « Framing the Fish Farmers et Canadian Aquaculture: Drowning in regulation ». Nous nous sommes également efforcés d’accroître la sensibilisation des principaux intervenants dans ce secteur à l’aide de documents comme « Foreshore, Law and Politics - AIMS at the New Zealand Parliament et Blue Revolution: From Fishing to Farming the Seas », et grâce à une couverture médiatique comme « Canadian aquaculture caught in regulatory fog », article publié dans *The Guardian*.



Dans « Fencing the Last Frontier: The Case for Property Rights in Canadian Aquaculture », Robin Neill, économiste de l’Université de l’Île-du-Prince-Édouard et président du Comité consultatif sur la recherche de l’AIMS, avance que parce qu’il n’existe pas d’ensemble de lois sur l’industrie, les producteurs sont coincés dans un labyrinthe bureaucratique et aux prises avec des montagnes de paperasse que nul gouvernement ne tente même de régir. Le document dresse aussi une comparaison frappante entre les droits de propriété qui sont essentiels pour l’agriculture et les règles qui régissent la pisciculture, règles qui peuvent convenir au côté « chasseur-cueilleur » de la pêche sauvage pour lequel elles ont été élaborées, mais qui sont absolument inadéquates pour les piscicultures établies. En pisciculture, les poissons appartiennent à un particulier, mais il n’en va pas ainsi de l’espace où les poissons sont gardés et élevés.

Éducation de base

En 2003, l’AIMS a publié son premier *Report Card on Atlantic Canadian High Schools* (Bulletin des écoles secondaires du Canada atlantique). L’objectif était, et reste, de susciter une amélioration constante de la reddition de compte du système, du rendement des écoles et du bulletin même grâce à des discussions et à des débats sur les pratiques exemplaires et les moyens d’améliorer la présentation de rapports aux élèves, aux parents, aux enseignants, aux administrateurs et aux autres intervenants du secteur de l’éducation.

Then we issued the second annual report card, again co-authored by AIMS Vice-President Charles Cirtwill and Memorial University of Newfoundland Professor Rick Audas. The good news was this: few schools in Atlantic Canada received a failing grade in this year's High School Report Card – our second such evaluation. The bad news was this: few schools in Atlantic Canada made it to the Dean's List.

In many jurisdictions, there remains a disturbing lack of clear and comparable data about what is going on in our schools. Our objective is clear: we will continue to provide as much information as possible to students, parents, educators, and all other interested parties so that school success can be celebrated and weaker schools identified so that they can get the help they need.

In that spirit, we were pleased to release this report card in the March issue of *Progress* magazine, helping to ensure a full distribution of the results to business readers, opinion leaders – and parents – throughout the region.

City Central

Canada's cities are 21st-century economic, social, and cultural dynamos trapped within a Victorian political world. This is not a recipe for prosperity, as AIMS has demonstrated through a body of work that spans the decade of our existence. This year was no different.

In a commentary that appeared in *The Globe and Mail*, AIMS Senior Fellow in Urban Policy Patrick Luciani noted that over the past few years mayors, urban planners, and smart-growth and anti-suburban advocates have been arguing that wealthier cities will create investment to benefit the entire country. Civic boosters say they believe that if cities keep more of their taxes, the whole country wins. If Toronto wins, so does Truro. However, the real question is this: "Do cities create wealth, or are they where most of Canada's wealth is generated?"

In "Do Cities Create Wealth? A Critique of New Urban Thinking and the Role of Public Policy for Cities," Luciani reviews the three key arguments used to justify a greater role for senior government policy (and senior government spending) in the affairs of Canada's cities. These ideas have become the foundation for what is called "new urban thinking." In reality, they are a justification for greater state involvement in urban affairs. In fact, many of the big spending strategies being promoted by politicians simply don't stand up to analysis.

In addition to commentary (two in *The Globe and Mail*) and a lecture on the issue of urban reform, AIMS was proud to end the year on a taxing note with the release of "Financing City Services: A Prescription for the Future," the latest paper in our Urban Futures Series.

In his paper, Dr. Harry Kitchen, Professor of Economics at Trent University, notes that cities have become increasingly important players in the competitive global economy. The result is the current call for a massive influx of federal dollars under a renewed

L'effet du bulletin publié par l'AIMS a été immédiate. À peine quelques semaines plus tard, le ministère de l'Éducation annonçait la mise en place de mesures améliorées de reddition de comptes et un débat d'une ampleur sans précédent sur le rendement des écoles s'est déroulé dans les médias.

Portés par les réactions suscitées par le bulletin, nous avons consacré la troisième édition de *Ideas Matter* à des enjeux en matière d'enseignement. Nous avons regroupé certains des points saillants de notre initiative de réforme de l'enseignement relevés au cours des huit dernières années, y compris des éléments de notre conférence de 1997 dont le thème était le choix des meilleures écoles, réponse régionale au premier bulletin et histoire remarquable de la réussite du système scolaire public d'Edmonton racontée par l'un de ses grands architectes, Angus McBeath.

Nous avons ensuite publié le deuxième bulletin annuel, dont les co-auteurs étaient Charles Cirtwill, vice-président de l'AIMS, et le professeur Rick Audas de la University of Newfoundland. La bonne nouvelle : peu d'écoles du Canada atlantique n'ont pas reçu la note de passage dans le bulletin de cette année des écoles secondaires, deuxième évaluation du genre publiée par l'AIMS. La mauvaise nouvelle : peu d'écoles du Canada atlantique méritent d'être inscrites sur la liste d'honneur.

Il est troublant de constater qu'à beaucoup d'endroits, on ne trouve pas de données claires et comparables sur ce qui se passe dans nos écoles. Notre objectif est clair : nous continuerons à donner le plus de renseignements possible aux élèves, aux parents, aux enseignants et à toutes les autres parties intéressées afin de pouvoir célébrer les réussites des meilleures écoles et pour qu'il soit possible de repérer les écoles en difficulté afin qu'elles reçoivent l'aide dont elles ont besoin.

C'est pourquoi nous avons été heureux de publier un bulletin dans le numéro de mars du magazine *Progress*, ce qui a permis d'assurer la diffusion à grande échelle des résultats aux gens d'affaires, aux leaders d'opinion et aux parents dans toute la région.

Les villes

Les villes canadiennes sont des moteurs économiques, sociaux et culturels du XXI^e siècle enfermées dans le carcan d'un monde politique victorien. Ce n'est pas une recette de prospérité, comme l'AIMS en a fait la preuve dans des ouvrages publiés tout au long des dix années de son existence. Il n'en a pas été autrement cette année.

Dans un article publié dans *The Globe and Mail*, Patrick Luciani, associé en recherche de l'AIMS en politique urbaine, souligne qu'au cours des dernières années, les planificateurs urbains et ceux qui préconisent la croissance intelligente et prèchent contre l'exode vers les banlieues, ont allégué que les villes les plus riches créeront des investissements qui bénéficieront à tout le pays. Les partisans des villes affirment croire que si les villes gardent une plus grande partie des taxes qu'elles perçoivent, c'est le pays entier qui y gagne. Si Toronto gagne, Truro gagne aussi. Mais la véritable question est la suivante : « Les villes créent-elles de la richesse, ou sont-elles les lieux où la plus grande partie de la fortune du Canada est produite? »

Dans « Do Cities Create Wealth? A Critique of New Urban Thinking and the Role of Public Policy for Cities », Patrick Luciani passe en revue les trois principaux arguments invoqués pour justifier un rôle accru pour les grandes politiques gouvernementales (et les grandes dépenses par le

national “cities agenda.” But there is much the cities could do to put their own houses in order.

AIMS will continue to bring critical analysis to what is quickly becoming “flavour of the month” thinking about cities. Decision makers need to be equipped with sensible and concrete alternatives to going hat in hand to the federal government for money. Cities need to question whether senior government intervention is a sound strategy and seriously examine alternatives.

Pharma Careful

In the battle against disease, human ingenuity has proven itself a formidable combatant. Often using drugs as our chief weapon, we have made in the last century progress against illnesses that previously had been simply assumed to be an unalterable fact of human existence. Now, however, human ingenuity in its destructive form threatens the flow of pharmaceutical innovation just at the moment when it is poised to lay its greatest triumphs at mankind’s feet. How – and why – this is happening was a subject investigated, and discussed, by AIMS throughout the year.

Building on earlier, and definitive work, including “Definitely NOT The Romanow Report” and “The Benefits of Allowing Business Back Into Canadian Health Care,” we provided a range of commentary that explored such issues as “Why Are Many Drugs Cheaper in Canada Than the US? It isn’t what you think..;” “Is the Drive for Cheaper Drugs Costing Lives?;” “Underdosing on Drugs;” and “Drug Use in Canada: Opportunity Lost.” Our insight generated considerable media interest, especially from CBC Radio where we commented on national pharmacare and cheap pills today costing a dearth of medication tomorrow.

Our views – backed by solid research – entered the US presidential election. In “What ails John Kerry’s drug plan?,” a commentary by AIMS’ new Fellow in Health Care Economics Professor Brian Ferguson, the senator’s denouncing of the Bush administration for not permitting the re-importation of pharmaceuticals from Canada was unravelled – along with the buzzword “re-importation.”

Meanwhile, back at the ranch...

Like the policy issues we explore, our success at AIMS is measurable. This is, in no small part, thanks to the people who believe in what we do and who work with us. It is now my pleasurable task to thank them.

Let me start by extending my sincere appreciation to our Board of Directors who so willingly and so generously share their time, expertise, and experience. In particular, I would like to thank David Mann for his support and insight over the past 12 months. I look forward to the next 12 months.

On behalf of all of the AIMS staff and supporters, I would like to say thank you to those members of the Board whose terms are coming to an end: Beverley Keating MacIntyre and Arnold G. Park. I’m confident the relationship will continue in many

gouvernement) dans les affaires des villes canadiennes. Ces idées sont devenues le fondement de ce qu’il est convenu d’appeler « la nouvelle pensée urbaine ». En réalité, il y a une justification pour une plus grande participation de l’État dans les affaires des villes. De fait, beaucoup des grandes stratégies de dépense privilégiées par les politiciens ne survivent tout simplement pas à l’analyse.

En plus d’articles (deux dans The Globe and Mail) et d’une conférence sur la réforme urbaine, l’AIMS est fière d’avoir terminé l’année sur une note forte avec la publication de « Financing City Services: A prescription for the future », le plus récent document de la série Urban Futures.

Dans son article, Harry Kitchen, professeur de sciences économiques à l’université Trent, rappelle que les villes sont devenues des joueurs de plus en plus importants dans l’économie mondiale. Conséquence de cette importance accrue, les villes adressent au gouvernement fédéral une demande d’aide financière massive en vertu d’un nouveau programme national. Mais elles pourraient faire beaucoup pour résoudre leurs problèmes.

L’AIMS continuera à faire l’analyse critique de ce qui est rapidement en train de devenir la pensée du mois sur les villes. Les décideurs doivent disposer de solutions de rechange concrètes et réalistes au lieu de se présenter la main tendue pour demander de l’argent au gouvernement fédéral. Les villes doivent se demander si l’intervention d’un ordre supérieur de gouvernement est une bonne stratégie, et examiner les solutions de rechange.

Médicaments et industrie pharmaceutique

Dans la lutte contre la maladie, l’ingéniosité humaine s’est avérée une arme formidable. Utilisant souvent des médicaments comme arme principale, nous avons fait, au XXe siècle, d’énormes progrès contre des maladies qui avaient jusque là été considérées comme faisant inéluctablement partie de la vie. Mais aujourd’hui, l’ingéniosité humaine dans sa forme destructrice menace le développement de produits pharmaceutiques novateurs, au moment même où cette industrie s’apprête à déposer ses plus grands triomphes aux pieds de l’humanité. Comment – et pourquoi – en est-il ainsi? Cette question a été étudiée et discutée par l’AIMS tout au long de l’année.

Partant de travaux précédents très complets, notamment « Definitely NOT The Romanow Report » et « The Benefits of Allowing Business Back Into Canadian Health Care », nous avons publié une multitude d’articles sur des questions, par exemple « Why Are Many Drugs Cheaper in Canada Than the US? It isn’t what you think.. », « Is the Drive for Cheaper Drugs Costing Lives? », « Underdosing on Drugs » et « Drug Use in Canada: Opportunity lost ». Ces articles ont suscité un intérêt considérable dans les médias, en particulier à CBC Radio, où nous avons affirmé que les faibles coûts actuels des médicaments et du régime national d’assurance-médicaments auront pour conséquence une pénurie de médicaments dans l’avenir.

Nos points de vue – appuyés sur des recherches solides – ont été mentionnés pendant les élections présidentielles américaines. L’article « What ails John Kerry’s drug plan? », le professeur Brian Ferguson, nouvel associé en recherche de l’AIMS en économie des soins de santé, a démantelé les arguments et le mot fétiche « réimportation » du

productive ways.

I'd like to welcome to the Board Jim Dinning, Executive Vice-president, TransAlta Corporation; and Colin Dodds, President, Saint Mary's University. I'd like to welcome back to the Board Jacquelyn Thayer Scott, President and Vice-Chancellor of University College of Cape Breton Foundation, and our Chair, David Mann.

The Research Advisory Board, under the ongoing leadership of Robin Neill, continued its commitment to excellence, as reflected in the high quality of the research produced this year. Every year. We also welcomed the following new AIMS Fellows: Kelvin K. Ogilvie, on post-secondary education; Julia Witt, on pharmaceutical issues; and Patrick Luciani, on cities and urban affairs.

Finally, my deepest gratitude to the AIMS staff whose dedication is second to none: Charles Cirtwill, whose internal leadership and commitment is a foundation of our success; Karen Fraser, whose finance wizardry is beyond question; Lynne Pascoe, who is already planning for our 10th anniversary banquet; Jan Matthews, who is already planning for *Ideas Matter #5*, hot on the heels of a successful *Atlantica* edition; and Barry Norris, whose editorial standards place our work in the highest tier. I'd also like to say farewell – and thank you – to Don McIver, Director of Research; Rolando Inzunza, Operations and Information Coordinator; Bonnie Williams, Administrative Assistant; and Jordi Morgan, Director of Communications. Although no longer part of the team, they have contributed significantly to AIMS and the impact we have made.

That impact will resonate over the next 10 years.

Brian Lee Crowley
President, AIMS



sénateur qui dénonçait l'administration Bush pour ne pas avoir permis l'importation de produits pharmaceutiques du Canada.

Pendant ce temps à la maison...

Tout comme les questions politiques que nous examinons, nos réussites sont mesurables. Ces réussites sont dues en grande partie aux personnes qui croient en ce que nous faisons et qui travaillent avec nous. J'ai maintenant le privilège et le plaisir de les remercier.

Je veux tout d'abord remercier très sincèrement les membres du conseil d'administration qui partagent si volontiers et si généreusement leur temps, leurs compétences et leur expérience. Je tiens en particulier à remercier David Mann pour son soutien et ses perceptions lucides au cours des douze derniers mois. J'envisage avec plaisir les douze prochains mois.

Au nom de tout le personnel et de tous ceux qui appuient l'AIMS, je veux dire merci aux membres du conseil dont le mandat se termine, Beverly Keating MacIntyre et Arnold G. Park. Je suis sûr que l'AIMS continuera de bénéficier des résultats de leur travail.

Je suis heureux de souhaiter la bienvenue à Jim Dinning, vice-président exécutif, TransAlta Corporation, et à Colin Dodds, président, Saint Mary's University. Je suis aussi heureux d'accueillir Jacquelyn Thayer Scott, présidente et vice-chancelière du University College of Cape Breton Foundation, et le président du conseil, David Mann.

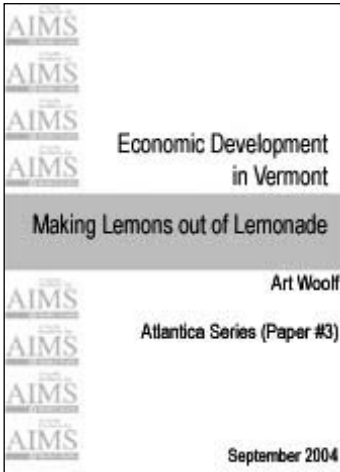
Le Conseil consultatif de la recherche, sous la gouverne de Robin Neill, a poursuivi sa recherche de l'excellence comme le démontre la haute qualité de la recherche produite cette année. Et chaque année. Nous accueillons aussi de nouveaux associés en recherche : Kelvin K. Ogilvie, sur l'enseignement postsecondaire, Julia Witt, sur les questions relatives aux produits pharmaceutiques et Patrick Luciani, sur les villes et les affaires urbaines.

Enfin, j'exprime ma plus profonde gratitude aux membres du personnel de l'AIMS dont le dévouement est sans pareil : Charles Cirtwill, pour son leadership et sa détermination, gages de notre succès, Karen Fraser, pour ses connaissances incontestées en matière de finance, Lynne Pascoe, qui est déjà en train d'organiser le banquet qui marquera le 10^e anniversaire de l'AIMS, Jan Matthews, qui planifie déjà le numéro 5 de *Ideas Matter*, immédiatement après le numéro *Atlantica* fort réussi, et Barry Norris, dont les normes en matière de publication donnent du prestige à ce que nous publions. Je veux aussi dire au revoir – et merci – à Don McIver, directeur de la recherche, à Rolando Inzunza, coordonnateur des opérations et de l'information, à Bonnie Williams, adjointe administrative, et à Jordi Morgan, directeur des communications. Même s'ils ne font plus partie de l'équipe, ils ont beaucoup apporté à l'AIMS et grandement contribué à l'impact que nous avons eu.

Cet impact sera ressenti pendant les dix prochaines années.

Brian Lee Crowley
Président, AIMS

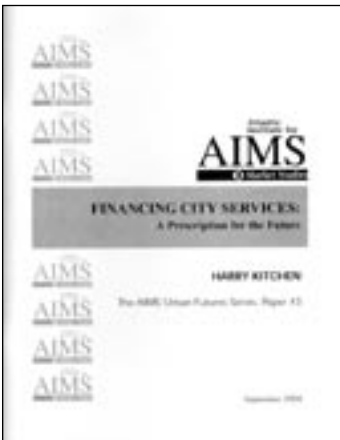
September, 2004



“Economic Development in Vermont: Making Lemons Out of Lemonade?” by **Art Woolf**, Associate Professor of Economics at the University of Vermont, is based on his speech assessing the challenges faced in Vermont despite a highly educated population and high levels of education spending. Professor Woolf contrasts the successes of New Hampshire in overcoming similar challenges.

This paper is important for Atlantic Canadians due to the region’s struggle with these same themes.

September, 2004



As part of AIMS’ Urban Future Series, in “Financing City Services: A Prescription for the Future” Professor **Harry Kitchen** concludes that the federal government has no constitutional right to give cities access to new revenue sources and financing instruments, and should not participate with cities in revenue-sharing programs. Kitchen says there is much

that cities can do to put their own houses in order and recommends new policies and practices from parking, property assessments, solid waste collection, and public transit as a means to creating self-reliance. Given the significance of infrastructure to quality of life and enhancing Canada’s ability to be economically competitive, Kitchen argues self-reliance through incentives and effective management plans needs to be a central focus for progress.

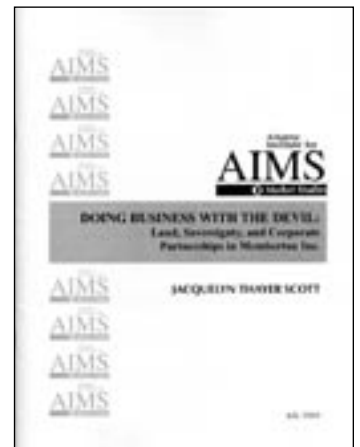
Fall, 2004

In *Ideas Matter* #4, AIMS highlights the International Northeast Economic Region (Atlantica) and how the region is joined by its geography, economic trends, and trade patterns; common problems and experiences; and politics. Much of this wedge of territory has

been outside the charmed circle of North American prosperity for years. However, this edition of *Ideas Matter* demonstrates how continental free trade and globalization could put an end to the isolation of Atlantica.

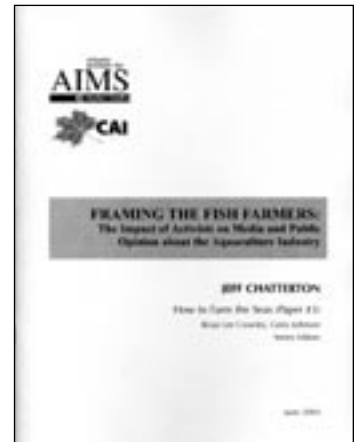
July, 2004

“Doing Business with the Devil: Land, Sovereignty and Corporate Partnerships in Membertou Inc.” Membertou First Nation, one of the few urban aboriginal reserves in Atlantic Canada, defies stereotypes about poor, mismanaged reserves. It has successfully managed its infrastructure and economic development. In fact, it is the first aboriginal government in Canada, and possibly in the world, to achieve and maintain ISO-9000 certification. However, cultural and social issues such as attitudinal change, cultural erosion, and the issues of firewalls and property rights, with their implications for access to capital, are major hurdles facing the leadership. Author **Jacquelyn Thayer Scott** examines the road ahead for the Membertou First Nation.



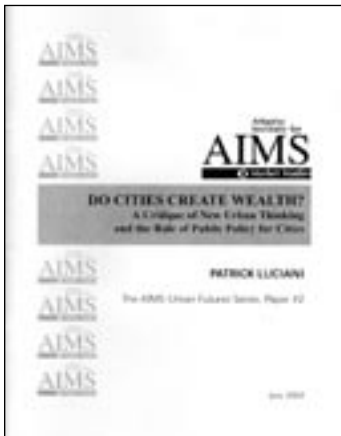
June, 2004

“Framing the Fish Farmers: The Impact of Activists on Media and Public Opinion About the Aquaculture Industry.” The rapid growth of aquaculture has brought with it increased focus on the industry, by both the media and environmental activists. AIMS has written extensively about the aquaculture industry and has been invited



to speak at conferences around the world regarding its thought-provoking analysis and recommendations for mechanisms to assist the industry's growth and prosperity. In the third paper in AIMS' How to Farm the Seas series, author **Jeff Chatterton** examines media coverage surrounding the aquaculture industry to determine the extent to which reports regarding alleged loss of native fish species, invasion of non-native species, the use of "harmful" colorants, and dangerous levels of PCBs in farmed salmon reflect reality or are the impact of journalists relying too uncritically on advocacy groups for industry information.

June, 2004

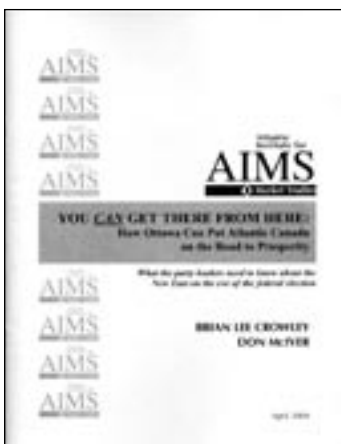


"Do Cities Create Wealth? A Critique of New Urban Thinking and the Role of Public Policy for Cities." Along with health care and taxation, a "new deal for cities" became a theme of the 2004 federal election. This restructuring of the relationship between Ottawa and Canada's municipalities has moved to centre stage,

but are the arguments sound that are being put forward for new senior government intervention in the life of the country's cities? AIMS Senior Fellow in Urban Policy **Patrick Luciani** reviews the three key arguments that are used to justify a greater role for senior government policy (and senior government spending) in the affairs of Canada's cities. Luciani's ideas have become the foundation for what is called "new urban thinking."

April, 2004

"You CAN Get There From Here: How Ottawa Can Put Atlantic



Canada on the Road to Prosperity," co-authored by AIMS President **Brian Lee Crowley** and former Director of Research **Don McIver**, invited the leaders of all the federal parties to respond to a non-partisan, home-grown policy roadmap for Atlantic Canadian prosperity. Based on the Institute's extensive body of research on the impact of federal policies

on the region, this paper is an invitation to all federal political parties to re-examine their past policies and declare how they intend to bring Atlantic Canada back into the nation's economic mainstream. "You Can Get There From Here" is another contribution to AIMS' series of thought-provoking pieces on changing the direction of the Atlantic region toward prosperity. Past papers have assessed the political and economic forces of the ineffective policies of ACOA, EI and federal grants and have argued in favour of removing nonrenewable resources from the equalization formula. The research and analysis for which AIMS has become recognized has been accomplished in an effort to stop the federal government from preventing economic prosperity for Atlantic Canada.

March, 2004

"Smart Growth: Threatening the Quality of Life." Portland, Oregon, has been a world leader in smart growth, and many urban planners view the city as a model for limiting sprawl. As part of the AIMS Urban Futures project, in "Smart Growth: Threatening the Quality of Life," author **Wendell Cox** challenges the many assumptions promoted by smart-growth advocates and argues that evidence is mounting that Portland's policies simply don't work.



Winter, 2004

Ideas Matter #3 provides concise briefings on the work of AIMS in the area of education. In this third edition of *Ideas Matter*, AIMS gathers together some of the highlights of its Education Reform Initiative over the past eight years, including highlights from AIMS' 1997 conference, Choosing Better Schools, regional response to the first Report Card, and the remarkable story of the success of the Edmonton public school system as told by its leading architect, Superintendent Angus McBeath.





January, 2004

“A River Divides It: A Comparative Analysis of Retailing in the Connecticut River Valley of Vermont and New Hampshire.” Vermont is driving retail business out of state with its sales tax. The Atlantica project is examining the International Northeast as one interconnected economic zone. As part of its multi-year research initiative, AIMS

released this paper authored by **Art Woolf**, Associate Professor of Economics at the University of Vermont. This paper shows how damaging the effects of poor public policy can be in a region where people and businesses can escape the consequences of that policy merely by crossing a nearby border.

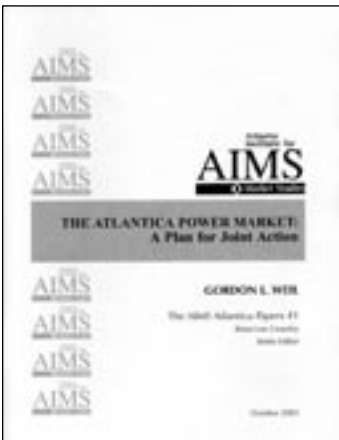


November, 2003

“New Brunswick’s Plastics Industry: Rhetoric Versus Reality,” by internationally acclaimed professor of business studies **I.A. (Al) Litvak**, demonstrates once again that wishful thinking is no substitute for a real hard-headed analysis about what makes businesses and industries succeed. New Brunswick’s “Plastics Valley”

is an “Extrusion Delusion.” The paper injects reason into misguided industrial development strategy and points out the implausible arguments by two consulting reports supporting the initiative. “Rhetoric versus Reality” is an in-depth analysis of an example

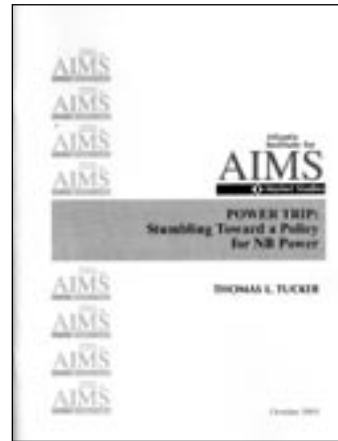
of how the good intentions and political advantages that guide government decision-making only serve to enhance the problems they intended to address.



October, 2003

Building on the theme that electricity policy must move beyond politics, “The Atlantica

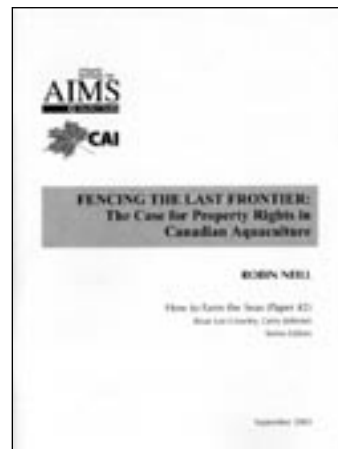
Power Market: A Plan for Joint Action” by **Gordon L. Weil** says there is a “natural benefit” to the establishment of a regional electricity market in the Atlantica region straddling the Canada-US border. The author proposes an innovative mechanism for drawing provinces and states together to create this market. Weil argues that the region is primed for the development of a more competitive regional market for electricity. The problem he considers is how to get the provinces and states to operate their power grids to promote the development of this market.



October, 2003

In his second paper on NB Power, “Power Trip: Stumbling Toward a Policy for NB Power,” **Tom Tucker** says the proposed restructuring of NB Power will do nothing to address the problems of high operating costs and high debts. He says shifting the debt from the corporation to the government does

nothing to address the fundamental problems that prevent the corporation from generating sufficient cash to retire debt. Turning the business units of NB Power into separate Crowns is nothing more than symbolism over substance. AIMS previous papers and commentary have supported the point that electricity policy and politics do not engender a positive outcome for consumers.



September, 2003

“Fencing the Last Frontier: The Case for Property Rights in Canadian Aquaculture” takes a closer look at the aquaculture industry and its implications for Atlantic Canada. Building on the work for which AIMS’ expertise has become internationally recognized, UPEI economist **Robin Neill** effectively makes the point that the aquaculture

industry is set to become a vigorous and lucrative industry, yet “fencing” this last frontier is hampered by a property-rights system essentially developed for the hunter/gatherer nature of the wild fishery, rather than agriculture, which aquaculture more closely resembles. Neill argues that because there is no comprehensive body of law dealing with the industry, producers are forced

to navigate a maze of sluggish and inept bureaucracy with no restraint on government and administrative discretion. This paper is another example of AIMS' commitment to identifying barriers to the prosperity of the Canadian aquaculture industry in an

effort to create more progressive and supportive public policy, is how to get the provinces and states to operate their power grids to promote the development of this market.

AIMS-Sponsored Events / Les événements de AIMS

The American Empire

In September of 2004, AIMS launched the Grano Series and will sponsor the remaining discussions on the series during the next 12 months. This series will explore the potential and limits of American power in the 21st century through the ideas of four outstanding thinkers.

Since Sept. 11, 2001, the United States has abandoned its implied foreign policy of minimal international engagement. Instead, it has undertaken one of the most ambitious and risky ventures in international affairs: the quest to bring democracy to Afghanistan and Iraq. The US may see itself as a reluctant empire, but President Bush has embarked on a policy that may force it to become the very thing it denies and fears – an imperial power.

Sponsors for this series include BMO Financial Group, Donner Canadian Foundation, and The Peter Munk Charitable Foundation. AIMS' partners in this series include The Globe and Mail, the US Consulate General Toronto, Grano Restaurant, and Vincor.

Ecology, Economy, and Justice: Holding the environmental movement to account. Breakfast talks with author Paul Driessen

AIMS presented breakfast talks in October of 2004 in Sydney, NS, and Halifax with one of the world's foremost authorities on the impact of environmental activism – Paul Driessen, author of the new book

Eco-Imperialism: Green Power, Black Death. Driessen contends that the environmental movement has evolved from a grassroots beginning to an \$8 billion-a-year business. Now a senior policy advisor for the Congress of Racial Equality, one of America's oldest and most respected civil rights organizations, Driessen uses examples from his experiences as a member of the Sierra Club and Zero Population Growth to underscore his points. He rejected their



cause when he recognized that the environmental movement had become intolerant in its views, inflexible in its demands, unwilling to recognize our tremendous strides in protecting the environment, and insensitive to the needs of billions of people who lack the food, electricity, safe water, health care, and other basic necessities that we take for granted. Driessen has spoken and written frequently on energy and environmental policy, biotechnology, global climate change, and corporate social responsibility.

Risk: Regulation and Reality. A conference exploring the role and influence of risk in our society

This special event held in Toronto in October of 2004 focused on risk and its impact on our lives and businesses and how it continues to grow in our global society. This thought-provoking event highlighted the need to understand our willingness to respond to risk and the need to be prepared. If we are unprepared for it then risk, and the fear it engenders, will restrict our daily lives and harm our collective well-being, whether that is the health risk of diseases that do not recognize borders or the risk of terrorism to the international financial markets. But when is there time to gain perspective on the issues when we are bombarded by threats of risk daily? Leading experts from around the globe shed light on some of the "risk myths" facing Canadians today. This successful event, like many others, will move AIMS and partners forward in ongoing policy discussions with government leaders.

Risk: Regulation and Reality was sponsored by AIMS in partnership with Tech Central Station and the Toronto Insurance Conference.

Are We Running Out of Oil? A breakfast with Dr. G. Campbell Watkins

There have been many studies intent on spreading the oil patch's very own version of SARS (Severe Anaemic Reserves Syndrome), a belief that has proved remarkably resistant to evidence. With gas prices soaring it would seem incontrovertible that SARS is a reality and that cars, and other users of petroleum-based products, are, like the dinosaurs, doomed to extinction. But, as an economic commodity, oil is more plentiful now than it was in 1973. In this engaging and informed talk to an AIMS breakfast in Halifax in May of 2004, Campbell Watkins said the world has unfolded almost in precisely the opposite way from the

doomsday predictions of the 1970s and early '80s. Watkins calls it "confounding Cassandra."

AIMS recognizes the generous support of the event sponsor, the Canadian Association of Petroleum Producers.

Nation States and Economic Regions in the Global Network



In an off-the-record setting in May of 2004, Michael Gallis, a specialist in helping public, private, and institutional leaders work together to create globally competitive regions, discussed the opportunities and vulnerabilities in Atlantica. Gallis has mobilized leaders to understand and respond to the challenges and opportunities of regional commerce in the 21st century throughout North America and used his knowledge to highlight how Atlantica can organize and advance as a coherent region.

AIMS held this event with the generous sponsorship of one of Atlantica's cross-border success stories, Maine & Maritimes Corp. and Maricor Ltd.

Smart Growth: How urban planners are threatening the quality of life in our cities



In spite of the challenges in the wake of the Great Halifax Snowstorm of 2004, AIMS persevered with its plans to put internationally recognized urban development expert Wendell Cox in front of an audience of Atlantic Canadians concerned about urban development issues.

In his talk in February of 2004, Cox made specific reference to the challenges facing the Halifax Regional Municipality, drawing from a deep knowledge of the effect of these policies on urban centres in the United States,

Europe, Asia, and elsewhere in Canada.

AIMS would like to thank the original sponsors of this event, The

Chronicle Herald and Scotiabank, for their generous support.

AIMS/ECANS Second Electricity Conference: Plugging in the International Northeast. A Canada-US dialogue on solving this region's electricity challenges



In 2001, AIMS and ECANS brought the very best ideas about competition, deregulation, and market opening in the electricity field to Atlantic Canada in "Plugging in Atlantic Canada." After the major power outage in central North America in 2003, looming power generation shortages in the Maritimes, painful lessons to

be learned from California and Ontario, and a growing awareness of the importance of regional co-operation across the Canada-US border, AIMS and ECANS delivered an update on how power markets are evolving, what it means for this region, and which region is the "right" one for electricity purposes. The event was held in November of 2003 in Moncton, NB.

The keynote speaker was Curt L. Hébert, Jr., Executive Vice-President, External Affairs, for Entergy Corporation. Hébert joined Entergy Corporation after a lengthy career as a government energy regulator at both the federal and state levels. He served for four years as a presidential appointee to the Federal Energy Regulatory Commission, was named to a Republican seat on FERC by President Clinton in 1997, and was elevated to chairman by President Bush in January of 2001.

Unleashing Canada: AIMS hosts former Ontario Premier Mike Harris



In October of 2003, on the heels of Hurricane Juan, Michael D. Harris arrived in Halifax to speak about his vision for a more prosperous Canada. As the former Premier of Ontario and architect of the "Common Sense Revolution," and Senior Fellow at the Fraser Institute, Mike Harris understands the role of common sense in public policy. After expressing his views regarding AIMS' important

role in the intellectual life of Atlantic Canada and the rest of the country, Mike Harris effectively outlined his vision for a more prosperous Canada.

AIMS would like to thank Office Interiors Group for their generous sponsorship of this event.

Selected Talks and Speeches: AIMS as Invited Guests / Discourse choisis de AIMS

Property Rights Work for the Seabed, Too

Sept. 23, 2004; Halifax – At the 23rd Annual International Submerged Lands Management Conference in Halifax, AIMS President Brian Lee Crowley was asked to present the arguments for a shift from traditional public ownership/trustee arrangements to a regime of mixed public and private property for the management of the seabed.

Drawing on his 2003 lecture at the New Zealand Parliament on “Who Should Own the Sea,” Crowley systematically outlined how a greater role for private property in the seabed, as well as the water column and the foreshore, would unlock great wealth for society and improve the economic prospects of coastal communities.

Why are Many Drugs Cheaper in Canada Than the US? It isn't what you think...

Sept. 16, 2004; Portland, Maine – At a conference on drug re-importation, sponsored by the Maine Public Policy Institute, AIMS explained why drug prices are lower in Canada. In answering this question, AIMS President Brian Lee Crowley drew on some of the latest research and even gave the audience a foretaste of some new research for AIMS being carried out by health economist Brian Ferguson on this topic. The conclusion? “...if you want Canadian pharmaceutical prices in the US, the steps you must follow are clear. You must cut your standard of living by 20% to 30%. You must reform your ludicrous product liability laws.”

Can the Atlantic Offshore be Revived?

July 20, 2004; Halifax – AIMS gave a major address on opportunities in the offshore oil and gas industry on the East Coast at the Canadian Institute's Atlantic Gas Symposium. AIMS President Brian Lee Crowley took advantage of the opportunity to offer a major diagnosis of the ills that dog the industry, including a poor regulatory regime, a hostile political climate, unreasonable expectations of the industry, and a growing sense that exploration, particularly off Nova Scotia, is too risky and expensive.

Social Policy and the New Economy

June 3, 2004; Dartmouth, NS – AIMS spoke to participants at Toward A Hunger Free Canada, a national convention of the Canadian Association of Food Banks sponsored by the Metro Halifax Food Bank, about the obstacles to improving conditions for people on low incomes. AIMS President Brian Lee Crowley examined the human face of social policy and emphasized its role in either assisting people in overcoming challenges or inadvertently consigning people to the margins of economic and social progress. Social Policy and the New Economy gave a wealth of detail as to why work is still the best, most effective antidote to poverty.

Plugging Atlantica into the Emerging Global Network: Why the International Northeast Economic Region is the way of the future

May 29, 2004; Montague, PEI - In a speech before the Atlantic Provinces Chambers of Commerce, using a series of illustrative maps, AIMS outlined the historical impediments to economic integration and charted a new course for the success of the international northeast economic zone. Drawing on material from Michael Gallis' presentation, Nation States and Economic Regions in the Global Network, and the large body of research that AIMS has completed on the international northeast economic region, AIMS President Brian Lee Crowley painted a compelling picture of the importance of Atlantica's place in world trading patterns.

What the East Coast Has to Teach the West Coast About Offshore Oil and Gas

May 14, 2004; Victoria, BC – Due to AIMS' extensive experience in offshore oil and gas public policy in Canada's east coast, AIMS President Brian Lee Crowley was invited by His Worship Lynn Nash, Mayor of Campbell River, to brief a federal government Public Review Panel on the relevance of the East Coast offshore experience to the BC offshore moratorium.

Atlantica: Moncton's New Neighbourhood in the Global Economy

May 5, 2004; Moncton, NB – AIMS addressed the Greater Moncton Chamber of Commerce during its Annual General Meeting and mapped out the benefits of the conscious pursuit of regional coherence within Atlantica. AIMS President Brian Lee Crowley drew upon extensive AIMS research to underscore the significance of integrating northern New England, upstate New York, Atlantic Canada, and Quebec as a means to achieving prosperity and growth. Crowley used the past to shed light on how Atlantica was stronger as an integrated region feeding off each area's strengths and successes and laid out a plan to again reap the benefits of integration.

Atlantic Prosperity: AIMS debates Jack Layton before Atlantic Mayors in Moncton



March 26, 2004; Moncton, NB – Invited by outgoing Moncton Mayor Brian Murphy to speak opposite Jack Layton, leader of the federal New Democratic Party, in a friendly debate about the future of Atlantic Canada, AIMS President Brian Lee Crowley

presented an optimistic view of Atlantic Canada, avoiding the paternalistic and dismissive tone so prevalent in Ottawa and some other parts of the country.

Promoting Economic Development

March 2, 2004; Halifax – AIMS participated in a C.D. Howe Institute Policy Roundtable on how governments can best promote economic development in Atlantic Canada.

Connecting Communities, Creating Opportunities

Nov. 7, 2003; Halifax – AIMS President Brian Lee Crowley spoke to Communities Uniting: An Atlantic Multicultural Conference in Halifax on the similarities between policies that attract and retain immigrants and increase opportunities for native Atlantic Canadians as well. Crowley pointed out that many people feel that although immigration might be very good for Toronto and Vancouver, it's quite inappropriate for Atlantic Canada because of high unemployment. While most people don't actually say this, they do believe that opportunity is a zero-sum game, that if someone immigrates and does well, they have done so at the expense of someone else. Crowley began his comments by being direct and forthright about the fact that the issues that this conference was dealing with were among the most important that society faces, and that the way we respond to the challenges of immigration, diversity, and population change will literally determine whether, as a society, we live or die.

One Region, Two Futures

Oct. 26, 2003; Maine – AIMS spoke to the Bangor Savings Bank dinner on the need to strengthen the region of Atlantica. AIMS President Brian Lee Crowley drew on his extensive body of research, highlighting the past and focusing on the future and the choices that will lead to prosperity, growth, and progress. He told the story of a single region, divided only by history and a common border and united by one of two possible futures. That single region is New England, Atlantic Canada, and Quebec: it is Atlantica. Crowley focused on the two alternative futures available to the people of this transnational region: continued economic difficulties as separate, competing interests; or growth and development as a single, coherent regional economy.

Who Should Own the Sea and Why it Matters

Oct. 4, 2003; New Zealand Parliament - In keeping with AIMS' reputation as having an expertise and comprehensive understanding of the aquaculture industry, AIMS President Brian Lee Crowley delivered a major speech and released AIMS' new paper on Canadian aquaculture at Foreshore, Law and Politics, an international conference on coastal, fishery, and aboriginal issues at the New Zealand Parliament. To coincide with the conference, AIMS released more analysis on the complexities of this industry through its paper, "Fencing the Last Frontier: The Case for Property Rights in Canadian Aquaculture," by UPEI economist Robin Neill.

Selected AIMS Published Commentary / Commentaires divers de AIMS

"Bush versus Kerry: who's best for Canada?" Why a Bush victory is better for Canada. By Brian Lee Crowley.
Oct. 20, 2004 – *The Chronicle Herald* and *Times & Transcript*

"What ails John Kerry's drug plan?" The hypocrisy of John Kerry's criticism of the Bush administration policy for not permitting the re-importation of pharmaceuticals from Canada. By Brian Ferguson.
Oct. 14, 2004 - *The Globe and Mail*

"Environmental activists stoke anxieties, oppose solutions." How activists who stoke public anxieties, fault every proposed solution, yet offer no workable alternatives, are ensuring that problems and health risks remain. By Paul Driessen.
Oct. 2, 2004 - *The Cape Breton Post*

"Martin squanders gains." How the Prime Minister squandered his fiscal legacy and got nothing in return. By Brian Lee Crowley.
Sept. 22, 2004 – *The Chronicle Herald* and *Times & Transcript*

"No more handouts." How self-sufficient cities are far more efficient than those subsidized by the federal or provincial government. By Harry Kitchen.
Sept. 21, 2004 – *The Globe and Mail*

"Exploding the myth of high tuition as a huge barrier." Those who benefit from post-secondary education should pay the costs. By Brian Lee Crowley.
Sept. 9, 2004 – *The Chronicle Herald*

"Governments hold the key to the offshore's survival." Why we need to put the offshore industry on a better regulatory and tax regime. By Brian Lee Crowley.
Sept. 1, 2004 - *National Post*

"Revitalizing Atlantic Canada." Government planners believe that investors are somehow systematically ignoring profit-making opportunities. This vision of how to achieve growth and convergence is dead wrong. It is contradicted by international experience and by Atlantic Canada's own history. By Don McIver.
June 4, 2004 - *National Post*

"More pros than cons to tax cuts." Why caring about others equals high taxes is a false equation. By Brian Lee Crowley.
June 2, 2004 – *The Chronicle Herald* and *Times & Transcript*

"Atlantic Canada's dole rots the soul." Federal and provincial studies galore have repeatedly identified the perverse incentives in EI as the biggest obstacle to Atlantic Canada escaping its chronic underdevelopment. By Brian Lee Crowley.
May 19, 2004 - *National Post*

“EI and seasonal workers: another tragedy of everyday life.” Why EI rationalizations don’t make sense. By Brian Lee Crowley.
May 19, 2004 - *The Chronicle Herald* and *Times & Transcript*

“Equalization can be reformed: the constitution is no excuse.” Why the constitution should not be a serious bar to a cleverly designed equalization reform. By Brian Lee Crowley.
April 21, 2004 - *The Chronicle Herald* and *Times & Transcript*

“In praise of tax cuts.” Do tax differences affect growth? A comparison of NB and NS. By Brian Lee Crowley.
April 7, 2004 - *Times & Transcript*

“Parable of the noon gun: what’s urban planning really for?” Why the campaign against urban sprawl is misguided. By Brian Lee Crowley.
March 10, 2004 - *The Chronicle Herald*

“Why not “Europeanize” healthcare?” Why Canadian health care consumers need to understand the European medical care market if they want more authority over their health and their lives. By Brian Lee Crowley and Johan Hjertqvist.
March 1, 2004 - *National Post*

“Save us from city saviours.” Do cities create wealth, or are they where most of Canada’s wealth is generated? The distinction isn’t simply a matter of economic hairsplitting. By Patrick Luciani.
Feb. 3, 2004 - *The Globe and Mail*

“New Brunswick’s second Bricklin.” Why the New Brunswick government is wrong to conclude that the plastics products industry could become an important engine of growth in the province’s manufacturing sector. By Don McIver.
Dec. 10, 2003 - *National Post*

“Property rights resolution vital to aquaculture.” Why the development of agricultural-style property rights for aquaculture is hampering the industry. By Brian Lee Crowley.
Dec. 3, 2003 - *The Chronicle Herald*, *Times & Transcript* and *The Vancouver Sun*

“Pulling politics out of power.” Reform of the electricity market is an idea whose time has come and the Maritimes, like the rest of the country, have a great deal to gain from it. By Brian Lee Crowley.
Nov. 5, 2003 - *Progress* magazine

“Newfoundland needs more than a switch.” The incoming Progressive Conservatives have few conservative credentials. Will they be up to needed government finance and income tax reforms? By Peter Fenwick.
Oct. 21, 2003 - *AIMS Commentary*

House of Commons and Provincial Legislative Committee Appearances/ Comparutions devant divers comités parlementaires fédéraux et provinciaux

Legislative Committee on Regulations to Increase the Price of Gasoline

July 20, 2004 - In an oral brief submitted to the Legislative Committee on Regulations to Increase the Price of Gasoline, held in Truro, NS, AIMS President Brian Lee Crowley argued that the committee’s members have allowed complaints by gasoline retailers about low margins on gasoline to cloud their judgment about whose interests the committee was created to protect. In conjunction with the presentation to the committee, AIMS also released an augmented version of the brief entitled “Keeping our eye on the ball: Looking out for consumers, not producers, in the Nova Scotia gasoline industry.”

The New Brunswick Government Select Committee on Public Automobile Insurance

Nov. 11, 2003 - Public automobile insurance has become a significant public policy, emotional, and economic issue. In a submission to the New Brunswick Government Select Committee on Public Automobile Insurance, AIMS President Brian Lee Crowley argued that residents of New Brunswick should be wary of the illusion that bureaucrats would be able to deliver the same range of insurance services more efficiently than private insurers operating in the competitive marketplace.

Federal Finance Committee

Nov. 4, 2003 - AIMS made a forceful case to the House of Commons Finance Committee regarding the failure of federal policy to address serious issues in Atlantic Canada. The three key issues brought to light in this presentation by Don McIver, former Director of Research for AIMS, were: the yoke of equalization; how Employment Insurance creates unemployment; and how the greatest distortion of the Atlantic Canadian economy is in the fishery.

The House of Commons Standing Committee on Health

Oct. 27, 2003 - The House of Commons Standing Committee on Health heard from AIMS about the drive for cheaper drug costs. In his remarks to the Standing Committee, Don McIver, former AIMS Director of Research, argued that Canadians must be careful that the drive to supply today’s patients with low-cost medicines doesn’t deprive tomorrow’s sick of the new medicines they need.

AIMS in the Media / AIMS dans les Médias

Discussion paper identifies challenges for Membertou

Oct. 1, 2004

CBC Radio

The Cape Breton Post

Although a small Cape Breton Mi'kmaq community is widely considered a leader when it comes to advancing itself in the mainstream economy, its future successes will depend on how it resolves a number of significant challenges, according to University College of Cape Breton business professor Jacquelyn Thayer Scott. "The first, and the most obvious, is succession," says Scott in a discussion paper prepared for the Atlantic Institute for Market Studies, a Halifax-based social and economic policy think tank.

Too late for Lower Churchill? Hydro deal a difficult task: analyst

Sept. 30, 2004

The Telegram (St. John's), *The Guardian*, *The Western Star*, *The Canadian Press*

The US marketplace - the main market for electricity generated in Labrador - is demanding smaller, more environmentally friendly sources of energy, said Brian Lee Crowley, president of the Atlantic Institute for Market Studies. The time for a deal to develop the Lower Churchill hydroelectric project in Labrador may have come and gone.

Just how "cheap" are Canadian drugs?

Sept. 27, 2004

CBC Radio Saint John

On the morning show, AIMS President Brian Lee Crowley challenged the idea that Canadian price controls and patent protections are the chief reasons for "cheap drugs" on this side of the Canada-US border. As Crowley explained, our supposed price advantage on patented drugs comes primarily from two fundamental differences between Canada and the United States - our lower standard of living and the litigious nature of Americans.

Think-tank: cities should keep own houses in order

Sept. 19, 2004

The Daily News in Halifax

The federal government doesn't have the constitutional right to give cities new sources of revenue, nor is there any need for it to do so, says a report by an economic think-tank. Instead, municipalities should learn to be more efficient and make better use of existing avenues to raise the funds they need to pay for services and upgrade their roads, bridges, sewers, and other infrastructure, argues the report by Halifax's Atlantic Institute for Market Studies.

Raising revenue for cities: Federal transfer payments not the only option, says expert

Sept. 15, 2004

The Chronicle Herald

Trent University professor Harry Kitchen says cities have all kinds of options for raising money short of a bailout from Ottawa. Mr. Kitchen said being independent from the federal government helps Canadian municipalities become more responsible and accountable and made his case in an article called "Financing City Services: A Prescription for the Future," distributed by the Atlantic Institute for Market Studies.

Education: It's how you spend, not how much you spend, that matters most

Sept. 12, 2004

The Daily News in Halifax

A series of standardized tests found Nova Scotia students wanting when compared to their counterparts across Canada. Then Nova Scotia's public education system came dead last in a cross-Canada comparison of dollars spent per student. It begs the question: Does more money in the classroom mean better test results? The answer is no, according to some. Charles Cirtwill, Vice-President of the Atlantic Institute of Market Studies, which has ranked Nova Scotia's high schools for the past two years, says that it's not how much the province spends on education, but where the money goes that counts.

CBC Radio asks AIMS about national Pharmacare

Aug. 28, 2004

CBC Radio

As Ottawa and the provinces debate the scope of a national drug coverage program, CBC Radio asked AIMS President Brian Lee Crowley to comment on whether a national Pharmacare program is a good idea.

AIMS to use Greater Saint John as test case for urban reform

March 17, 2004

Saint John Telegraph-Journal

An economic think-tank is setting out to study ways that Greater Saint John municipalities can improve services by banding together. The Atlantic Institute for Market Studies (AIMS) will take its findings from its Saint John study and make them available to other small cities, says Brian Lee Crowley, president.

No lack of initiative in Atlantic Canada: Most fortunes tied to family businesses

March 17, 2004

Toronto Star

AIMS is asked to comment on the entrepreneurial spirit in Atlantic Canada and the contrast to its image of a region lacking initiative. Brian Lee Crowley is one of the fiercest critics of Atlantic Canada's dependence on federal transfers. He also thinks Atlantic Canada has a stunning entrepreneurial spirit, though he

says it is sometimes diverted by federal incentives. "People here are absolutely brilliant entrepreneurs," he says. "The problem is that sometimes people are taught to direct that entrepreneurial spirit at the government." Crowley says the success of Atlantic Canada entrepreneurs is particularly impressive because of special hurdles they face.

Prince Edward Island needs better records on students: AIMS

March 20, 2004
The Journal-Pioneer

The Atlantic Institute for Market Studies (AIMS) is urging Island educators to let the public know more about what is going on in their schools. AIMS Vice-President Charles Cirtwill said PEI was only able to provide a limited set of criteria to help the institute rank Island high schools as part of its annual report card on Atlantic Canada high schools.

Transforming equalization

April 16, 2004
National Post

In 2003, AIMS' work on equalization won the Sir Antony Fisher Memorial award. AIMS' work on equalization continues to make headlines as Peter Holle, President of Winnipeg's Frontier Centre for Public Policy, pursued AIMS' ideas and used AIMS' research in the first of a three-part series by the *National Post* looking at how equalization locks "have-not" provinces into enormous welfare traps. Holle argues that it is time for an honest re-evaluation of the system.

AIMS on ACOA: "A program mistaken in principle"

April 7, 2004
The Chronicle Herald

Bureaucrats should get out of the business of deciding which companies get capital and which don't, says one of ACOA's biggest critics. "The decision-making gets captured by politics," argues Brian Lee Crowley of the Atlantic Institute for Market Studies.

Study slams ACOA record

Dec. 17, 2003
New Brunswick Telegraph-Journal Money

Federal spending on economic development in Atlantic Canada spikes just before an election and flows disproportionately to government-held ridings, says the co-author of a new report. Brian Lee Crowley, president of the Atlantic Institute for Market Studies, said the trends uncovered in an exhaustive study are irrefutable. "The spending is clearly politically motivated," Crowley said in a telephone interview.

Watchdog: ACOA went on pre-vote spending spree

Dec. 17, 2003
The Chronicle Herald

The Atlantic Canada Opportunities Agency was accused Tuesday of pre-election spending binges in Liberal ridings. The Atlantic

Institute for Market Studies, a Halifax think-tank, made the accusations in its second *ACOA Watch*, a publication examining the role of the regional development agency. AIMS President Brian Lee Crowley called Tuesday for changes in ACOA operations and said there are more efficient ways to stimulate the Atlantic region's economy.

Experts optimistic despite upswing in NS jobless rate

Dec. 6, 2003
The Daily News

AIMS was asked by *The Daily News* to comment on the fact that Nova Scotia's overall rate of unemployment rose slightly in November, yet outperformed the national average, and the unemployment rate in Halifax dropped slightly. The fact that more people have entered the workforce is a positive sign for the province, said Brian Lee Crowley, president of the Atlantic Institute of Market Studies.

Much of Ottawa idle on EI file

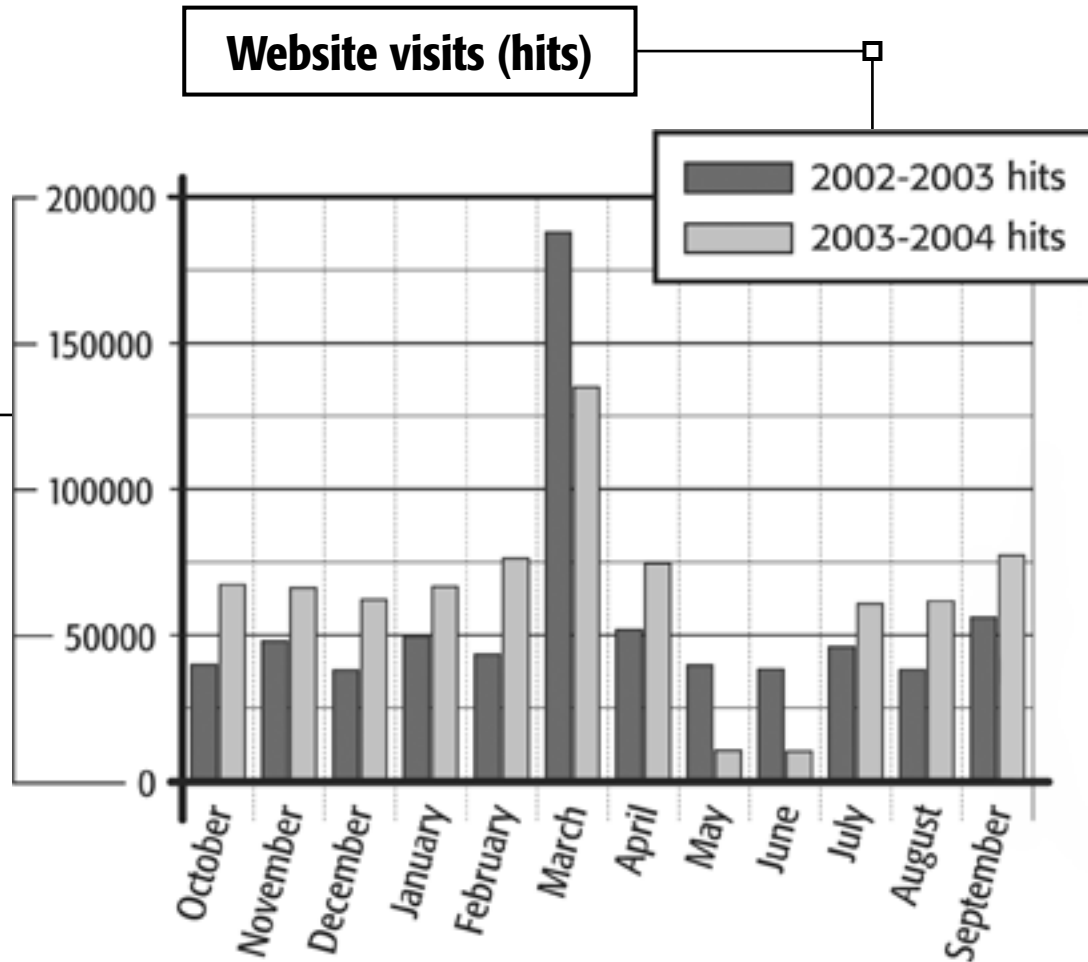
Oct. 8, 2003
Times & Transcript

Moncton's *Times & Transcript* cited an opinion piece by AIMS President Brian Lee Crowley that commented on the need to review employment insurance and how it is administered. "I certainly think that there are lots of agencies that are aware of the difficulties that EI has created for all of the things that the other agencies want to do in terms of job creation and economic development, but EI has become so politicized that everybody is scared to death to open their mouth," Crowley said.

AIMS on the Web/AIMS sur l'Internet

Over the past fiscal year, AIMS' staff and contractors have been hard at work redesigning the website. The site, which now boasts a fresh design and more fluid navigation, remains the primary communications tool for the Institute. The total number of hits reached 769,000, a 13.5% increase over last year. Excluding the anomalous month of March, traffic increased year-over-year by 29.5%.

As we saw last year, the number of website hits spiked in March with the release of the education report card. The site recorded nearly 135,000 hits that month. The next highest number of hits came in September, which saw more than 77,000 hits.



Auditor's Report on the summarized financial statements / Rapport des Vérificateurs sur les états financiers condensés

To the Directors of the Atlantic Institute for Market Studies

The accompanying summarized balance sheet and statements of revenue, expenditures and general fund equity are derived from the complete financial statements of the Atlantic Institute for Market Studies as at September 30, 2004 and for the year then ended on which we expressed an opinion without reservation in our report dated October 29, 2004. The preparation of summarized financial statements from the complete financial statements is the responsibility of management. Our responsibility, in accordance with the applicable Assurance Guideline of the Canadian Institute of Chartered Accountants, is to report on the summarized financial statements.

In our opinion, the accompanying financial statements fairly summarize, in all material respects, the related complete financial statements in accordance with the criteria described in the Guideline referred to above.

These summarized financial statements do not contain all the disclosures required by Canadian generally accepted accounting principles. Readers are cautioned that these statements may not be appropriate for their purposes. For more information on the entity's financial position, results of operations and cash flows, reference should be made to the related complete financial statements.

Halifax, Nova Scotia
October 29, 2004



Chartered Accountants

Aux administrateurs de l'Institut atlantique des études de marché

Le bilan condensé ainsi que les états condensés des revenus, dépenses et surplus du fonds de fonctionnement ci-joints ont été établis à partir des états financiers complets de l'Institut atlantique des études de marché au 30 septembre 2004 et pour l'exercice terminé à cette date à l'égard desquels nous avons exprimé une opinion sans réserve dans notre rapport daté du 29 octobre 2004. La préparation d'états financiers condensés à partir des états financiers complets relève de la responsabilité de la direction de l'Institut. Notre responsabilité, en conformité avec la Note d'orientation pertinente concernant la certification, publiée par l'Institut Canadien des Comptables Agréés, consiste à faire rapport sur les états financiers condensés.

À notre avis, les états financiers condensés ci-joints présentent, à tous les égards importants, un résumé fidèle des états financiers complets correspondants selon les critères décrits dans la note d'orientation susmentionnée.

Les états financiers condensés ci-joints ne contiennent pas toutes les informations requises selon les principes comptables généralement reconnus du Canada. Le lecteur doit garder à l'esprit que ces états financiers risquent de ne pas convenir à ses fins. Pour obtenir de plus amples informations sur la situation financière, les résultats d'exploitation et les flux de trésorerie de l'Institut, le lecteur devra se reporter aux états financiers complets correspondants.

Halifax, Nouvelle-Écosse
le 29 octobre 2004



Comptables agréés

Financial Position 2003/Rapport financier 2003

Summarized Statement of Revenue, Expenditures and General Fund Equity/ État condensé des revenus, dépenses et surplus du fonds de fonctionnement

Year ended September 30, 2004/ Pour l'exercice terminé le 30 septembre 2004

Revenue/Revenus

Donations/Dons			
Foundations/Fondations	\$	528,011	
Corporate and Individual/Corporatifs et individuels		314,401	
Events/Évènements		22,047	
Interest/Intérêts		7,365	
Other/Autres		<u>271</u>	\$ 872,095

Expenses/Dépenses

Salaries and Benefits/Salaires et bénéfices	\$	465,776	
Contract Fees/Frais de contrats		101,063	
Other/Autres		<u>301,366</u>	<u>(868,205)</u>

Excess of Revenue over Expenditures/ Excédent des revenus sur les dépenses

\$ 3,890

General Fund Equity, beginning of year/
Surplus du fonds de fonctionnement, début de l'exercice

\$ 180,717

Excess of Revenue over Expenditures/
Excédent des revenus sur les dépenses

3,890

**General Fund Equity, End of year/
Surplus du fonds de fonctionnement, fin de l'exercice**

\$ 184,607

Balance Sheet/Bilan

September 30, 2003/le 30 septembre 2003

Assets/Actif

\$ 538,700

Liabilities/Passif

(354,093)

Fund Balance/Solde de fonds

\$ 184,607

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AIMS would also like to acknowledge the ongoing support of several anonymous donors.

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