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Policy Begins Today*

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Part One: Atlantic Premiers need to follow Graham's lead and stop the panhandling: AIMS in the National Post

Put away the tin cup! AIMS acting president Charles Cirtwill applauds the new premier of New Brunswick in this op/ed that appeared in the National Post. He says more Atlantic Canadian premiers need to get the message that self-sufficiency should be the goal.

"For too long, the Atlantic Provinces have struggled under the burden of federal transfers: Public cash drives out private capital and keeps labour productivity artificially low.

New Brunswick seems to be focusing on actually solving the problem. Their early efforts are focused at growing the economy by reducing the burdens of government and empowering individuals to make their own choices. Focusing on what the province is going to do and not starting with how the rest of the country can help.

It seems that in New Brunswick, the tin cups of traditional Canadian fiscal federalism are being slowly beaten into plough shares. Let's hope others follow that laudable example and get to work."

To read the complete article, [click here](#).



Part Two: Bad numbers are confusing the health care debate: New paper explains the miscalculations.

"Most of the public-private spending debate in Canada is superficial, based on numbers that participants toss around but that they can't actually be bothered to look at in any detail," warns ***A First Look at the Numbers***, a new background paper from the Canadian Health Care Consensus Group (CHCCG). The paper outlines general misconceptions and misinterpretations of data related to health care spending.

For example, the paper makes it clear that a distinction must be made when considering the terms "private" and "public". Either term can refer to sources of health care funding or to the delivery of health care services. The larger part of what gets measured as health care expenditure in Canada is entirely publicly funded. The delivery, or in economic terms the "supply side", is more difficult to characterize given the increasing role of drugs in the health care mix and the fact that hospital expenses can be both public and private, among many other issues.

The paper goes on to address other health care spending misconceptions by tracking the share of various public and private expenditures (hospitals, doctors, dental care, vision care, drugs and administration) in the total health care budget. It shows that the two sectors actually spend money on very different things. As an example private spending pays for such things as dental and vision care, while public spending pays for hospitals and doctors.

Contrary to what's often implied, an increase in private sector share doesn't mean that the public sector share is being eroded. The paper says it just means that spending on aspects of care that are not paid out of public funds is growing faster than the aspects of care paid for by the public purse.

To read more of this paper, [click here](#).

Members of the CHCCG came together to provide a platform for bold, reasoned and practical plans for genuine reform of the health care system and to demonstrate that there is an emerging consensus among reform-minded observers about the direction that real reform must take. The CHCCG, coordinated by AIMS, includes medical practitioners, former health ministers, past presidents of the Canadian Medical Association and provincial medical and hospital associations, academics, and health care policy experts, all of whom are signatories to the group's Statement of Principles.

Visit the CHCCG website at www.consensusgroup.ca

Part Three: The Brick on the Scale: AIMS shows Senate Committee the true weight of Equalization

For more than a decade, AIMS has published papers and Commentaries about Canada's equalization program, pointing out its flaws and making suggestions for improvement.

As the Senate Standing Committee on National Finance met to discuss the issue of equalization and examine whether there is a fiscal imbalance, it turned to AIMS for answers. AIMS acting President Charles Cirtwill and policy analyst Bobby O'Keefe

travelled to Ottawa to meet with the Senate Committee.

The Commentary based on those remarks is called ***"The Brick on the Scale: How Equalization weighs heavily on us all."*** It draws on AIMS indepth research, including its most recent series which gained headlines and comments across the country.

As Cirtwill told the Senators, "Equalization receiving provinces tend to have larger numbers of public service employees on a per capita basis and pay their public servants a greater wage premium (compared to the average industrial wage) than the national average of these measures. On top of this, the equalization receivers have higher than average debt levels."

He explained that if all the provinces were able to reach national average levels of public service employees, wage premiums, and debt, and if the savings achieved were passed on directly to the equalization program, three provinces, Saskatchewan, Manitoba, and Quebec, would effectively have their need for equalization wiped out, with savings totaling more than 100 percent of their average equalization benefit. The Atlantic Provinces would yield lower savings ranging from 19.8 percent of the province's equalization entitlement in New Brunswick to 47.5 percent in Newfoundland.

To read the Commentary based on the AIMS presentation, [click here](#).

To read more of AIMS work on Equalization and to link to it Special Equalization Commentary series, [click here](#).

Part Four: Factoring Ourselves Out: AIMS tells House Committee that bad policy kills jobs.

Alberta may appear to be the sponge absorbing every excess body from across Canada, but that province's labour shortage and its effect that is rippling across the country is just the beginning wave of our labour problems.

For decades we have talked about the aging baby boomers and what happens as they retire. In the 1960's and 1970's when the boomers entered their most productive years we were awash in a labour surplus. Public policy of the day reflected that - generous EI, an expanded public service, substantial investment in university education to keep students, and their professors, busy and productive and, more to the point, out of the active labour market.

Labour, capital and technology are all in short supply in Atlantic Canada as a result of these public policies better suited to the late 20th century rather than the early 21st. In this Commentary, based on remarks made before the House of Commons Standing Committee on Industry Trade and Technology, AIMS acting president Charles Cirtwill explains that we have to free workers to take advantage of today's opportunities.

To read the complete Commentary, [click here](#).

Part Five: Reforming public education down under – AIMS style.

It is literally the other side of the world, but that hasn't stopped Australians from noticing AIMS work in public education reform.

With a federal election expected this year in Australia, the news media is already prepping the electorate on the major public policy issues that will make or break the politicians. At the top of the list is public education. The latest polls show 75 per cent of Australian voters rate education as very important in determining who gets their vote.

The Australian published an article on the decline of public education in the country and the role the teacher's union has played in that. Then it turned to the work of AIMS Fellow in Public Education Reform, Angus McBeath, to show how to improve things.

To read the complete article, [click here](#).

Part Six: And the Wonks have it: AIMS welcomes two senior policy directors.

Being ahead of the pack and bucking the trend have been two traits of AIMS since its inception. The institute's latest two additions prove the trait carries through even in adding staff. The latest two hires include luring an Islander home to the Maritimes and keeping a central Canadian down east.

In announcing the arrival of two new senior policy specialists, Charles Cirtwill, acting President of AIMS was quick to point out that this is just one more indicator of the growing opportunities for young professionals on the east coast.

"AIMS is just one of many Atlantic Canadian success stories. Organizations building an international reputation for high quality work and attracting the best and the brightest because of it. Our success globally allows us to create opportunities here to bring people home or keep them from leaving in the first place. Today we have both versions of that story."

In November, Robert Laurie joined AIMS in a new position, the Director of Education Policy. Robert will lead the Institute's work on a variety of education fronts, including the development of a school grants and awards program and the expansion of its well-known school report card program to additional jurisdictions outside Atlantic Canada.

Ian Munro joined AIMS in December to become the Director of Research. In this role he will coordinate the efforts of the broad range of outside experts who write the insightful and provocative papers for which AIMS is so well known. AIMS enticed Ian back to his native Maritimes from Ontario where for the last seven years he worked with CRA International, an economic, financial, and management consulting firm.

To learn more about Robert Laurie, [click here](#).

To learn more about Ian Munro, [click here](#).

Part Seven: Take up the gauntlet: AIMS searching for its next summer intern

It could be one of the most challenging summers of your life. The Atlantic Institute for Market Studies is looking for summer interns.

Internships are intended to introduce bright and innovative final-year graduate or doctoral students to the policy making process, involve them in the important questions and issues of the day, and give them a chance to make a tangible and worthwhile contribution to the work of the Institute.

If you are interested in this position, or know someone who may be, read more [here](#).

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