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Part One: What's LNG Good For?: Strategic thinking, not hype, about an important opportunity.

Atlantic Canada's economic history is littered with examples of potential identified, but opportunity lost. The list of could-have-been projects would have moved this region from economic laggard to overachiever. The latest potential to be heralded as the great saviour of the region is Liquefied Natural Gas (LNG).

In this AIMS Commentary, based on a talk to the Canadian Institute's LNG/CNG Conference, Brian Lee Crowley illustrates how the hype promoting the three LNG terminals proposed for the region has lost sight of the true long-term and modest potential. He also explains how the reality of the LNG market, paired with Atlantic Canada's development expectations, could be hazards that further limit the small window of opportunity.

He writes, "In the coming months the market will determine whether it can support one or more projects, and these decisions will be made . . . as a result of a complicated series of factors from one end to the other of the value chain. Even with market endorsement, however, Atlantic Canada needs political and public support for LNG. The greatest risk is not in the economics of the terminals but that provinces might view the LNG projects as rivals, and fight amongst themselves to a regulatory standstill, thereby jeopardizing the chance of any LNG project proceeding. As I've pointed out, there remain significant regulatory hurdles that, in the past, have proven to be inter-provincial battlegrounds. And given the first mover advantage, time truly is

of the essence.”

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

Part Two: Planting the seeds: A solution for NB’s forest industry.

Were Samuel Taylor Coleridge writing in New Brunswick today, he might have penned The Rime of the Ancient Woodsman, including this couplet: Trees, trees everywhere, nor any trunk to chop. Why? Because while New Brunswick may be a province of vast forests, the forest industry may well soon be starved out of business for lack of access to wood.

The provincial government’s answer is to once again push the issue to yet another committee to provide even more recommendations on wood supply. In his column in the Moncton Times & Transcript, Brian Lee Crowley explains the industry can't wait indefinitely. He writes:

“New Brunswick has lower timber yields than its international competitors, particularly on Crown land, and there is a worsening shortage of timber to keep the province’s mills working. That uncertainty of supply makes it difficult for forestry companies to invest in new plants and equipment, and yet that new investment is absolutely crucial if New Brunswick is not to be shouldered out of the forestry business altogether by aggressive competition from the American south, Asia and South America. ”

Crowley says there is a solution, and it's right there on crown land.

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

Part Three: Gas regulation is a tangled and costly web of deception for consumers.

*"Oh what a tangled web we create,
When first we practise to regulate."*

That twist on Sir Walter Scott's famous quotation is used by Brian Lee Crowley to show how Nova Scotia's attempt to re-regulate gasoline to lower prices will actually result in higher prices. Crowley follows the tale that began with consumer outrage, moved to consumer indifference, was picked up by opportunistic retailers, and turned from an attempt at lower prices into a plan to increase prices. Crowley writes:

"Regulation is often based on the idea that government can reach into complicated social, economic and business relationships and change just one thing, leaving all the rest as it was. But it just ain't so, as the strange tale of gasoline price regulation in Nova Scotia illustrates.

After many years of regulating gasoline prices, the province succumbed to the evidence: regulation doesn't save consumers money - it costs them. Why? Because prices move up and down faster in the marketplace than regulators can hope to do. Regulated prices may be slower to rise, but they are also slower to fall. Take out gasoline taxes, which are quite different in PEI than Nova Scotia, for example, and what do you see? Over time, price-regulated Islanders pay more than a cent a litre more for their gasoline, on average, than unregulated Nova Scotians.

Yet the Hamm government, given the weakness of its position in our minority legislature, is about to force Nova Scotians to pay higher prices for gasoline. Yes, you read that right. They are about to re-regulate gasoline prices, a move that the Premier has himself admitted will cause Nova Scotians to pay more.

This outcome is the misbegotten offspring of cheap populism sired by shameless opportunism."

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

Part Four: Regulating Land Use: It's a slippery slope that limits choice.

Regulating land use is driving up housing costs, decreasing options and limiting choice for Canadians, particularly low-income families. That's the warning in this AIMS Commentary, [Regulating the Land Market](#), by Samuel R. Staley, the Director of Urban and Land Use Policy at the Reason Foundation in Los Angeles, California.

Based on comments written for his participation in a panel on Urban Sprawl and Smart Growth for the Canadian Regional Science Association in Toronto, Staley says that political approaches to land-use planning increase uncertainty and development costs, which increases housing costs. He points out that land use regulations are having a dramatic impact on the type, quality, and quantity of housing available.

"The choices we make about how we regulate the land market have profound implications for the choices we face everyday as homeowners, parents, employees and employers," he explains.

He concludes that Canadians are more likely to achieve growth-management objectives by embracing market forces rather than by attempting to trump them through more comprehensive government control of land.

[Click here](#) to read the full commentary.

Part Five: LNG: A golden opportunity for the Maritimes, but a fleeting one.

Opportunity is a fleeting commodity. It's an elusive moment that can be easily squandered. Liquefied natural gas (LNG) is an opportunity for the Maritimes and this is its elusive moment.

In his fortnightly column in the Chronicle-Herald and Times & Transcript, AIMS president Brian Lee Crowley puts in context the potential for the proposed LNG terminals in the Maritimes.

He writes, "Direct job creation is not why we want LNG. We should want LNG for the connection it gives us to world energy markets and the diversification of fuel supplies it offers us, including for local power generation. We have wrestled for years with uncompetitive energy costs, and LNG is part of the solution. We'll also build our growing role as an energy hub, and might even find that there are opportunities processing natural gas liquids here."

But Crowley warns the clock is ticking on the LNG opportunity.

[Click here](#) to read the complete article.

Part Six: Has the Supreme Court of Canada destroyed medicare? AIMS' Fellow in Health Care Economics thinks not.

The reaction to the Supreme Court of Canada's decision on health care was fast and it was furious. Nowhere was that more evident than on the internet and blog circuit.

AIMS' Fellow in Health Care Economics, Brian Ferguson, runs his own blog, "A Canadian Econoview", and asked the question '*Has the Supreme Court of Canada doomed medicare?*' He examines the decision, the evidence from witnesses, and the experience of other countries. Ferguson's commentary provides an informed and clear answer to his opening question.

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

Part Seven: Leçons irlandaises: Favoriser la dépendance n'est pas la

recette assurée pour l'indépendance.

« *L'indépendance fut toujours mon désir et la dépendance ma destinée.* » — Vigny

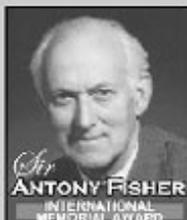
Brian Lee Crowley, président de AIMS, écrit "Je n'avais jamais songé aux leçons que le Québec pouvait tirer de l'expérience irlandaise. Mon institut a célébré dernièrement son 10e anniversaire par un banquet à Saint-Jean, au Nouveau-Brunswick. Notre conférencier invité était Garrett FitzGerald, l'un des grands architectes des réformes politiques qui ont transformé la République irlandaise en "tigre celtique". En écoutant l'ancien premier ministre irlandais exposer si éloquemment comment la République d'Irlande avait échappé au sort de l'Irlande du Nord par un simple accident temporel, je ne pouvais m'empêcher de penser au mouvement souverainiste au Québec."

[Cliquer ici pour lire le texte intégral de la chronique parue dans La Presse dimanche le 19 juin 2005.](#)



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