

HIGH-QUALITY, TIMELY RESEARCH. INNOVATIVE OUTREACH.



ANNUAL REPORT 2015

**FRASER**  
INSTITUTE

UNIVERSITY OF PENNSYLVANIA SURVEY  
RANKS FRASER INSTITUTE

# TOP THINK TANK IN CANADA, 17<sup>TH</sup> WORLDWIDE!

Being recognized as one of the top 20 think tanks in the world is validation that the Fraser Institute continues to successfully study and broadly communicate the effects of government policies on the well-being of Canadians.

THE UNIVERSITY OF PENNSYLVANIA'S GLOBAL GO TO THINK TANK  
REPORT ALSO RANKED THE FRASER INSTITUTE:

- 1<sup>st</sup>** Top think tank in Canada
- 3<sup>rd</sup>** In the world for social policy research
- 6<sup>th</sup>** In the world for domestic health policy research
- 7<sup>th</sup>** In the world for global health policy research
- 7<sup>th</sup>** In the world for best quality assurance and integrity of policy procedures
- 15<sup>th</sup>** In the world for best use of external relations and public engagement
- 16<sup>th</sup>** In the world for most innovative policy ideas
- 17<sup>th</sup>** Overall among 6,846 think tanks worldwide

## THANK YOU!

WE COULD NOT ACHIEVE THESE RESULTS WITHOUT OUR  
DEDICATED AND GENEROUS SUPPORTERS.

# About the Fraser Institute

Since its founding in 1974, the Institute has analyzed and measured government policies and programs to determine whether they will improve the lives of average Canadians or leave them worse off. Government actions in areas such as taxation, health care, income inequality, education, trade, energy, mining, and the environment can deeply affect Canadians' quality of life. We share our research findings with the Canadian public to help them understand the impact of government actions on their lives and the lives of their children.

Our research is carried out by Institute staff and associated scholars, academics, economists, and policy analysts from around the world. The Institute's list of researchers has grown to include more than 350 authors (including six Nobel laureates) from 22 countries. Donors are not involved in determining the research agenda or any associated activities.

All Institute research is subject to an extensive peer review process. All new research projects are reviewed by a minimum of one internal expert and two external experts, in a blind process whenever possible.

## Sharing our ideas

Communication is central to the Fraser Institute's mission. Our research studies are distributed in a number of different formats to reach the public, the media, students, academics, Institute supporters, and policy-makers across the country and abroad. This process is facilitated by our on-site staff in our offices in Vancouver, Calgary, and Toronto.

In 2015, the number of news stories mentioning the Fraser Institute increased for the 10th consecutive year. Owing in part to our increased research output, we achieved an all-time high of 28,338 news stories from around the world mentioning the Institute and our work—a 8 percent increase over 2014. This is the equivalent of nearly 78 items mentioning the Fraser Institute appearing in print, broadcast, or online every day.

## MISSION STATEMENT

Our mission is to improve the quality of life for Canadians, their families and future generations by studying, measuring and broadly communicating the effects of government policies, entrepreneurship and choice on their well-being.

## Chairman's Message



**Peter M. Brown**  
Chairman, Fraser Institute

I would like to start by congratulating the dedicated team at the Fraser Institute including our talented staff, our internationally-renowned senior fellows, and our committed Directors for a tremendous 2015. Again, this was a year of tremendous progress and I am immensely proud of the work, impact and expanded reach of the Fraser Institute.

This relatively small organization was recently ranked as the most influential think tank in Canada by the University of Pennsylvania's Global Go To Think Tanks Report and 17th in the world (out of over 6,800 think tanks worldwide).

Since the bedrock of the Fraser Institute is high-quality research, I am particularly pleased that the Institute ranked 7th in the world in the category of "Best quality assurance and integrity." Further proof of our high quality is the fact that the Institute's research was cited over 600 times in academic and other professional literature in 2015.

In 2015, the Fraser Institute was also awarded the Sir Antony Fisher International Memorial Award by the Atlas Network for our book, *What America's Decline in Economic Freedom Means for Entrepreneurship and Prosperity*. This award is one of the highest honours bestowed on think tank work in the world, with the award recipient being chosen by a panel of internationally esteemed judges.

The Institute's main goal of course is not academic citations but rather to educate regular Canadians about the impact of government policy and the essential link between economic freedom, entrepreneurship, and prosperity. Frankly, no organization does it better than the Fraser Institute. Consider that the Institute generated more than 28,000 news stories in the media last year. We also have over 3 million unique visitors to our websites each year and growing.

In September 2015, the Institute launched its new website [www.fraserinstitute.org](http://www.fraserinstitute.org), which I believe is one of the best think tank websites not only in Canada, but in the world. The site makes it easy for people to find our research and commentaries and share them with friends and contacts. It is mobile-friendly and easy to read whether you are viewing it on a smart phone, tablet or desktop computer.

One feature that is particularly exciting is the new Fraser Forum Blog. Fraser Forum ([www.fraserforum.org](http://www.fraserforum.org)) features blog posts on the issues of the day by the Institute's policy experts and senior fellows.

The Fraser Institute also actively educates young people. In fact, the Fraser Institute fills a significant gap in our education system by teaching youth about the power of free enterprise and the often negative impact of government

intervention. Last year over 36,000 students were benefited from our programs.

We also educate business journalists. In 2015, we hosted 50 journalists from across the country and spent two days teaching them basic economics. The Institute has now educated hundreds of journalists. Better educated journalists who understand how the economy works means we'll get better reporting and better information to Canadians.

Despite all of this success, I see our role in Canada as more vital than ever. I think we all recognize that human beings are far from perfect, with only a partial understanding of their place in the world. Political institutions and policies, as creations of imperfect humans, are necessarily fraught with imperfections that can arise from the needs of shorter term political agendas. These policies, which are often well meaning and garner short run voter support, too often exacerbate rather than mitigate negative external shocks. It is unfortunate that much of the costs of these policy miscalculations are kicked down the road to be borne by future generations.

This is particularly true in Canada's two biggest economic engines (Ontario and Alberta), which are facing severe difficulties. These provincial difficulties may well become compounded by federal policies which are giving recent cause for concern.

These challenges, together with the country's high per capita debt, poor productivity and lack of new start-up businesses, add urgency to the role the Fraser Institute plays. Fortunately, the Institute and its staff have never been better equipped to meet the challenges of the day.

I believe the best way to think about the Fraser Institute is to see it as the finest defence against the unintended consequences of interventions by well-meaning but ultimately imperfect policy-makers. We have the proven capacity to hold all governments' feet to the fire and will continue to do our



*President Niels Veldhuis, Chairman Peter Brown, and Executive Vice President Jason Clemens*

best to ensure the Canadian public has a better understanding of both the positive and negative effects of government interventions in their daily lives.

With the collapse in oil prices and the economic uncertainty with which we began 2016, you can count on the Fraser Institute to continue to be diligent in demonstrating and explaining which government policies work to promote economic prosperity and a business environment conducive to Canadians pursuing their entrepreneurial ambitions.

In closing, and on behalf of everyone at the Institute, I would like to thank all of you who have supported the Institute, and I reach out with the request that you not only continue to support us, but that you look at ways to do even more as we move forward.

**Peter M. Brown**

*Chairman*

## President's Message



Niels Veidhuis  
*President, Fraser Institute*

As this annual report details, 2015 was a tremendous year for the Fraser Institute. There is simply not another organization studying government policy in Canada that comes close to having the impact of the Fraser Institute. That is why in early 2016, the University of Pennsylvania's *Go To Think Tank Report* rated the Fraser Institute as the top think tank in Canada and 17th worldwide out of over 6,800 think tanks. For a relatively small Canadian organization, we command a significant presence here in Canada and around the world.

Our success is due to the tremendous efforts of a dedicated group of Directors, a mission-driven, highly productive team, and our committed supporters. As an independent think tank that relies entirely on voluntary donations - meaning we accept neither government funding nor private research contracts - our work would not be possible without the generosity of our supporters.

For those who may have heard of the Fraser Institute but know little about us, I hope you take the time to read through this report and learn about our tremendous impact.

I realize of course, that there is often a real misunderstanding about the Fraser Institute. Some people have a caricature of the Institute that is largely spread by special interest groups that prefer innuendoes to genuine debate.

At its core, the mission of the Fraser Institute is to improve the quality of life for Canadians, their families and future generations.

Ask most Canadians what it means to have a high standard of living. While the answers will differ slightly, they almost always include: an economy with opportunities in which people can move up the ladder through hard work; the best

possible education for our kids; world-class health care; a clean environment; and a secure retirement.

In order to achieve these things, we need the best government policies possible. To get the best policies, average Canadians must demand them. We believe that long lasting, positive policy change comes about through an informed, educated populace. This is why our research and outreach efforts are squarely focused on helping Canadians understand how government policy impacts their lives.

### High Quality and Timely Research, Innovative Outreach

In 2015, the Institute published a total of 83 studies that cut across the most important issues facing Canada: improving health care and education, balancing government budgets, reducing taxes, improving aboriginal well-being, harnessing our natural resources responsibly, and increasing freedom for Canadians, to name only a few.

Since our aim is to reach the greatest audience possible, ensuring our work gets widespread coverage in the media remains one of our most important goals. Thankfully, our research continued to reach an ever-growing number of Canadians through multiple channels: print, radio, television, social media and news websites. We generated over 28,000 media stories in 2015, meaning our work generated an average of nearly 80 news stories per day. We also placed over 1,400 opinion commentaries in newspapers across the nation in 2015 – an average of nearly four per day – and had 3.2 million unique visitors to our websites.

We also continued our efforts to generate highly visual and

sharable summaries of our work. We produced 87 infographics with reach of 758,167 and were shared by more than 49,230 people (and that's only on Facebook, the sole social media platform that tracks this kind of data).

I am also pleased to report that we expanded our efforts to reach students, teachers and journalists through our education programs. In 2015, the Institute ran 36 education programs including day-long seminars for high school students, seminars for university students, teacher training workshops, and two weekend programs for journalists. All told, our programs directly involved more than 36,000 high school and university students.

The Institute's work is more important than ever around the globe. Working with independent institutes in 89 countries, the Fraser Institute continues to demonstrate the vital importance of economic freedom in encouraging prosperity and general well-being. Our Economic Freedom of the World report receives tremendous worldwide attention and is used widely by scholars employed in academia, government, and non-governmental agencies investigating the links between economic freedom and a wide variety of economic and social outcomes.

### Looking forward

There is little question that 2016 is shaping up to be one the most challenging years in the Institute's history. Across Canada, there are many federal and provincial policies, both implemented and proposed, that will hinder the Canadian economy and our prospects for success, particularly for young Canadians.

What is most worrying is that many Canadians do not seem to understand how these policies will negatively impact them and their families.

Of course, that is why we're here. Some of our other research priorities for the coming year include:

- providing solutions to Canada's poorly-performing health care system and educating Canadians about the true cost of health care for families;

- identifying and proposing practical changes to improve Canada's provincial education systems, using lessons gleaned from international best practices;
- continued monitoring of elementary and secondary school performance in Alberta, B.C., Quebec and Ontario;
- addressing critical energy issues ranging from energy affordability to transportation (i.e. pipelines and tankers) to the damaging impacts of cap and trade systems and carbon taxes;
- additional studies on key provincial policies that impact the nation as a whole;
- new studies on the Canada Pension Plan, to ensure Canadians retain the ability to plan their own retirements; and
- providing solutions to increase prosperity and living standards for Aboriginals without further burdening non-Aboriginal taxpayers.

We have a lot of great research planned for 2016 and, as you can imagine, there is no shortage of issues to tackle.

On behalf of the entire Fraser Institute team, allow me to express my sincere gratitude to all our continued loyal and generous supporters. I hope our efforts warrant your continued support in 2016. And if you haven't already done so, please consider joining our important efforts.

Best,



**Niels Veldhuis**  
*President*

# Fraser Institute Team



**Niels Veldhuis**  
*President*



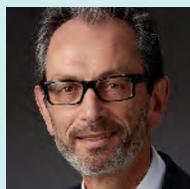
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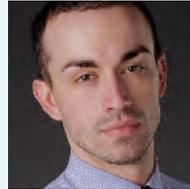
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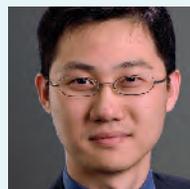
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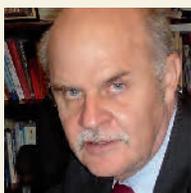
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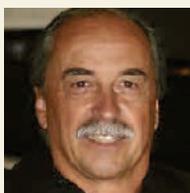
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For their long-standing and valuable support contributing to the success of the Fraser Institute, the following people have been recognized and inducted as Lifetime Patrons of the Fraser Institute.

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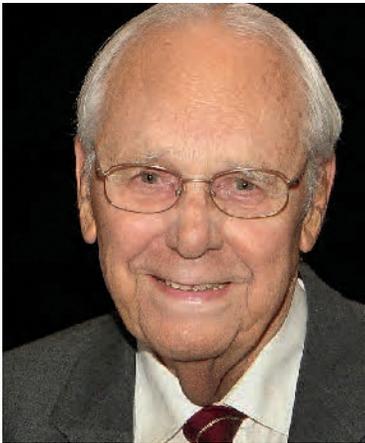
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# T. Patrick Boyle

CO-FOUNDER AND LONG-TIME VICE-CHAIRMAN OF THE FRASER INSTITUTE  
1918 – 2015



On November 25, 2015, a Fraser Institute co-founder and long-time Vice Chairman of the Board, T. Patrick (Pat) Boyle passed away peacefully.

Mr. Boyle's impact on Canada cannot be overstated.

He served in the Air Force Signals Corps during the Second World War and then went on to complete his business administration studies before embarking on a highly successful business career that spanned more than 25 years in the U.S. and Canada.

Mr. Boyle cemented his legacy to Canada at the tail end of his corporate career with his instrumental role in the founding of the Fraser Institute in 1974 and serving as its Vice Chairman for nearly 30 years. He had a very hands-on role in the early days of the Institute and, upon his retirement from MacMillan Bloedel in 1977, became the driving force behind the Institute's membership expansion, a role he maintained until 1983.

We at the Institute feel greatly privileged to carry on Pat's legacy and work at this very unique organization that is not in any way political, whose work is completely based on an objective consideration of facts, and where researchers are able to work independently without regard to the interests of the Institute's Board or funders.

It is quite amazing that these principles are the very same ones that Pat, along with Csaba Hajdu, John Raybould, Sally Pipes, and Michael Walker, established back in 1974. These principles are the reasons for our success and highlight what an incredible visionary Pat Boyle was.

Pat was a special man and a remarkable Canadian who touched the hearts and minds of many. May he rest in peace.

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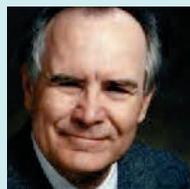
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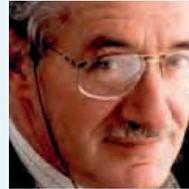
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**Mr. Robert P. Murphy, PhD**  
*President, Consulting By RPM*



**Dr. Robert Ouellet, MD**  
*former President, Canadian Medical Association*



**Prof. Filip Palda**  
*École nationale d'administration publique*



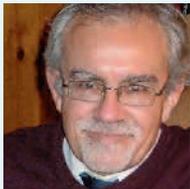
**Prof. Sandra Peart**  
*Dean, Jepson School of Leadership Studies, University of Richmond*



**Mr. Joesph Quesnel**  
*Independent Researcher*



**Mr. Nigel Rawson, PhD**  
*President, Eastlake Research Group*



**Prof. Christopher A. Sarlo**  
*Nipissing University*



**Prof. David Schmitz**  
*University of Arizona*



**Prof. Pierre Simard**  
*École nationale d'administration publique*



**Prof. Aeon J. Skoble**  
*Bridgewater State University*



**Prof. Cornelius "Kees" van Kooten**  
*University of Victoria*



**Mr. Michael A. Walker, PhD**  
*Chairman, Fraser Institute Foundation & Founding Executive Director of the Fraser Institute*



**Prof. William Watson**  
*McGill University*



**Prof. Joel Wood**  
*Thompson Rivers University*



**Prof. Moin Yahya**  
*University of Alberta*



**Prof. Paul Zak**  
*Claremont Graduate University & Loma Linda University Medical Center*

## Fraser Institute Founders' Award in Recognition of T. Patrick Boyle and Michael A. Walker

The Fraser Institute Founders' Award, named after our founders T. Patrick Boyle and Michael A. Walker, is the Institute's highest honour. The award is presented annually to individuals in recognition of their exceptional entrepreneurial achievements, generous philanthropic endeavors, and dedication to competitive markets. These individuals are role models for the next generation of entrepreneurs and leaders.

T. Patrick Boyle served in the Air Force Signals Corps during the Second World War and then went on to complete his business administration studies before embarking on a highly successful business career that spanned more than 25 years in the U.S. and Canada. He served as MacMillan Bloedel's first worldwide corporate controller before retiring in 1977 to devote his energy to the Fraser Institute. As founding chairman and long-time vice-chairman of the Institute's Board of Directors, Mr. Boyle played a pivotal role in ensuring that the Institute's founding principles continue to guide it to this day. After some years of illness, Pat passed away on November 25th 2015 at the age of 97, leaving behind three children and six grandchildren. A memorial service was held for Pat at the Fraser Institute's Vancouver office on January 14th, 2016.

Michael A. Walker, Ph.D., was the Executive Director of the Fraser Institute from its inception in 1974 until September 2005. As an economist, he has authored or edited 45 books on economic topics. His articles on technical economic subjects have appeared in professional journals in Canada, the United States, and Europe, including the *Canadian Journal of Economics*, the *American Economic Review*, the *Journal of Finance*, the *Canadian Tax Journal*, *Health Management Quarterly*, *Weltwirtschaftliches Archiv*, and *Health Affairs*. His primary concern as the Institute's founding Executive Director was to promote the examination and use of competitive markets as a method for enhancing the lives of Canadians. He is the co-founder, with Milton and Rose D. Friedman, of the Economic Freedom of the World project, which is now a collaboration of institutes in 91 countries and territories producing the annual *Economic Freedom of the World Index*. The index is one of the most widely cited such measures in current academic literature.

The Fraser Institute Founders' Award in Recognition of T. Patrick Boyle and Michael A. Walker (formerly known as the T. Patrick Boyle Founder's Award) has been sponsored since its inception by a grant from the Donner Canadian Foundation and by generous corporate sponsorships. Revenue generated by the tribute dinners, held to honour the selected individuals, funds Fraser Institute research activities.

# 2015 Honourees



**Mr. Ryan Beedie**  
*President,  
Beedie Development Group*



**Mr. Keith Beedie**  
*Chairman and CEO,  
Beedie Development Group*



**Mr. Jack L. Cockwell**  
*Group Chairman,  
Brookfield Asset Management Inc.*



**Mr. Frederick P. Mannix**  
*Chairman / Director,  
Mancal Corporation*



**Mr. Ronald N. Mannix**  
*Founder and Chairman,  
Coril Holdings Ltd.*



**Mr. Emanuele (Lino) Saputo**  
*Chairman of the Board,  
Saputo Inc.*



**Mr. Lino A. Saputo, Jr.**  
*CEO and Vice Chairman of the Board,  
Saputo Inc.*

# Past Honourees

- 2002 **The Honourable Ralph Klein†**  
*former Premier of Alberta*
- 2003 **Nobel laureate Milton Friedman†**  
**Rose D. Friedman†**
- 2004 **Dr. Fan Gang**  
*President, National Economic Research Institute, China Reform Foundation*  
**Mr. Václav Klaus**  
*Second President and former Prime Minister, Czech Republic*
- 2005 **Mr. Gwyn Morgan**  
*former President and CEO, Encana Corporation*
- 2007 **The Honourable Anson Chan**  
*former Chief Secretary for Administration, Hong Kong*  
**The Right Honourable Brian Mulroney**  
*former Prime Minister of Canada*
- 2009 **Mr. Anthony S. Fell**  
*former Chairman, RBC Capital Markets*  
**Mr. Peter Brown**  
*Chairman, Canaccord Financial*  
**Mr. Harley Hotchkiss†**
- 2010 **Mr. Peter Munk**  
*Founder and Chairman, Barrick Gold*  
**Mr. Allan Markin**  
*Chairman, Canadian Natural Resources*  
**Dr. Norman Keevil**  
*Chairman, Teck Resources*

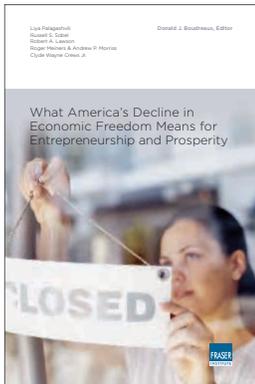
- 2011 **Mr. Frank Stronach**  
*Founder and Honorary Chairman, Magna International Inc.*  
**Mr. Darren Entwistle**  
*President and CEO, TELUS Communications Inc.*  
**Mr. Hal Kvisle**  
*former President and CEO, TransCanada Corp.*
- 2012 **Mr. Ned Goodman**  
*President and CEO, Dundee Corporation*  
**Mr. Jonathan Wener**  
*Chairman and CEO, Canderel Management Inc.*  
**Mr. George Melville**  
*Co-Chairman and Owner, Boston Pizza International and the T&M Group of Companies*  
**Mr. Jim Treiving**  
*Co-Chairman and Owner, Boston Pizza International and the T&M Group of Companies*  
**Mr. Clay Riddell**  
*President and CEO, Paramount Resources*
- 2013 **Mr. Eric Sprott**  
*CEO and Chief Investment Officer, Sprott Asset Management*  
**Mr. Brandt C. Louie**  
*Chairman and CEO, H.Y. Louie Company and Chairman of the Board, London Drugs*  
**Ms. Nancy C. Southern**  
*Chair, President and CEO, ATCO Ltd. and Canadian Utilities Ltd.*
- 2014 **Mr. Dennis (Chip) Wilson**  
*Founder of lululemon athletica and Co-founder of whil*  
**Mr. Clive Beddoe**  
*Chairman, WestJet Airlines*  
**Mr. Alain Bouchard**  
*President & CEO, Alimentation Couche-Tard Inc.*  
**Mr. Peter Gilgan**  
*Founder & CEO, Mattamy Homes*

†Deceased



# Recognizing Excellence

## Sir Antony Fisher International Memorial Award



In 2015 the Institute was honoured to receive the prestigious Sir Antony Fisher International Memorial Award for “Best Think Tank Book” for our collected essays, *What America's Decline in Economic Freedom Means for Entrepreneurship and Prosperity*. The prize is awarded each year by the Atlas Network, which Sir Antony Fisher founded, to recognize influential, path-breaking work by think tanks around the globe. The Fraser Institute book was edited by George Mason University professor and Fraser Institute senior fellow Donald Boudreaux and included essays by notable scholars Robert Lawson, Russell Sobel, Roger Meiners, Andrew Morriss, and Clyde Wayne Crews, Jr. The book makes a unique contribution by explaining, for the first time, how reductions in economic freedom reduce entrepreneurship, which in turn reduces economic growth and prosperity.



**Sir Antony  
Fisher**  
International  
Memorial  
Awards

PRESENTED BY THE ATLAS NETWORK

## The Addington Prize in Measurement

The Addington Prize in Measurement is named after Raymond J. Addington, O.B.E., former Chairman of the Fraser Institute Board of Trustees. The prize recognizes a person or team that has researched a new, interesting, and important concept in public policy, exemplifying the Institute’s motto, “If it matters, measure it.” Winning papers are selected by a panel of academics. Entries are judged on several criteria, including originality and significance of the ideas presented, persuasiveness of the argument, and integrity of the data.

The 2015 Addington Prize was awarded to Alberto Alesina, Carlo Favero, and Francesco Giavazzi for their paper, “The Output Effect of Fiscal Consolidation Plans,” which answers the question: Do sharp reductions of government deficits (labeled fiscal adjustments or fiscal consolidations) cause large output losses? The authors conclude that reducing government spending to address deficits is less damaging to an economy than increasing taxes.

The 2014 winners were Erwin Diewert and Emily Yu for their paper, “New Estimates of Real Income and Multifactor Productivity Growth for the Canadian Business Sector, 1961-2011,” published by the Centre for the Study of Living Standards.

The 2013 winners were Richard Burkhauser, Jeff Larrimore, and Kosali Simon for their paper “A ‘Second Opinion’ on the Economic Health of the American Middle Class,” which was published in the prestigious *National Tax Journal*, and the 2012 winners were Nicholas A. Bloom, Steven J. Davis, and Scott R. Baker for their study, “Measuring Economic Policy Uncertainty.”

Nominations will open shortly for the 2016 prize.

# Tax and Fiscal Policy

Public understanding of the costs and benefits of government decisions starts with a government's tax and spending plans. The Centre for Tax and Fiscal Policy, led by director Charles Lammam, is one of Canada's premier sources for rigorous, thoughtful analyses of government budgets, public finances, and economic policy. Mr. Lammam leads a team consisting of senior research economist Milagros Palacios, senior fellow Joel Emes, policy analyst Hugh MacIntyre, and economist Feixue Ren, supported by a group of distinguished senior fellows and contracted researchers.

The centre enjoyed a very productive year, releasing 23 studies that generated nearly 7,100 media mentions—the equivalent of some 19 media spots per day. The infographics produced in support of the centre's studies reached nearly 236,000 people through social media, and the accompanying videos were viewed nearly 77,000 times. In addition, the centre's team of economists made numerous public presentations across the country.

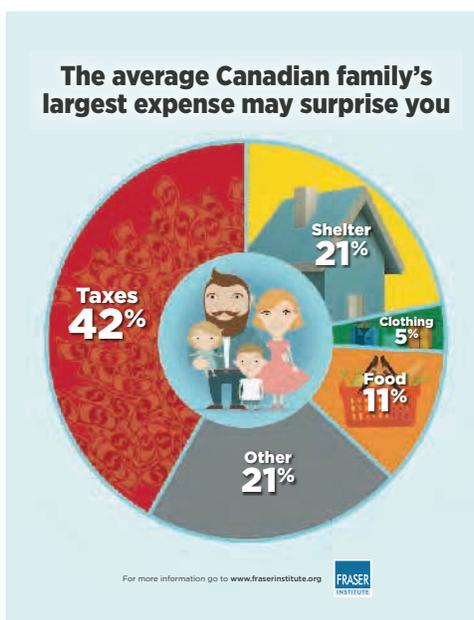
## Full extent of the tax burden on Canadians

At its core, the centre operates to ensure that Canadians understand the full cost of government, allowing individuals to judge whether they are receiving value for their tax dollars. Our prime vehicle for reaching average Canadians is our annual Tax Freedom Day—a widely reported reminder of the full extent of the tax burden—which fell on June 10th in 2015. Tax Freedom

Day, the hypothetical day when the average Canadian family has paid all its taxes for the year, has come later in the year since 2009, when it fell on June 3rd.

Our annual *Canadian Consumer Tax Index* provides more detail on the growing tax burden over time. This study found that in 2014 the average Canadian family earned \$79,010 and paid \$33,272 in total taxes (or 42.1 percent per cent of income) compared to 36.6 percent for food, shelter, and clothing combined. By comparison, in 1961 the average family spent 56.5 percent of its income on these basic necessities, and a much smaller share on taxes (33.5 percent).

Together, these two studies had tremendous impact across the country, generating nearly 1,100 media mentions in 2015. In addition, the infographics produced in support of these studies reached over 122,000 people through social media, and the accompanying videos were viewed nearly 38,000 times.



## Government budgets and fiscal performance

In 2015, the centre published a new edition *Measuring the Fiscal Performance of Canada's Premiers*. The study examined the fiscal records of 10 Canadian premiers relative to each other during their time in office up to the 2013/14 fiscal year. Each premier received a score based on their performance in three core areas of fiscal policy: government spending; taxes; and deficits and debt. Of the sitting

premiers included in the analysis, Saskatchewan Premier Brad Wall ranked first, while Ontario Premier Kathleen Wynne ranked last.

In addition to writing reports, centre researchers are actively engaged in the ongoing public discussion on fiscal issues. During budget season, when Canadian governments release their tax and spending plans, the team is at the forefront of national and provincial debates, cutting through the political rhetoric and holding governments accountable by providing factual analyses of budgets. Its analyses and commentaries were widely covered on television and radio, and received prominent placement in major national and regional newspapers across the country.

### Compensation gap between government and private sector employees

With approximately half of provincial budgets consumed by wages and benefits for government employees, compensation spending is a topic both of importance and wide public interest. It is therefore critical to ensure that taxpayers are aware of the compensation gap that exists between government and private sector employees. In *Comparing Government and Private Sector Compensation in Canada*, the centre used Statistics Canada’s data to calculate that wages for government employees in Canada (federal, provincial and local) are 9.7 percent higher, on average, than for comparable employees in the private sector doing similar work. The study also found that the government sector as a whole enjoys higher non-wage benefits such as pensions, early retirement, and job security. Similar results were found in additional studies comparing government and private sector workers in Ontario, Quebec, British Columbia, and Alberta.

### Pensions and social programs

The centre continued to make key contributions to the debate on pension reform in Canada. *Compulsory Government Pensions vs. Private Savings: The Effect of Previous Expansion to the Canada Pension Plan* built on past centre work by examining how Canadians adjust their voluntary savings

(in RRSPs, RPPs, and TFSAs) when they are forced to save more through the CPP. The study, written by economist Francois Vaillancourt along with FI economists, tracked the saving patterns of Canadian households from 1986 to 2008, a period marked by a major increase in the CPP contribution rate. It found that past increases in mandatory CPP contributions were followed by nearly identical overall decreases in private savings. In other words, overall savings did not increase but there was a reshuffling, with more money going to forced (government) savings and less to

voluntary (private) savings. This study alone generated nearly 400 media mentions including significant coverage on all three national television networks (*CBC*, *CTV*, and *Global*) and top-ranked feature articles about the study in three of the most widely-read newspapers in the country (*Globe and Mail*, *National Post*, and *Toronto Sun*). Centre Director Charles Lammam did more than 20 interviews including a 10 minute lead segment on *CBC’s The Exchange*.

A second paper, *Lessons for Ontario and Canada from Forced Retirement Saving Mandates in Australia*, examined the options available to the Ontario government in designing its mandatory provincial pension program. The study noted that Australia’s system of forced individual retirement saving

accounts—which more closely resemble Canada’s RRSPs—would provide a superior model instead of the Canada Pension Plan, since RRSPs offer much greater choice and flexibility than the collective CPP model.

The centre also addressed an important emerging policy issue by examining *The Practical Challenges of Creating a Guaranteed Annual Income in Canada*. This study examined the possibility of replacing Canada’s complex income support system with a single Guaranteed Annual Income (GAI) program, in order to increase government efficiency and reduce administrative costs. The study concluded that, while the idea is appealing in theory, the practical obstacles to

TAXES PER \$100 EARNED	
SERVED BY: <b>CANADA'S GOVERNMENTS</b>	
GUEST: <b>AVERAGE FAMILY</b>	
..... JUNE 10, 2015 .....	
INCOME TAXES	\$14
PAYROLL TAXES	\$10
SALES TAXES	\$7
PROPERTY TAXES	\$4
PROFIT TAXES	\$4
"SIN" TAXES	\$2
VEHICLE/FUEL TAXES	\$1
OTHER TAXES	\$2
<b>TOTAL</b>	<b>\$44</b>
<b>GOVERNMENTS TAKE \$44</b>	
<b>FROM EVERY \$100</b>	
<b>CANADIAN FAMILIES EARN</b>	
<a href="http://www.fraserinstitute.org">www.fraserinstitute.org</a>	

implementing such a program are likely insurmountable. The chief difficulty would be that all three levels of government (federal, provincial, and local) would have to agree on a single approach, with some levels likely being unwilling to cede their responsibility in the existing income support system. Further, there are serious risks that a GAI would become just another income support program within the larger web of existing government programs.

### Tax reform and simplification

While on one hand the centre works to educate Canadians about the importance of controlling government spending, on the other it makes the case for tax reforms that would stimulate increased economic growth.

In *Reforming Federal Personal Income Taxes: A Pro-Growth Plan for Canada*, provided a detailed proposal on how the federal government can spark growth. The study, unique in its breadth and depth, argued that federal personal income taxes should be reformed in order to improve the incentives for Canadians to work, save, invest, and be entrepreneurial. The study proposed eliminating the two existing middle-class tax rates, leaving just two rates (15 and 29 percent) and producing a much more growth-oriented system. The study found that concurrent elimination of many “boutique” tax credits and deductions would provide \$20 billion to help offset lost revenues. More importantly, fundamental reform would lay the foundation for long term economic growth.

Moving toward a more simplified tax system the Institute has long advocated for, particularly as Canada’s tax system has become increasingly complex over the years. The more complex the system, the more difficult—and often, more costly—that system is to navigate. Today, Canadian families and businesses incur significant costs, above and beyond what they already pay in taxes, to merely comply with the tax system. *Measuring Tax Complexity in Canada*, completed by economist Francois Vaillancourt, quantified the byzantine nature of Canada’s tax system by looking at indicators such as the amount of text area covered by tax legislation, the number of administrative documents (e.g., income tax guides), the number of court cases on GST-related legislation, and the number of personal income tax expenditures (credits, deductions, exemptions, and exclusions). The study concluded that all indicators point to an increase in federal tax complexity for Canadian families and businesses, and suggested that a simplified and less onerous the tax system would be beneficial.

Finally, in *Entrepreneurship, Demographics, and Capital Gains Tax Reform*, the centre documented that between 2004 and 2012, the rate of business start-ups in Canada declined by 16.2 percent, while the proportion of the population over the age of 65 steadily increased. Because past research has concluded that younger populations possess characteristics more conducive to entrepreneurial activity, the paper recommended that consideration be given either to eliminating capital gains taxes, or allowing a rollover, in order to stimulate more entrepreneurship—a key driver of economic growth.

### Labour studies

The centre was also involved in the public debate on labour issues. In *Improving Union Accountability with Worker Choice*, the centre argued that unionized workers in Canada’s private sector lack choice because they can be forced to become union members and pay union dues as a condition of employment, even if they disagree with the political causes that unions support. The study pointed out that when workers are given more choice, union leadership becomes more accountable and responsive to its membership.

In *An Analysis of Public and Private Sector Employment Trends*, FI Senior Fellow Livio Di Matteo measured the employment growth in Canada’s public sector compared to the private sector from 2003 to 2013. The study, which generated over 500 media stories, found that employment in Canada’s public sector increased by 22.6 percent, more than double the rate of increase in the private sector (10.7 percent). The study warned that growing public sector employment threatens to displace employment in the private sector, which largely generates the wealth needed to provide public services. Among the provinces, Ontario saw the largest increase in public sector employment (27.6 percent)—dramatically outpacing growth in private sector employment (5.6 percent).

# Municipal Policy

Municipal policies are increasingly important in ensuring that Canada possesses competitive environments within which businesses, entrepreneurs, and investors can flourish. While federal and provincial policies receive plenty of scrutiny, there is little serious, empirical research done on municipal government performance. The Fraser Institute is correcting this oversight through its newly established Centre for Municipal Studies.

In its first year, the Centre for Municipal Studies produced several important studies.

## Residential Land-Use Regulation Series

Amid increasing concerns about housing affordability across Canada, researchers at the Institute embarked on a year-long project to assess land-use regulations across the nation as part of a broader effort to understand its effects on the Canadian housing supply. Through a survey of industry professionals, researchers examined five key components of land-use regulation—approval timelines, timeline uncertainty, regulatory costs and fees, rezoning prevalence, and impacts from local council and community groups. Three studies were produced examining different regions within Canada:

- Ontario's Greater Golden Horseshoe;
- British Columbia's Lower Mainland; and
- Alberta's Calgary-Edmonton Corridor.

These three studies received wide-spread media coverage in print, radio, TV and online, generating over 300 news stories. The studies are also a critical step forward towards developing a pan-Canadian measure of municipal land-use regulations which will be used to undertake research linking the costs of land-use regulations with other issues, including the cost of housing.

## Municipal Amalgamation

In *Municipal Amalgamation in Ontario*, Lydia Miljan, (Associate Professor of Political Science, University of Windsor and Institute Senior Fellow) examines the amalgamation experiences of some of Ontario's rural communities and finds that – as in the larger cities – the promised cost savings and lower property taxes didn't materialize. Not only did municipalities not achieve cost savings, in some instances,

costs actually increased. In a subsequent study, *De-Amalgamation in Canada: Breaking Up is Hard to Do*, Professor Miljan builds on the mounting research that suggests the controversial merging of Canadian municipalities hasn't resulted in meaningful cost savings or efficiencies.

## Series on Municipal Services

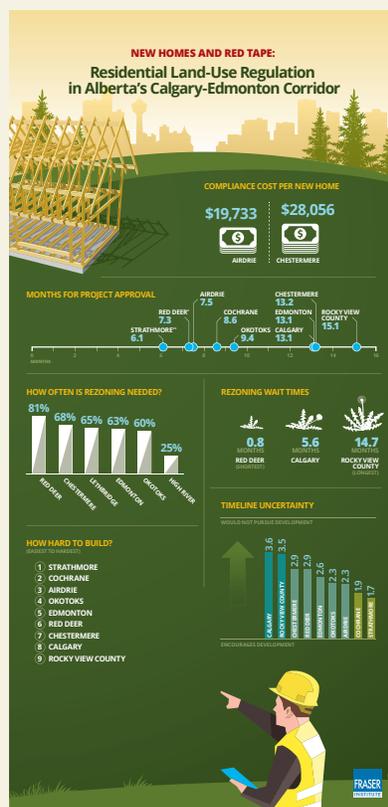
The centre's series on municipal services assesses the efficiency and cost-effectiveness of various municipal services including policing, fire services, and waste collection.

In 2015, the centre published *Municipal Fire Services in Canada: A Preliminary Analysis*, which spotlighted the growing number of firefighters in Canada and escalating fire service spending across the country. Firefighters play an important role in protecting our communities, but taxpayers are paying

for more firefighters to fight fewer fires, raising important questions about local government spending on fire services. This study alone generated 225 news stories across the country.

## Looking Forward

The Institute plans to aggressively expand the work of the centre in 2016 and will cover core municipal issues on an ongoing basis including municipal government revenue and spending, an evaluation of policing services, an analysis of infrastructure investment, and unique models of local government which make amalgamations unnecessary.



# Alberta Prosperity Initiative

Until recently, Alberta was the most economically free jurisdiction in North America. High levels of economic freedom fostered prosperity and growth, helping make Alberta one of the most affluent jurisdictions on the continent. Unfortunately, much has changed over the past year. The Alberta government announced a range of policy and regulatory changes which, collectively, have made Albertans much less economically free and as a result, much less prosperous.

The Institute's Alberta Prosperity Initiative, housed in our Calgary office, focuses on educating Albertans about the tide of poor policy coming from Edmonton, the impact of these policies and most importantly, provides innovative policy solutions to drive Alberta's economy forward.

We understand that Alberta's prosperity is important for more than just Alberta alone. Alberta has a long history of motivating and leading reform within Canada; when Alberta is on the right track and prosperous, the rest of Canada tends to follow suit. It is therefore doubly important that Alberta gets it right.

The Institute's Alberta Prosperity Initiative published 9 studies in 2015. Public interest in the work of the Alberta Prosperity Initiative has been very strong, with over 1,485 media mentions in 2015, the equivalent to approximately \$1.1 million in advertising.

## The influential studies published include, among others:

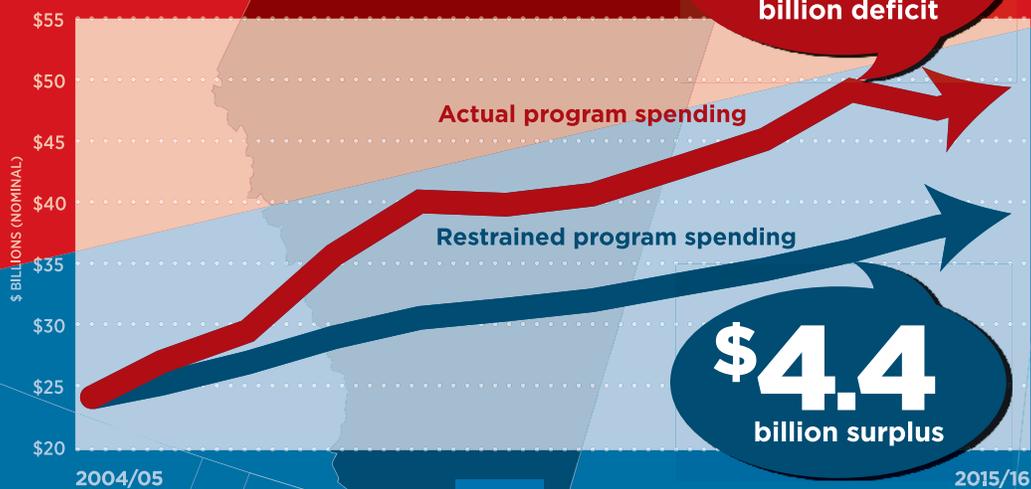
*Alberta's Personal Income Tax Increases Likely to Yield Less Revenue than Expected*, which forecasts how much revenue the Alberta government will likely generate from its personal tax rate increases announced in 2015. The study finds that tax rate increases encourage people to change their behaviour to avoid paying additional taxes, yielding less revenue than expected by governments. In Alberta's case, the study calculates that the government will likely receive \$1.7 billion less than expected from 2016 to 2020.

*Alberta's Budget Deficit: Why Spending Is To Blame*, which concludes that if the Alberta government had limited program spending increases since 2004/05 to keep pace with inflation and a growing population, the province would have a budget surplus of \$4.4 billion instead of the projected deficit.



# Alberta's DEFICIT would be a SURPLUS

had the provincial government RESTRAINED spending



FRASER  
INSTITUTE

*A Tale of Two Energy Booms*, compared the economies and government finances of energy-rich Alberta and Texas. While Alberta has enjoyed a stronger economy, Texas has done a better job at balancing its books in the post-recession era.

*Fiscal Policy Lessons for Alberta's New Government from other NDP Governments*, which reviewed the fiscal records and economic outcomes of the Saskatchewan and Ontario NDP governments of the early 1990s. The study finds that the AB government would be better off emulating the fiscal prudence of Roy Romanow's NDP government in Saskatchewan rather than the tax and spend policies implemented by Bob Rae's

NDP in Ontario. The study also debunks the belief that a new government's approach to fiscal policy can accurately be predicted by simply looking at its political label or brand.

The Institute was pleased to welcome Steve Lafleur, Senior Policy Analyst, in 2015. Along with Ben Eisen, Associate Director, Provincial Prosperity Studies, Steve produces and oversees the Alberta Prosperity Initiative's work and outreach.

# Ontario Prosperity Initiative

Ontario was traditionally the economic engine of Canada. Unfortunately, the province has suffered through over a decade of disappointing economic performance.

Instead of adjusting its policies to make the province more competitive and thereby mitigate the effects of restructuring, Ontario has done the opposite and become less competitive and less attractive for investors and entrepreneurs.

The Fraser Institute's Ontario Prosperity Initiative has been enormously influential in helping to transform the public debate in the province regarding ongoing deficits, growing government debt, destructive tax increases, the ill-advised push for the creation of a separate Ontario Retirement Pension Plan, and disastrous energy policies, to name but a few issues.

The Ontario Prosperity Initiative, located in our Toronto office, is aimed at educating Ontarians about problems with current government policies and at providing a policy road map to help restore the province to its traditional position as the economic engine of the country.



In 2015, the Institute's Ontario Prosperity Initiative published 7 studies that generated nearly 1,700 media stories, the equivalent to approximately \$1.24 million in advertising.

The influential studies published include, among others:

*Ontario: No Longer a Place to Prosper* by Philip Cross, former chief economic analyst for Statistics Canada. This study spotlights Ontario's decline from economic powerhouse to economic laggard, specifically chronicling government policies that have led to that province's poor performance.

*Ontario's Debt Balloon: Source and Sustainability* by Jean-François Wen, Professor of Economics at the University of Calgary. The author calculates that Ontario's government debt has grown by \$117 billion since the 2008/09 recession. The study also examines the source of the new debt and finds that 66 per cent of it is directly attributable to government borrowing to fund day-to-day expenses—not investments in infrastructure.

*Ontario vs. the US Rust Belt: Coping with a Changing Economic World* finds that despite solid GDP and job growth numbers, Ontario amassed far more government debt than every single Rust Belt state since the 2008 recession. Yet policymakers in Ontario often blame the province's poor fiscal performance on external forces such as the global restructuring in manufacturing.

# ONTARIO: NO LONGER A PLACE TO PROSPER



## ECONOMIC GROWTH

Ontario's share of Canada's GDP dropped from

a **HIGH** of **41.5%** in 2002 to a **LOW** of **36.7%** in 2013



## INCOME

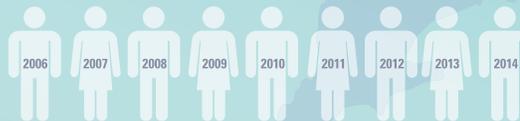
Ontario's disposable household income sank from

a **HIGH** of **20%** ABOVE the national AVERAGE in 1970 to a **LOW** of **1.5%** BELOW the national AVERAGE in 2013



## UNEMPLOYMENT

Ontario's unemployment rate has been **HIGHER** than the national average **every year** since **2006**



*How Compensation Spending Consumes Provincial Government Resources in Ontario* finds that between 2005/06 and 2013/14, compensation spending by the Ontario government—including wages, benefits, and pensions—increased by 47.1 per cent, faster than all other program spending (38.8 per cent) and well beyond the combined rate of inflation and provincial government job growth (26.0 per cent).

*Comparing Government and Private Sector Compensation in Ontario* finds that wages and benefits at all levels of government are out of step with the private sector. Specifically, government workers in Ontario receive 11.5 per cent higher wages on average than comparable workers in the private sector. Also 77.3 per cent of government workers in Ontario

were covered by a registered pension plan compared to only 25.6 per cent in the private sector; Ontario government workers retired 1.4 years earlier, on average, than the province's private-sector workers; and those employed in the private sector experienced job loss at a rate five times higher than those employed by government.

Led by Associate Director, Ben Eisen, the Ontario Prosperity Initiative also produced over 30 commentaries that were published in newspapers across the province. Mr. Eisen was in high demand throughout the year for his opinions and perspectives on major economic and social issues, appearing regularly on radio and television programs across Ontario. He is also a regular guest columnist for the *Toronto Sun* and *Ottawa Sun* newspapers.

# Quebec Prosperity Series and Outreach

The Fraser Institute's Montréal office continued its steady efforts in 2015, building the Institute's profile in la belle province and working to promote and distribute our research findings through the francophone media.

Our influential studies published in 2015 included, among others:

*Quebec's 2015 Budget: Bold Action on Debt and Taxes Needed* which spotlights Quebec's deep fiscal problems (including the largest provincial debt burden in Canada and an uncompetitive tax regime) and what they mean for Quebec's government programs.

*Comparing Government and Private Sector Compensation in Quebec* which found that wages and benefits at all levels of government in Quebec are out of step with the private sector. Specifically, government workers in Quebec receive 11 per cent higher wages on average than comparable workers in the private sector. Also, 88 per cent of government workers in Quebec were covered by a registered pension plan compared to only 24 per cent in the private sector, and Quebec government workers retired nearly three years earlier, on average, than the province's private-sector workers.

*Report Card on Quebec's Secondary Schools* was released, which ranked 454 public, private, francophone and anglophone schools based largely on results from province-wide tests. The report card generated 120 media stories including 32-page inserts produced by *Le Journal de Montréal* and *Le Journal de Québec* with detailed results for each of the 454 schools.

Over the past several years, the Fraser Institute's Montréal office has been influential in helping to transform the public debate in Quebec regarding the province's ongoing deficits, significant government debt and destructively high taxes. Through extensive promotion, including news

releases, op-eds in Quebec newspapers (e.g. *Montréal Gazette*, *La Press*, *Journal de Montréal*) and interviews on radio and TV programs, the Fraser Institute generated over 1,450 new stories in Quebec media over the past two years -- the equivalent to approximately \$1.9 million in advertising.

Thankfully, in 2015 the Quebec government took a number of important steps (including several outlined by Fraser Institute research) to place the province on a path towards genuine economic prosperity, principally focused on getting its finances in order and returning to some modest level of competitiveness.

As a result, a recent comparison of provincial premiers published by the Fraser Institute in early 2016 entitled *Measuring the Fiscal Performance of Canada's Premiers*, found that Quebec Premier Philippe Couillard tied with British Columbia Premier Christy Clark for the best record at managing provincial finances.

In February 2015, the Institute's popular student seminar program returned to Montréal, hosting 90 post-secondary students for a day of discussion and presentations on public policy and economic issues.

The year was capped off in November when the Fraser Institute held its Founder's Award gala dinner in Montréal, honouring Emanuele "Lino" Saputo and Lino Saputo, Jr., for their dedication to entrepreneurship and their support for private philanthropy.



# Série sur la prospérité et approche au Québec

Le bureau de Montréal de l'Institut Fraser a poursuivi ses efforts soutenus en 2015 visant à conforter le profil de l'Institut dans la Belle Province tout en œuvrant à promouvoir et à communiquer les résultats de nos recherches dans les médias francophones.

Nos études faisant autorité qui ont été publiées en 2015 sont, entre autres, les suivantes :

*Le Budget 2015 du Québec : il faut des mesures audacieuses à l'égard de la dette et de la fiscalité* fait ressortir les graves difficultés financières de la province (notamment le fardeau de la dette le plus important au Canada et sa non-compétitivité fiscale) et leur importance pour les programmes du gouvernement du Québec.

*Comparaison de la rémunération dans les secteurs public et privé au Québec* qui a fait ressortir que les salaires et les avantages sociaux à tous les paliers du gouvernement au Québec ne sont pas alignés sur ceux du secteur privé. Plus précisément, les travailleurs du secteur public au Québec ont bénéficié d'un salaire moyen de 11 % supérieur à celui de leurs homologues du secteur privé. En outre, 88 % des travailleurs du secteur public au Québec participaient à un régime de retraite agréé contre 24 % seulement de ceux du secteur privé; et ils prennent leur retraite plus tôt – quelque trois ans plus tôt en moyenne – que les travailleurs du secteur privé de la province.

En effet, au cours des dernières années, le bureau de Montréal de l'Institut Fraser a contribué à la transformation du débat public au Québec portant sur les déficits successifs de la province, la dette considérable du gouvernement et le niveau élevé et dévastateur du fardeau fiscal. Grâce à une vaste campagne de promotion, comprenant notamment des communiqués de presse et des pages d'opinions dans les journaux québécois (par exemple la *Gazette de Montréal*, *La Presse* et *Le Journal de Montréal*) ainsi qu'à des entrevues dans des émissions de radio et de télévision, l'Institut Fraser a produit plus de 1 450 nouveaux reportages dans les médias québécois au cours des deux dernières années,

soit l'équivalent de 1,9 million de dollars en publicité approximativement.

Heureusement en 2015, le gouvernement du Québec a pris un certain nombre de mesures importantes (dont plusieurs ont été soulignées par l'Institut Fraser dans sa recherche) pour mettre la province sur la voie d'une réelle prospérité économique axée sur l'assainissement de ses finances et le retour à un certain niveau de concurrence modeste.

Dans ce cadre, une récente comparaison des premiers ministres provinciaux, publiée par l'Institut Fraser au début de 2016, intitulée *Mesurer la performance fiscale des premiers ministres canadiens*, a révélé que le premier ministre québécois, Philippe Couillard, s'est classé au deuxième rang derrière la première ministre de la Colombie-Britannique, Christy Clark relativement à la gestion des finances provinciales.

En 2015, l'Institut a également produit son Bulletin des écoles secondaires du Québec qui présente le classement de 454 écoles secondaires publiques et privées, francophones et anglophones, bulletin fondé principalement sur les résultats obtenus aux épreuves provinciales. Le Bulletin a généré 120 reportages médiatiques, y compris des insertions de 32 pages produites par *Le Journal de Montréal* et *Le Journal de Québec*, qui comportaient des résultats détaillés pour chacune des 454 écoles.

En février, le programme populaire de séminaires sur les étudiants s'est de nouveau déroulé à Montréal, accueillant 90 étudiants du postsecondaire dans le cadre d'une journée de débats et de présentations sur la politique publique et les problèmes économiques.

L'année a été couronnée par l'organisation en novembre d'un dîner de gala par l'Institut Fraser au cours duquel on a procédé à la remise du prix du Fondateur en hommage à Emanuele « Lino » Saputo et Lino Saputo, Jr. pour leur esprit d'entreprise et leur soutien aux activités philanthropiques.

# Aboriginal Policy Studies

The Centre for Aboriginal Policy Studies enables the Fraser Institute to better focus on the increasingly urgent policy debate on Aboriginal-related issues. In 2015 the centre continued its work of evaluating and discussing current policies with the dual aims of creating self-sufficient Aboriginal communities and contributing to a productive, forward-looking discourse on Aboriginal issues in Canada.

Led by Associate Director Ravina Bains, the centre's work is supported by a number of senior fellows with recognized expertise in Aboriginal policy, including Gordon Gibson, University of Calgary professor Tom Flanagan, property rights and Aboriginal policy scholar Joseph Quesnel, and researcher Kayla Ishkanian.

As well as publishing important research papers, the centre's work generated over 500 media mentions, including in the *Washington Post*, the *Chicago Tribune*, *Bloomberg News*, *Globe and Mail*, *National Post*, the *CBC*, and the *Toronto Sun*. Ms. Bains was also able to highlight her research to industry groups, students, and engaged Canadians through her presentations at conferences and seminars across the country. Furthermore, she also published numerous op-eds and blogs on issues such as the federal government's decision to not enforce transparency and accountability measures in First Nations communities, the state of education on reserve, and examples of economic success stories in First Nations communities across the country such as the Whitecap Dakota First Nation in Saskatchewan.

In *Economic Development in Jeopardy? Implications of the Saik'uz First Nation and Stellat'en First Nation v. Rio Tinto Decision*, Ms. Bains spotlighted the 2015 Supreme Court decision that paves the way for First Nations to file for damages against private parties (i.e., companies, individuals, or non-government entities) on land which First Nations have claimed but to which they have not yet been granted title. The report demonstrates that this decision will not only put established projects at risk but will also put a chill on

new economic development projects and create further uncertainty for First Nations pursuing clarity on aboriginal title. The Fraser Institute was the only think tank in Canada to highlight the significance of this important Supreme Court of Canada judgment. As a result, this critical study was mentioned in numerous news stories including high-profile media such as *Bloomberg TV*, the *Chicago Tribune* and the *Washington Post*.

This study was followed by an analysis of how recent Supreme Court decisions on aboriginal rights and title are impeding rather than helping the economic prosperity of First Nations communities. *Clarity and Confusion? The New Jurisprudence of Aboriginal Title* shows that restricting on-reserve property rights to communal ownership (as opposed to individual private ownership) is likely to hinder economic growth. As well, extending the governmental duty to consult for lands where aboriginal title has been surrendered through treaties has introduced new layers of ambiguity and has likely discouraged investment. The study recommends that courts take judicial notice of basic economic principles (of property rights, transaction costs, and markets) in future decisions regarding aboriginal title.

Finally, *Mining and Aboriginal Rights in Yukon: How Certainty Affects Investor Confidence* highlights recent experience in the Yukon as an example for other jurisdictions. In that territory, the courts have forced unforeseen obligations upon governments and third parties beyond the requirements already spelled out in modern treaties. The study shows how legal uncertainty about land claims can adversely affect resource development. It recommends that courts not impose obligations that go beyond the terms expressed in modern land claim agreements and that courts avoid the dramatic shifts in jurisprudence that have characterized the past three decades.

The studies published by the centre in 2015 demonstrate that recent court decisions are impeding not only resource development but also opportunities for First Nations in Canada to prosper.



# Economic Freedom

The cornerstone of the Institute's international work continues to be the Economic Freedom initiative, led by Fred McMahon, our Michael A. Walker Research Chair in Economic Freedom. The initiative includes publication and education activities around the world, supported by our International Economic Freedom Network (of 101 independent organizations from 91 countries and territories) and our growing regional networks. Many of our partners are leading think tanks in their own right—14 of them were ranked in the top 175 think tanks in the world in 2015, and 25 more ranked in the top 50 in their respective regions.

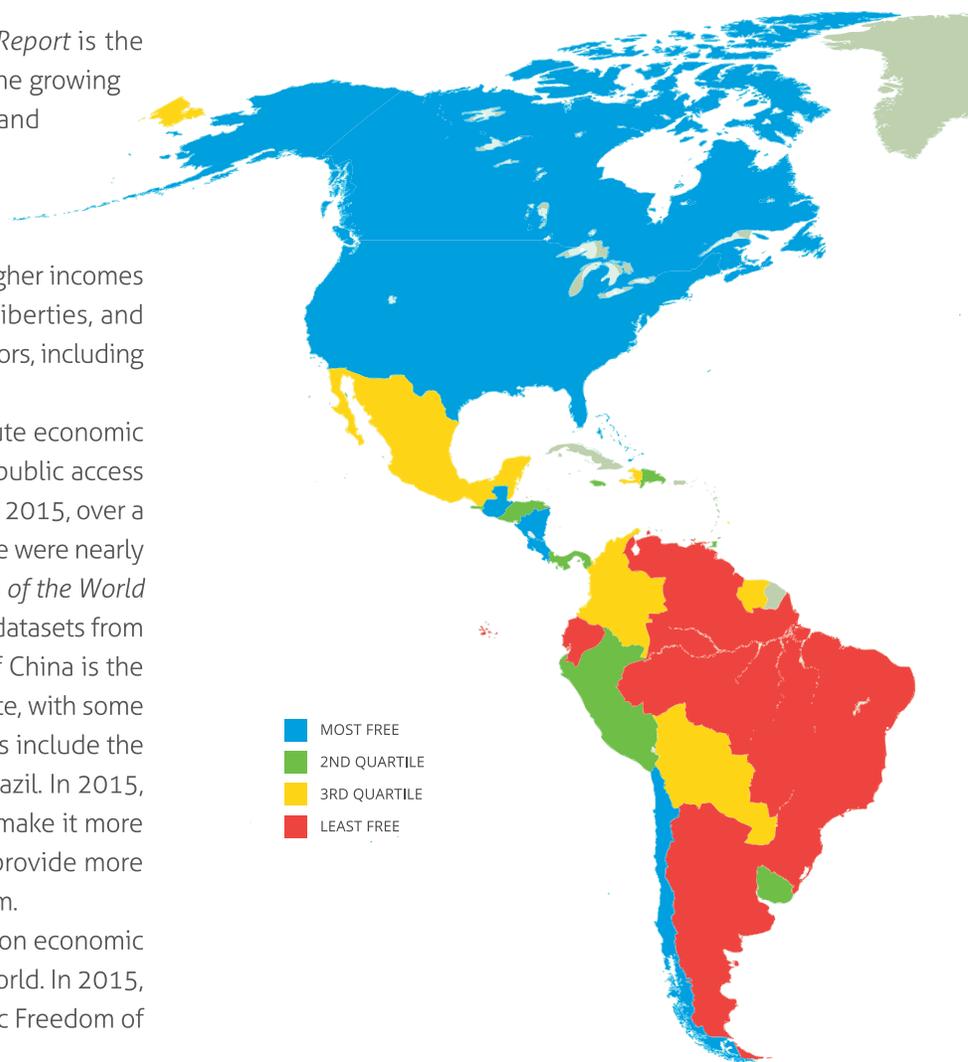
Our *Economic Freedom of the World Annual Report* is the favoured source for academic researchers in the growing field of research linking economic freedom and institutions with economic performance. Over the years, research has consistently shown that high levels of economic freedom promote economic growth (leading to much higher incomes for everyone over time), political rights, civil liberties, and improvements in a broad range of social indicators, including life expectancy and life satisfaction.

All of the data used in this and other Institute economic freedom research are made available for free public access on our dedicated website, [freetheworld.com](http://freetheworld.com). In 2015, over a million pages were viewed on the site, and there were nearly 105,000 downloads of full *Economic Freedom of the World* reports and over 49,000 downloads of related datasets from the site. Interestingly, the People's Republic of China is the largest source of bandwidth for traffic on the site, with some 28 percent of the total. Other leading countries include the U.S., Algeria, Germany, Canada, the U.K., and Brazil. In 2015, the Institute launched a rebuild of the site to make it more accessible to users of mobile devices and to provide more information on the power of economic freedom.

The Institute also publishes annual reports on economic freedom in North America and in the Arab world. In 2015, we held the inaugural meeting of our Economic Freedom of

North America Network, which now comprises 28 independent groups from 24 U.S. states, Canada, and Mexico. The annual meeting of our Arab Network was organized in conjunction with the first annual Arab Liberty Conference, sponsored by the Arab Center for Scientific Research and Humane Studies. The events were held in Marrakesh and featured the release of our report.

Two landmark books were published in 2015. The first, *What America's Decline in Economic Freedom Means for Entrepreneurship and Prosperity*, edited by Senior Fellow Donald Boudreaux, was awarded the prestigious Sir Antony Fisher International Memorial Award.

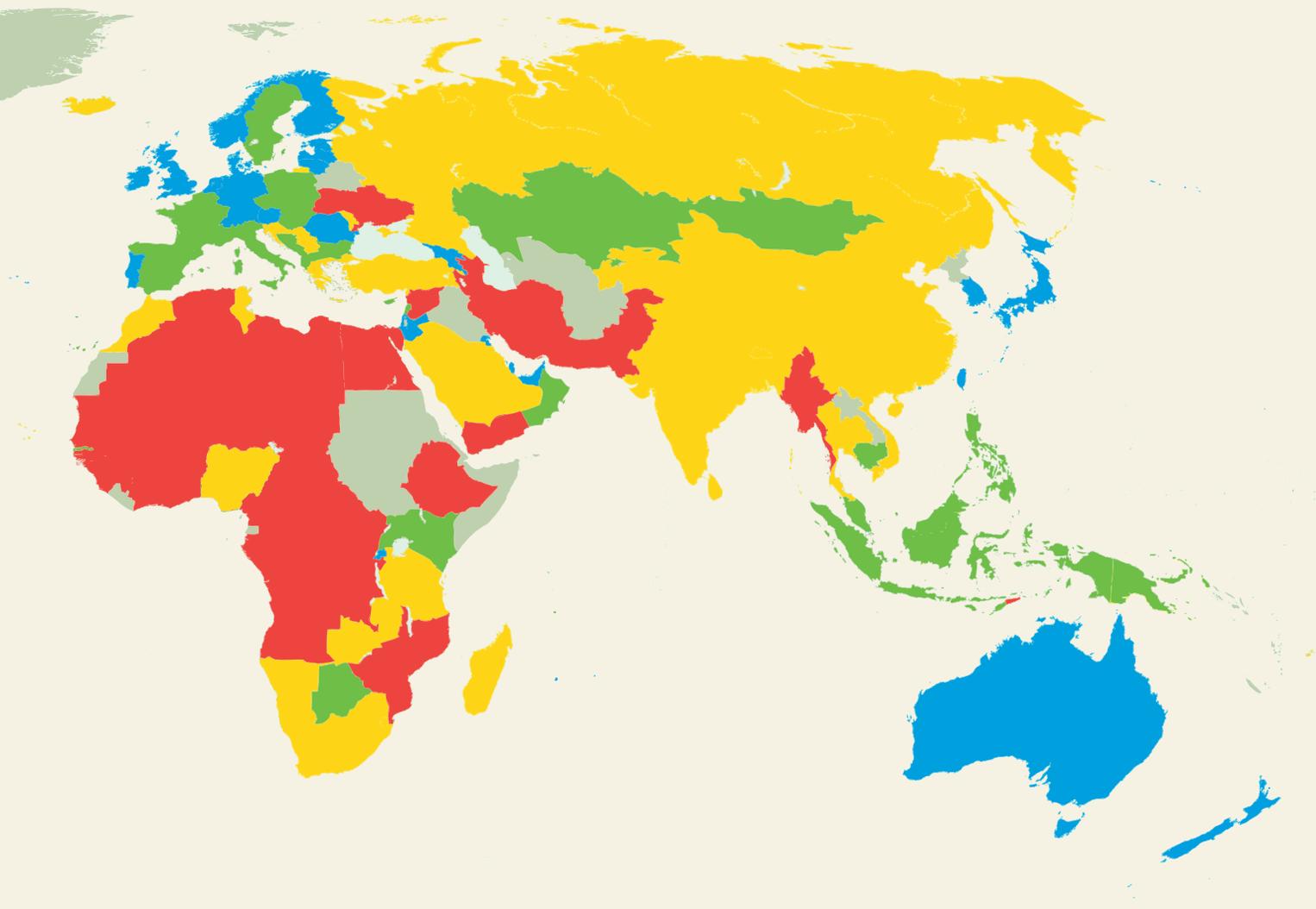


The other, *The Human Freedom Index*, co-published with the Cato Institute, is the most comprehensive index of the degree to which individuals in 152 countries enjoy personal, civil, and economic freedoms. New papers were also published on the determinants of economic freedom, and on economic freedom and happiness.

Overall in 2015, the Institute's work on economic freedom generated 2,897 media mentions from around the world. Not surprisingly, Fred McMahon is regularly called upon to make presentations explaining economic freedom and its benefits. In 2015, Mr. McMahon travelled to the United States, Mexico,

Costa Rica, Hong Kong, Australia, Bhutan, Nepal, Jordan, Morocco, Germany, and Paraguay to present the findings from the economic freedom reports.

Four economic freedom audits were held in 2015, in Jordan, Nepal, the Kyrgyz Republic, and Slovenia, the first two with Fred McMahon in attendance. These audits bring together senior government officials and business leaders for discussions on how to improve the level of economic freedom in their respective countries, using the Institute's economic freedom index as a template.



# Health Policy Studies

Health care remains a top-of-mind issue for Canadians, a concern that will only increase in prominence as our population continues to age. A sign of the increased interest in health care-related issues as well as of the quality and timeliness of the work of the Centre for Health Policy Studies in 2015 is the almost 10 percent increase in total media exposure it received from 2014. Of particular interest is the 67 percent increase in broadcast media for the Centre’s work, which includes both radio and television.

The centre published a number of studies in 2015 that both continued to explain the nature of the problem in Canada’s health care system as well as offering real-world, practical solutions to solving them.

The signature study in the department continues to be *Waiting Your Turn*, which measures the wait times for a host of medically necessary surgeries and other therapeutic treatments. The median wait time in 2015 was 18.3 weeks, up

slightly from the previous year. In 1993, the median wait time was just 9.3 weeks. The report noted that this long-term increase has occurred despite growing expenditures on health care. The study continued to attract media attention across the country, ranking as the fifth highest study in 2015 in terms of media interest, recording almost 800 media hits.

A study based on *Waiting Your Turn* that continues to garner interest and attention is *Leaving Canada for Medical Care*. The study estimates that 52,513 Canadians left Canada to receive non-emergency medical treatment in 2014, a 26 percent increase from the previous year. The study ranked tenth overall in terms of media exposure (551 media hits) including significant appearances on *Global News*, *CTV News* (4 separate times), multiple appearances on CBC, and newspaper coverage across the country.

Another study based on *Waiting Your Turn* is the measurement of the costs of waiting for medically necessary procedures. The *Private Cost of Public Queues for Medically Necessary Care* estimated that in 2014 Canadians incurred \$1.2 billion in lost income and productivity due to waiting for needed medical care. The study attracted attention across the country and recorded over 350 media hits including more than 30 live radio interviews.

One of the studies regularly published that focuses on reinforcing public understanding of the problems in the current Canadian health care system is the *Price of Public Health Care Insurance*. The 2015 edition highlights the fact that public health care is not “free” in Canada, pointing out that Canadians pay thousands of dollars in taxes every year for

## How much does your family spend on HEALTH CARE INSURANCE?



the public health care system. In 2015, the average Canadian family of four with earnings of \$119,082 paid the equivalent of \$11,735 in taxes for public health care insurance. Moreover, over the past decade, the cost of health care insurance for Canadian families has increased by 48.5 percent, dwarfing increases in income (30.8 percent), shelter (35.9 percent), and food (18.2 percent). The study garnered substantial radio and newsprint coverage across the country.

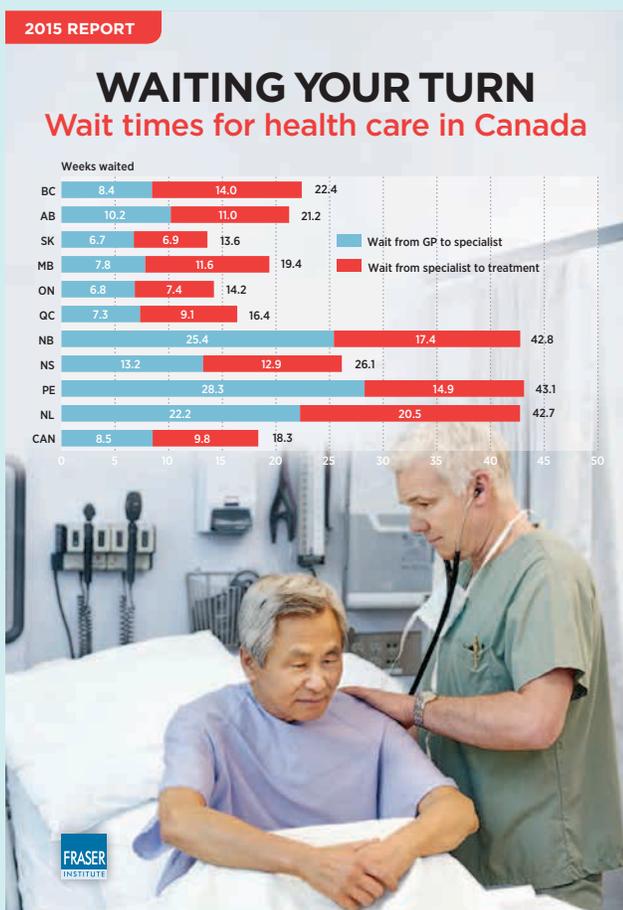
An innovative study published in 2015 examined the role and use of private, for-profit hospitals and insurance in countries with universal health care systems. *For-profit Hospitals and Insurers in Universal Health Care Countries* examined six countries—Australia, France, Germany, the Netherlands, Sweden and Switzerland—and concluded that for-profit hospitals and insurers are compatible with universal health care. The health systems in the countries studied are superior to Canada’s in timeliness, accessibility, and outcomes, despite similar or lower health expenditures.

The study garnered significant social media attention, which was anchored in multiple info-graphics as well as a short video. It also received prominent coverage in major daily newspapers across the country as well as a major spot on *CTV News*. It was also mentioned in a number of health-specific journals, magazines, and websites.



For Profit Hospitals and Universal Health Care animated video

Another innovative study published by the centre in 2015 was an examination of pharmaceutical drug coverage, with particular emphasis on coverage for low-income families in Switzerland and the Netherlands. The study compared the models used in both countries to existing programs in Canadian provinces and demonstrated how the alternative approaches abroad resulted in superior results for not only low-income households, but most citizens. The study was an important contribution to the growing and ongoing work of the centre showing the benefits of health care reform based on proven, real-world examples from countries around the world with universal health care systems.



# Natural Resource Studies

General optimism about Canada's long term outlook as an exporter of energy and other natural resources have not been dimmed by falling commodity prices in recent years. However, simple possession of large reserves of oil and gas, minerals, and metals is no guarantee of prosperity. Sound public policy is also required to create an environment in which natural resources can be developed competitively while ensuring that the environment is protected and the economy is safeguarded against the inevitable volatility of commodity prices. Providing ideas on how to improve public policy is where the Fraser Institute excels.

Under the leadership of Senior Director Kenneth Green, D.Env., the Centre for Natural Resource Studies prominently engaged in a range of pressing issues facing the sector in 2015, including energy transport safety, global barriers to mining investment and to investment in oil and gas exploration and development, the risks of hydraulic fracturing, Ontario's power prices, and much more.

The centre's work generated over 5,000 media mentions in 2015, a testament to the quality and timeliness of its work. In addition to responding to media interest in our work, Mr. Green was also kept busy with Fraser Institute student seminars, and presentations in Canada and the United States to groups such as: the Prospectors and Developers Association of Canada (PDAC); the Arizona school of mines; students at the University of British Columbia; and a Manning Centre conference on market-based policies.

2015 was also a landmark year for media as Mr. Green appeared every other Monday on the *CBC's* biggest business

program, *The Exchange*. During the show's "E-squared" segment, he squares off in a debate with other guests over energy and environmental issues of the day. In total, he made over 70 appearances on radio and television in Canada and the U.S.

## Energy

Having established a powerful presence in debates over energy policy, Mr. Green continued to build the Institute's knowledge base on a range of energy topics. The centre published studies examining the safety of hydraulic fracturing, the safety of moving oil by rail, the safety of moving oil by tanker, the costs of delay in BC's LNG export plans, and the impact of the Alberta royalty review on investor confidence.

The centre also produced its annual *Global Petroleum Survey* of senior executives in the upstream oil and gas industry, which assesses how the policies in 126 national and sub-national jurisdictions affect investment in oil and gas exploration and extraction. The survey results are widely cited in the media and by industry, and provide important public feedback to governments on the measures needed to make their jurisdictions more attractive to investment in oil and gas exploration and development.

## Mining

The centre's activities extend well beyond energy and include a broad range of natural resource-related issues, particularly mining. Its signature publication in this area is the *Annual Survey of Mining Companies*, which has become a global go-to guide for governments and potential investors trying to assess hospitality to mining investment in jurisdictions



# PIPELINES ARE MORE THAN **4.5 TIMES SAFER** THEN RAIL FOR TRANSPORTING OIL



**2003  
TO  
2013**



**PIPELINE**

**0.049 OCCURRENCES**

PER MILLION BARRELS OF OIL  
EQUIVALENTS TRANSPORTED



**RAIL**

**0.227 OCCURRENCES**

PER MILLION BARRELS OF OIL  
EQUIVALENTS TRANSPORTED

around the world. The 2015 survey assessed the state of mining opportunities and policies in 109 national and sub-national jurisdictions around the world. The results were communicated internationally throughout the year in industry and media outlets, and often provoked public comment from senior government officials. In 2015, the *Mining Survey* was cited in 2,564 media stories in newspapers, radio, TV, and websites around the globe.

The centre also leveraged the results from the mining survey to produce a steady stream of blog posts to our website. In 2015, miningfacts.org had 242,000 visitors who made over 286,000 visits and registered 381,000 page views. That's a major improvement over 2014, where we had 138,000 visitors who made 160,000 visits and registered 217,000 page views. Centre policy analyst Taylor Jackson was a key contributor to the site's success.

## Environment

Mr. Green wrote a number of columns on environmental issues, most prominently in response to politically motivated attacks on Canada's environmental record. These widely-distributed pieces demonstrated how environmental quality in Canada has been improving for decades in almost every meaningful category, and argued that ill-informed hysteria only impedes the formulation of reasoned policies that balance environmental concerns with other factors.

In addition, the Institute published a study by University of Guelph professor Ross McKittrick discussing the *Principle of Targeting in Energy and Environmental Policy*. This study emphasized the importance of narrowly targeting well-defined problems in a direct manner, rather than seeking to broadly or indirectly regulate their energy or environmental impacts.

# School Performance Rankings

The Fraser Institute was the first organization in Canada to produce empirically-based report cards on the performance of individual schools. Since 1998, the Centre for School Performance Studies under the direction of Peter Cowley has published over 100 report cards for schools in British Columbia, Alberta, Ontario, Quebec, New Brunswick, and Washington State.

Our report cards rank and compare schools by using objective, publicly available data, such as average scores on provincial tests administered by provincial education ministries. The report cards offer detailed tables showing how well schools have performed in academics over a number of years, along with other pertinent information.

By combining a variety of relevant, objective indicators of school performance into one easily accessible public document, the report cards enable parents, teachers, and school and board administrators to analyze the academic performance of individual schools over time. In addition, the report cards identify those schools that have improved their academic results. This evidence of improvement shows what can be accomplished and these improving schools can offer advice to less successful schools so that they too can improve their students' learning.

In 2015, report cards were published rating elementary and secondary schools in Ontario and British Columbia, elementary schools in Alberta, and secondary schools in Quebec.

All of our report cards are available at our dedicated, highly interactive website, [www.compareschoolrankings.org](http://www.compareschoolrankings.org). The site welcomed 1.9 million unique visitors in 2015 and enjoyed 14.2 million page views.



As always, these report cards garnered extensive media interest with over 2,200 mentions in print and electronic media in 2015.

The report cards continue to provoke resistance from those who oppose measurement of academic achievement in principle, or simply resent the level of accountability that measurement brings. But most parents—and many dedicated education professionals as well—recognize that the report cards play an important role in encouraging improvement in educational methods and the quality of education being provided to Canadian children.

[compareschoolrankings.org](http://compareschoolrankings.org)

# Barbara Mitchell Centre for Improvement in Education

The Barbara Mitchell Centre for Improvement in Education, established thanks to a major grant from the W. Garfield Weston Foundation, works to improve elementary and high school education in Canada. Its three research priorities are to increase the amount of choice parents have in educating their children, improve teacher effectiveness, and improve curricula. The Centre also collaborates with the Institute's education programs to conduct teacher workshops and develop and distribute new learning resources to teachers.

Deani Van Pelt, Ph.D., director of the Centre, was pleased to welcome Dr. Lynn Bosetti, Ph.D., Professor of Education at the University of British Columbia, as a new Senior Fellow to the Centre. Prof. Bosetti previously spent two decades in the education faculty at the University of Calgary where she distinguished herself with her work on charter schools and school choice. Bosetti joined three other Senior Fellows--Prof. Derek Allison, Vicki Alger, Ph.D., and Prof. Stephen Easton-- in contributing to the Centre's research, writing and publications.

The Centre released seven research papers in 2015, four of which provided critical data on the current state of public education spending and enrolments in Canada. The first of these, *Education Spending In Canada: What's Actually Happening?*, examined changes in spending on public schools in Canada over the decade from 2001/02 to 2011/12, and provided solid empirical evidence to debunk the pervasive myth that education spending was in decline in Canada. In fact, per-pupil spending in government schools, adjusted for inflation, grew by 38.1 percent over the period.

Two further studies were released simultaneously at the start of the school year. *Enrolments and Education Spending in Public Schools in Canada* used the most recent Statistics Canada data from 2003/04 to 2012/13, and found that annual spending on education had increased by almost 46 percent over the decade – from \$41.6 billion to \$60.7 billion – while student enrolment declined by almost 5 percent. When

changes in enrolment and inflation were taken into account, average per pupil spending in public schools increased by nearly 31 percent over the ten years. The companion *Understanding the Increases in Education Spending in Public Schools in Canada* examined where the additional \$19.1 billion expenditure went. It found that, among the increases, spending on both teacher pensions and on capital almost doubled, (the first increasing by 89 percent, and the second by 97 percent).

Finally, *Where Our Students are Educated: Measuring Student Enrolment in Canada* used data collected from each of the ministries of education and found that the share of students attending public schools declined in every province for the period 2000/01 to 2012/13, while the share of students attending independent (private) schools increased in nine provinces. This paper provided comparative data by school sector for each province since the turn of the century, and showed that Quebec, British Columbia and Manitoba continued to have the highest share of students enrolled in independent schools.



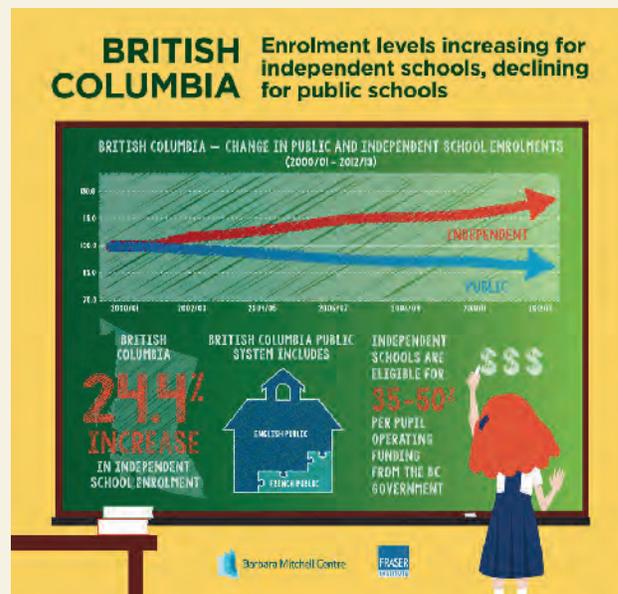
The above reports have established a solid empirical foundation for future public debate on education reform. Three other Centre papers contributed more directly to that debate, focusing on choice beyond the traditional public school such as home schooling, alternative public schools and charter schools.

*Home Schooling in Canada: The Current Picture—2015* examined the mounting academic literature about home schooling across North America and built on earlier Fraser Institute papers. This paper found that while decisions to home school in the past were ideologically or religiously driven, families now choose the option for more pragmatic reasons. The number of students registered as home schooled in Canada increased by 29 percent in a recent 5 year period, and research continues to find, on average, higher percentile scores on standardized tests for home schooled students. In terms of media impact, this report was one of the Institute's most successful in 2015, with over 900 mentions, bolstering the Centre's reputation as a leading voice in the public debate on education reform.

*Expanding Choice in Ontario's Public Schools* showed that choice is not as widely available in the public schools in Ontario as in most other provinces. This paper examined how the province could increase choice within the public system through allowing students to attend schools outside of their allotted geographical areas, and permitting local school boards to establish a wide range of alternative schools and programs in response to requests from parent and community groups. Not only would such measures respond to public demand; they also would foster beneficial competition for existing public schools.

Finally, *A Primer on Charter Schools* highlighted the growth in charter schools in the U.S. and Canada and reviewed the research and outcomes of charter schools. These autonomously-run public schools receive full funding from government for operations (although not for capital) and are particularly effective in serving disadvantaged students. However, since legislation first allowed them in 1994 in Alberta, that province remains the only jurisdiction in Canada to allow such schools to exist.

The centre also funded three Institute-run teacher training workshops in Alberta and Ontario. These workshops enable small groups of about 25 teachers to work through lesson presentations, exercises for students, and general curriculum plans with noted economics instructors. The demand of this program, along with the highly positive feedback we receive from participants, demonstrates the interest teachers have in these professional development opportunities. The fall and spring workshops in Toronto were again our most popular. Fully 35 teachers participated at each workshop, with 18 more on the wait list. If one assumes that each teacher teaches two classes of 30 students each semester using our materials,



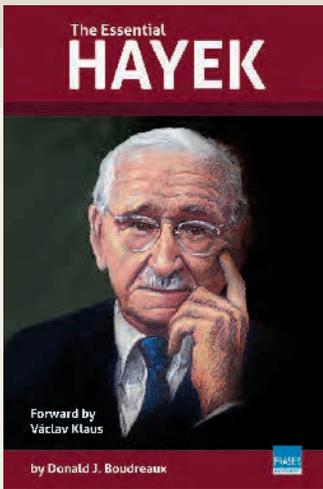
this year's participants could reach up to 42,000 students over the next five years.

In its short life, the centre has already established a new, fact-based foundation for public debate on education in Canada, and contributed a number of concrete suggestions to improve policy. Its work is now an inescapable part of the debate. During 2015, the centre's work generated nearly 1,900 unique media mentions – an increase of 130 percent over 2014 – and was featured in almost all major broadcast and print media in the country. Ms. Van Pelt authored or co-authored more than a dozen opinion editorials which were featured in the papers such as the *Globe and Mail*, the *National Post*, the *Toronto Sun*, and many others in the *Sun* chain. The estimated cumulative Canadian audience of all this coverage was 27.7 million, and its advertising equivalency value was approximately \$9.5 million.

During 2015 Ms. Van Pelt accepted a number of invitations to lecture in university classes (University of Toronto; Western University), and to speak at academic and practitioner conferences (Association of Private Enterprise Education Conference; International School Choice and Reform Academic Conference; Toward a Warmer Climate for School Choice in Ontario Conference; and Newfoundland and Labrador Employers' Council Conference).

Research and writing on a number of 2016 papers began in 2015, some of which, like several of those in 2015, will break new ground for the centre. The centre continues to generate increasing interest in its work, among the Canadian public as well as in policy circles in Canada and abroad.

# Cutting-Edge Research from our Senior Fellows



## Essential Hayek

An innovative project led by Professor Donald Boudreaux that aimed to make the key insights and ideas of F.A. Hayek accessible for average people was launched and completed in 2015 with great success. The project, referred to as *Essential Hayek*, centred on a succinctly written book by Boudreaux covering Hayek’s 10 most important ideas including the concepts of knowledge and prices, the difference between law and legislation, and the challenges of living in a modern society. The book is supported by a dedicated website ([essentialhayek.org](http://essentialhayek.org)), which includes individual chapters, illustrative cartoons, videos, and supporting material. The launch of the website and release of the book were very well received with over 120 websites, blogs, and aggregators carrying material from the book, with many including video links. In the first month alone some 8,400 unique visitors went to the website and over 25,000 people viewed the videos (in different forums). Visitors to the site have come from around the globe including the U.S., India, China, and Brazil. In addition, Ontario’s Independent Learning Centre adopted some of the material for its grade 11 courses, which reach over 1,000 students annually.



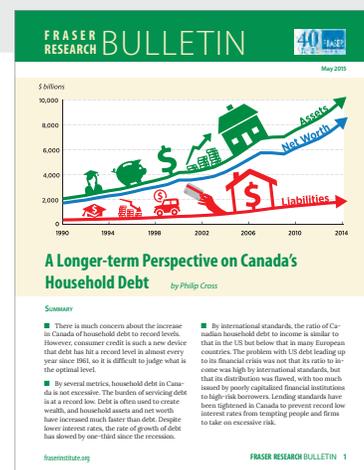
Video



Website [www.essentialhayek.org](http://www.essentialhayek.org)

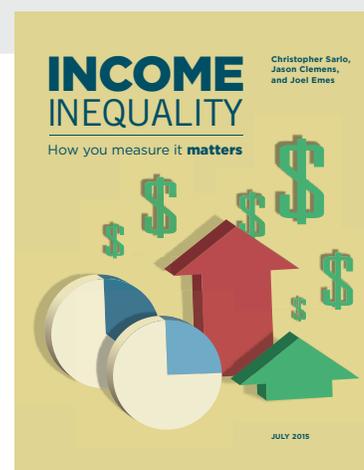
## A Longer Term Perspective on Canada's Household Debt

A regular contributor to the Fraser Institute's work and former Chief Economic Analyst at Statistics Canada, Philip Cross wrote one of 2015's most covered studies: *A Longer Term Perspective on Canada's Household Debt*. This study refuted claims that Canadian household debt was reaching dangerous levels by simply pointing out that such measures failed to include the value of assets and looked exclusively at debt. For example, from 2010 to 2014, the value of assets owned by Canadian households jumped 31 percent to approximately \$10 trillion (mostly in the form of equities and real estate) while household debt grew by just 21 percent to \$1.8 trillion (mostly in the form of mortgage debt). As a result, Canada's debt-to-income levels have levelled off and the ratio is now dwarfed by those from other countries considered to have sound financial systems. The study ranked seventh overall in 2015 in terms of media with substantial exposure on television including multiple appearances on the *CBC*, *CTV News*, and *Global News* as well as radio and substantial print coverage including the *National Post*, *Globe and Mail*, *Financial Post*, and almost every major daily in the country.



## Income Inequality Measurement Sensitivities

Long-time Fraser Institute Senior Fellow Professor Christopher Sarlo contributed a critically important study to the front-and-centre debate on inequality. Sarlo's study *Income Inequality Measurement Sensitivities* examined the degree to which worries about rising inequality are a result of the way in which inequality is being measured. For instance, the study found that after correcting for changes in the structure of households and by including current government transfers and taxes, the growth in inequality between 1982 and 2010 (latest year of data) was 12.9 percent compared to over 33 percent when these factors were ignored. The study garnered media interest across the country, particularly in print media including a major piece in the *Globe and Mail*. The study also sparked quite a bit of discussion in social media, particularly on blogs in both Canada and the U.S.



## An Economic Assessment of the Investment Canada Act

One of the Institute's most active Senior Fellows, Professor Steven Globberman, examined Canada's regulations on foreign investment. This study argues that the *Investment Canada Act*, which screens foreign acquisitions of Canadian companies, does not serve the interests of Canadians because the Act's conditions produce increased costs for foreign buyers, leading to lower sale prices and consequent smaller capital gains for Canadian owners of companies being taken over. Further, the legislation discourages Canadian entrepreneurs from starting or expanding businesses—the lifeblood of economic and employment growth. The study concludes that the costs of screening likely outweigh the benefits, so Canadians would be economically better off if the screening process was abandoned, except perhaps where national security is a concern. While technical in nature, the study nonetheless attracted quite a bit of media interest given the foreign takeovers in 2014 and 2015. Prominent pieces were included in the *National Post* and *Globe and Mail* as well as most business sections in daily newspapers across the country.



# Education Programs

The Fraser Institute began running seminars for university students in 1988 and over the years we have added a number of new programs providing opportunities for students, teachers, and journalists to learn about economics and the importance of choice and competition.

The institute's wide-ranging education efforts are overseen by Lisa-Diane Fortier, Director, Education Programs. Currently we are the only organization in Canada offering students aged 13-24, teachers, and journalists, the resources, networks, and a forum to learn about and discuss economics and public policy from a market perspective. Generous support from individuals, businesses, and foundations, in particular the Lotte & John Hecht Memorial Foundation, provides the funding for these programs.

Many past participants in our programs have gone on to important roles in politics, public service, the media, academia, business, and in think tanks.



*Students line up for the opportunity to ask Fred McMahon about the impacts of economic freedom on everything from life expectancy to happiness at the seminar in Vancouver.*

## Post-secondary seminars

In 2015, the Institute's student programs reached more than 36,500 high school and university students. The Centre for Education Programs continued to hold post-secondary student seminars across Canada. The seminars help students understand how policy decisions affect our economy, the options that are available for various policy problems, and how to critically evaluate the viability of those options.

Nearly 1000 students listened to policy experts present on topical issues, and then explored these ideas in small discussion groups with their peers. Speakers included; technology expert Eli Dourado from Mercatus Centre, who addressed the question, "How can we balance the benefits of emerging technology with its negative outcomes?"; Steven Davis of the University of Chicago and advisor to the US Congressional Budget Office, who had students talking about how policy uncertainty is hurting the global economic recovery; Senior Fellow Nadeem Esmail, who asked students to consider data from countries like Japan and Australia that could help provide solutions to Canada's growing wait times for medical treatment; and Pierre Desrochers of the University of Toronto, who explained how the freedom to innovate has enabled the current processes for the extraction of fossil fuels and minerals to be much cleaner than in it was in the past.

To help BC students in rural areas attend these seminars, we continue to offer our travel bursary program, and we were fortunate to be able to offer bursaries to a total of 100 students.

## High School Seminars

In 2015, over 1,100 high school students participated in our one-day programs where they were taught the fundamental principles of economics and learned how to think critically

**The chance to converse with civically engaged individuals having all manner of backgrounds about the topics that very much need to be the subject of the collective consideration by society is one that I am very grateful for.**

*Calgary student seminar participant*

about the decisions they make today, the consequences of their actions in the future, and how their behaviour influences the world around them.

The combination of our award-winning economic educators and an interactive learning environment where we use short lectures, games, videos, and activities to relate basic economic principles to real-life examples, continue to make this program popular at the junior and senior high school levels. So popular, in fact, that over 800 students added their names to the wait list for this year's programs.

### **Student internships**

Our internship program is a unique opportunity for exceptional university students to be paired with Fraser

Institute researchers or program directors and make tangible contributions to the work of the Fraser Institute. In 2015, we hired eight interns through a highly competitive hiring process. One of the reasons that our internship program garners so much interest from young scholars is that they see an internship with the Institute as a valuable learning experience that will help them transition to fulfilling careers in the world of ideas. In fact, the internship program has proven to be a valuable recruitment source for the Institute as we search for talented and committed individuals to fill a variety of job openings. In 2015, we were fortunate to hire seven interns from the 2014 intern pool as permanent employees in research, development, and program roles.

### **Student essay contest**

Over 750 students entered the essay contest this year, the topic of which was "National Security and the Role of Government: Safety vs. Privacy in a Technological Age." This annual contest encourages students to develop their research and academic writing skills and propose market-based solutions to real-world problems. Authors of winning essays experience the peer review process and the rigorous steps involved in publishing a paper – an invaluable tool for those interested in a future in research.



► *Instructor Scott Neiderjohn is inundated with questions from journalists after his presentation on the financial crisis of 2008 at the Vancouver Economics for Journalists program.*

## Canadian Student Review

*Canadian Student Review* is our online quarterly magazine distributed to over 13,000 students annually. Written specifically for students, this unique publication includes a wide range of thought-provoking issues from a market perspective, new research from the Institute, topical book reviews and information on event and job opportunities for students. Recent topics include minimum wage increases, Canada's aging population, income inequality, and crony capitalism.

## Teacher workshops

Our workshops appeal to a variety of teachers. Some of them are new to teaching economics, while others are looking for new activities and resources to enhance their existing lesson plans. We provide them with the tools to help make economics fun and relevant for their students. Through interactive lessons that use real-life examples, teachers can incorporate economic concepts into a variety of curricula. At each workshop, teachers are guided through the presentations by economics experts, actively participate in classroom activities, and take home a wealth of resources, including detailed lesson plans,

activities, and readings. This year we held eight workshops in BC, Ontario, and Alberta which were attended by over 170 high school teachers and covered topics such as *Issues of International Trade* and *The Economic Way of Thinking*. The impact of these workshops is significant when you consider that, conservatively, these teachers together teach over 15,000 students annually.

**The word I would choose to describe the seminar is enlightening. Enlightening not only because I was able to listen to the perspectives of highly qualified experts on a variety of issues of prominent concern to me as an active citizen, but also because I got to learn from the insightful questions that other participants posed and had the opportunity to discuss the ideas of the presentation with a diversity of bright young people.**

*Vancouver student seminar participant*

▶ Students take part in a hat making activity that illustrates the differences between a traditional economy, a centrally planned economy, and a free market economy.



## Economics for Journalists

With a focus on basic economic principles and how they relate to journalism, the *Economics for Journalists* program has earned a reputation among journalists as a solid investment in their professional development. One hundred and twenty-three journalists applied for the 50 exclusive spaces in our Toronto and Vancouver programs. Participants came from all over Canada, represented national, regional, and local media outlets, and included delegates from TV, radio, print, and online news media.

Through a mix of presentations, videos, group activities, and real-life examples, journalists were given enough knowledge to explain financial terms, demonstrate why people behave the way they do, and confidently analyze policies.

**A fantastic workshop. The instructor, Ninos Malek, was one of the most engaging presenters I have ever listened to. Great resources to use.**

*Toronto teacher workshop participant*

Participants engaged in animated discussions on issues such as the minimum wage and the unemployment rate. Feedback from the two programs was overwhelmingly positive. There was unanimous agreement from attendees that the conference would be invaluable to their career and that they would highly recommend it to their colleagues.

## Edukits

A fantastic new addition to our existing suite of programs, “edukits” are the perfect vehicle to get economic materials out to teachers, particularly those in remote locations who find it difficult or impossible to travel to our high school and junior high school seminars or teacher workshops. While common for other subjects, particularly science, no economics edukits have existed in Canada until now. These kits consist of a box filled with a selection of lesson plans, reading materials, videos, and activities. Moreover, all the supplies necessary to teach the various lessons and activities are included, which is critical for getting busy teachers to adopt the materials.

Forty edukits were distributed across Canada. Recipients were chosen on a first-come, first-served basis and there was no cost for them to participate.



► Instructor Mark Schug demonstrates a unique method for teaching how GDP is calculated during the Myths of the Canadian Economy teacher workshop.

No other Canadian think tank generates as much media attention.

SOCIAL MEDIA



**19,410**  
FOLLOWERS



**9,289**  
LIKES

**124,516**  
VIDEO VIEWS



**1,801**  
CURRENT  
SUBSCRIBERS

**92,713**  
VIEWS OF  
2015 VIDEOS



MEDIA MENTIONS

**28,338**  
(78 PER DAY)



COMMENTARIES

**1,421**  
OCCASIONS PUBLISHED  
(3.6 PER DAY)



UNIQUE  
WEBSITE VISITORS

**3.2**  
**MILLION**  
(8,767 PER DAY)

# Communications

The Fraser Institute's philosophy has always been that there's no point in producing a research study if it just sits on a shelf gathering dust – so communication has always been a vital part of everything we do. In order to educate people about the effects of public policies, we need to ensure our research is disseminated broadly.

The mainstream news media remains our primary vehicle for publicizing our research, so much of our communication efforts are put into media relations and finding ways for reporters to use our research findings as the basis of their news stories.

However, with the launch of our new main website and *Fraser Forum* policy blog in 2015, the Institute has taken a significant step forward in communicating directly with

Canadians. The new site is optimized for mobile devices and features full social media functionality, making it easier for people to view and share our content. Moreover, our following on social media is expanding rapidly – our Twitter followers grew by 18% and our Facebook fans by 39% in 2015.

The Institute also made significant strides in increasing our visual communications in 2015 – over the year, our infographics reached over 758,000 people through social media, and our videos were viewed more than 217,000 times. Finally, our free biweekly *Fraser Update* electronic newsletter is now distributed to nearly 15,000 subscribers.

# 2015 Fundraising Program

## FINANCIAL HIGHLIGHTS 2015

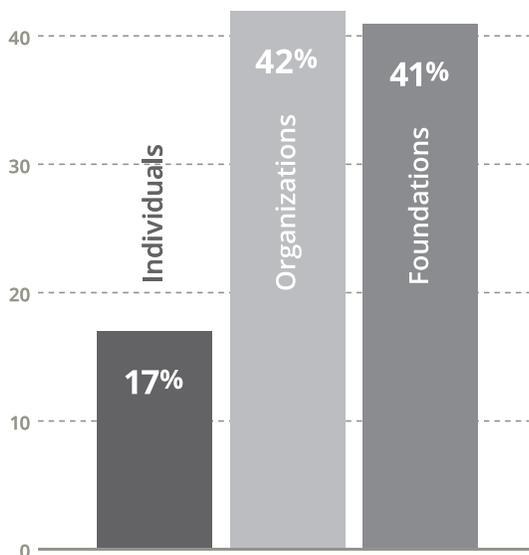
- The Fraser Institute's net assets position as at December 31, 2015 was **\$1,510,711**.
- Gross revenues for 2015 amounted to **\$10,740,762** representing an increase of 12.4% over 2014.\*
- Gross expenses for 2015 amounted to **\$10,733,156** representing an increase of 12.8% over 2014.\*
- The increase in net assets from operations was **\$180,069** for the year.

The Fraser Institute's financial position and operating results for 2015 are as follows:

### Statement of Financial Position – summary as at December 31, 2015

Current assets	\$ 6,789,543
Investments	737,402
Property and equipment	163,368
	<b>\$ 7,690,313</b>
Liabilities – current and long term	\$ 6,179,602
Net assets	1,510,711
	<b>\$ 7,690,313</b>

## FRASER INSTITUTE DOLLAR CONTRIBUTIONS



### Statement of Operating Results

– summary for the year ended December 31, 2015

#### Revenues

Donations, sales of publications, interest and other income

\$ 10,740,762
---------------

#### Expenses

Salaries, office costs, projects, publications, contributions, and other expenses

10,733,156
------------

Foreign exchange gain and increase in fair value of investments

172,463
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<b>Increase in unrestricted net assets from Operations</b>	<b>\$ 180,069</b>
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\* Note: The amount used for the 2014 comparative figures excludes the \$2,271,416 received in 2014 as a one-time legacy gift. As a result, the 2014 comparative figures used will differ from those to be reported in the audited financial statements of the Fraser Institute.

# Support the Fraser Institute

The Fraser Institute enjoys registered charitable status in Canada and the United States. To maintain our independence, we accept no government funding and we do not engage in contract research. Instead, we rely entirely on donations from concerned individuals, family foundations, and other organizations.

By supporting the Fraser Institute, you help us fulfill our mission of improving the quality of life for Canadians, their families and future generations by studying, measuring and broadly communicating the effects of government policies, entrepreneurship and choice on their well-being. We do this by producing fact-based research, infographics, short videos, opinion editorials, and blog posts. We also interact directly with the public through our education programs for students, teachers, and journalists and by holding public events and conferences.

Every dollar that is donated to the Fraser Institute helps us educate Canadians on what policies are required to ensure that all Canadians have the opportunity for the best quality of life possible.

## WAYS TO PROVIDE SUPPORT:

- Make a donation online at our website
- Make a donation by mailing in support
- Make a donation on the phone using your credit card
- Make a monthly donation using your credit card or through direct deposit
- Make a donation of shares or securities
- Make a donation through a bequest or planned gift
- Attend one of our gala events

All donors receive copies of *The Quarterly* digest, and quarterly updates from Fraser Institute President Niels Veldhuis. All non-foundation, non-sponsorship gifts over \$10 receive a tax receipt in accordance with CRA guidelines.

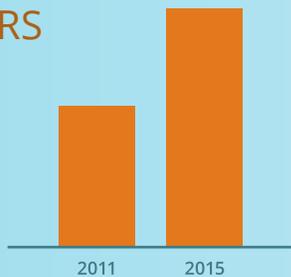
To learn how best to support the Fraser Institute please call our toll free number **1.800.665.3558 ext. 500** or email us at **[development@fraserinstitute.org](mailto:development@fraserinstitute.org)**

# No other Canadian think tank generates as much media and web attention

MEDIA MENTIONS IN NEWSPAPERS, TV, RADIO AND ONLINE

**28,338**

UP **69%** IN 5 YEARS



**\$16 MILLION**



ESTIMATED AD VALUE OF COVERAGE IN CANADIAN PRINT, RADIO AND TV, AND U.S. PRINT

**36,500**

STUDENTS FROM 1,804 SCHOOLS WERE INVOLVED IN OUR EDUCATION PROGRAMS



FRASER INSTITUTE RANK AMONG 6,846 THINK TANKS IN THE WORLD

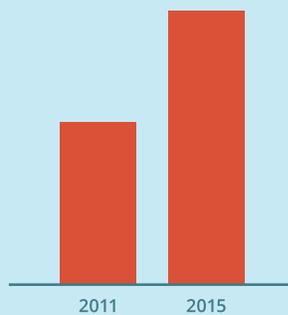
**17<sup>TH</sup>**



**3.2**

MILLION UNIQUE VISITORS TO FRASER INSTITUTE WEBSITES

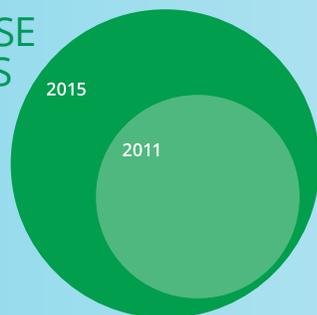
UP **68%** IN 5 YEARS



FACEBOOK AND TWITTER FOLLOWERS

**28,699**

**230%** INCREASE IN 5 YEARS



**760,000**

PEOPLE REACHED BY OUR INFOGRAPHICS ON FACEBOOK ALONE



CANADA'S #1 RANKED THINK TANK

FRASER  
INSTITUTE