INSTITUTE OF INTERGOVERNMENTAL RELATIONS WORKING PAPER

SURPLUS RECYCLING AND THE CANADIAN FEDERATION:
Reassessing th45reW*8ON

Institute of Intergovernmental Relations

Working Paper 2013 - 03

I:

II: EQUALIZATION AS AN INTERPROVINCIAL SURPLUS-RECYCLING MECHANISM

New Framework

TABLE 1

The Evolution of Equalization Payments

(2005-2013, $ million)

2005-06	2006-07	2007-08	2008-09	2009-10	2010-11

include

might it not be the case that, say, New Brunswick or Quebec, would need a larger number of the these comparable bundles?

II:E. Expenditure Needs Equalization: The Peter Gusen Analysis

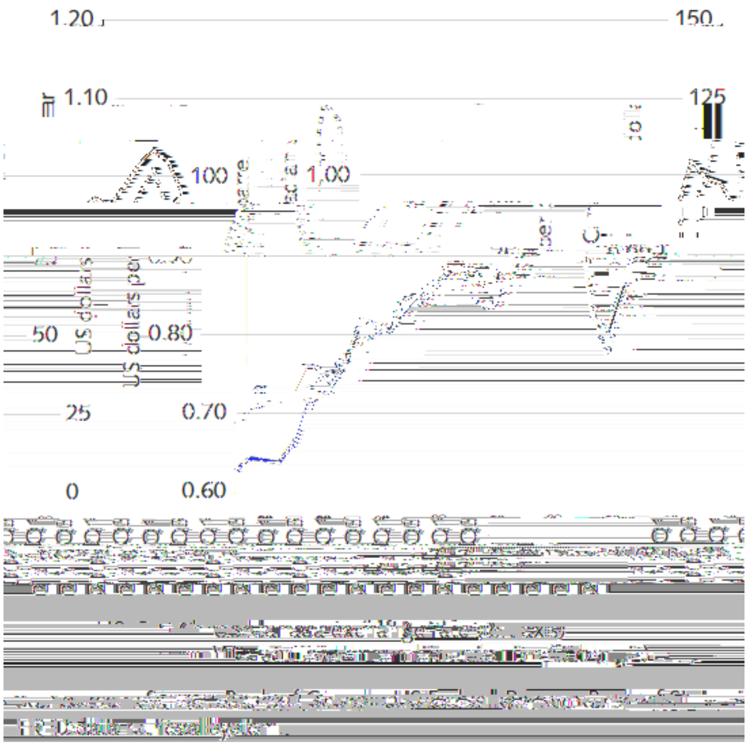
TABLE 4

Equalization and Expenditure Need
(2008-09, $million)

	NL	PEI	NS	NB	QB	ON	MB	SK	AB	BC	
1. Health	165	-19	167	165	-467	-178	-28	289	-848	752	
2. Elementary and Secondary Education	-43	-9	-154	-96	-1,242	753	191	195	896	-491	
3. Post-Secondary Education	-45										

less

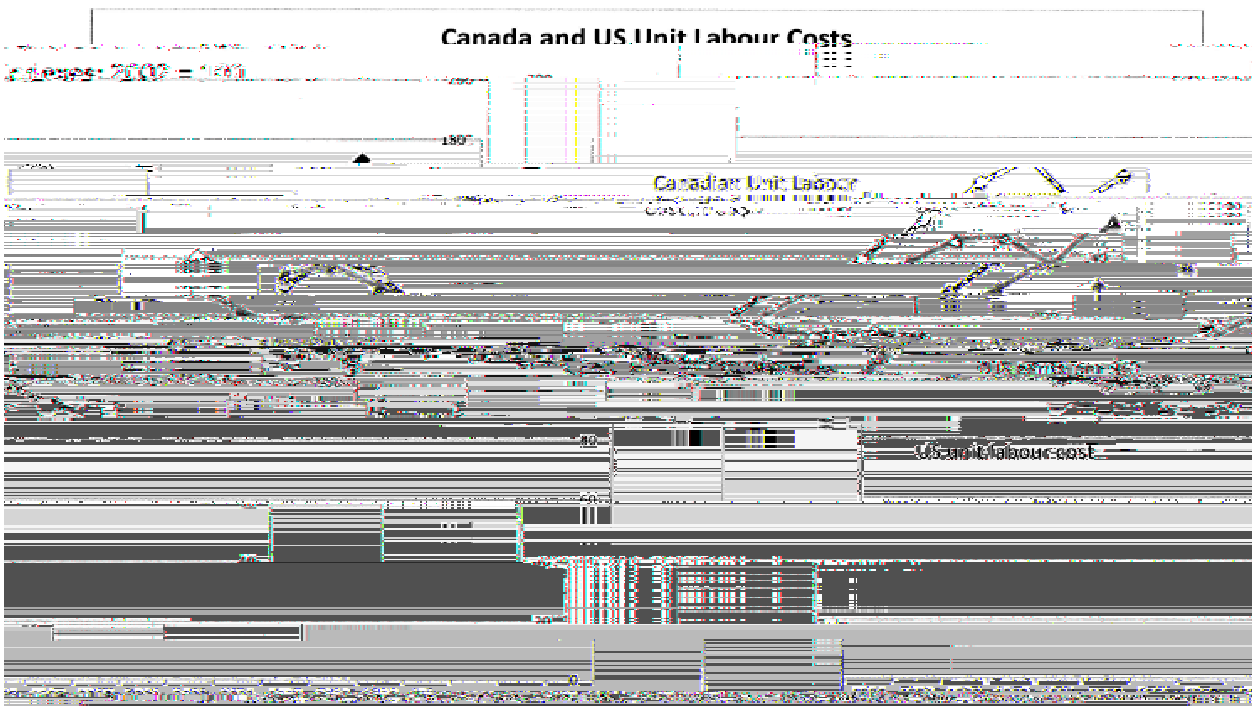
Figure 1: US-Canada exchange rate and crude-oil price, 2002Q1-2011Q4



interaction of wages and productivity resulted ÉÎ #ÁÎÁÄÁȭÓ 5,#Ó ÒÉÓÉÎÇ Í ÏÒÅ ÔÈÁÎ ÔÈÅ ÅØÃÈÁÎÇÅ ÒÁÔÅ ÏÖÅÒ ÔÈÅ 2002-2010, whereas US ULCs actually decreased over this same period.

direct

FIGURE 2



the CHT/CST has been subject to revenue testing.

Policy Options

consumption-oriented activities at the expense of financing investment-enhancing activities

open-ended or demand-driven programs.

IV:A. Transferring Money/Taxes Downward

IV:B. Transferring Powers Upward

Policy Options

References

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