

**COMPARING BEER PRICES BETWEEN  
ONTARIO AND QUEBEC**

**COMMENTS ON THE ONTARIO  
CONVENIENCE STORE ASSOCIATION  
STUDY**

November 2013

## Executive Summary

A study was released recently by Professor Anindya Sen of the University of Waterloo entitled: “An Empirical Analysis of Beer Price Differentials between Ontario and Quebec” (the “Sen Study”). The Sen Study was conducted on behalf of the Ontario Convenience Store Association (OCSA).

According to the Sen Study the average “net” price (eliminating any government sales taxes) of five surveyed brands in Ontario was “roughly \$9.50” per case higher in Ontario than in Quebec. The Sen Study then concluded, based on this average net price difference, that The Beer Store (TBS), and by extension its owners, was making roughly \$700 million in incremental profit because of The Beer Store’s distribution position in the Ontario market.

Earnscliffe Strategy Group’s review of the Sen Study found that it contained a number of errors in computing comparable “net” beer prices in Quebec and Ontario. Those errors were:

- 1.) The Sen Study included sales taxes (the 13% HST) in its Ontario surveyed prices while excluding sales taxes (the 9.975% QST and the 5% federal GST) from its Quebec surveyed prices;
- 2.) The Sen Study included the refundable container deposit in its Ontario prices (\$0.10 a container or \$2.40 a case) while excluding the same deposit value from its Quebec prices; and,
- 3.) The Sen Study did not account for significant differences in the level of beer commodity taxes in the two provinces, taxes that are applied prior to the sales tax.

When Earnscliffe Strategy Group corrected for these errors it found that the actual ‘net’ price of beer sought by the study parameters was virtually identical in the two provinces. The entire difference in price claimed in the Sen Study was found to be the result of tax revenue that flows to the governments of Canada and Ontario and deposit money that is returned to the consumer. As a result, when corrected data is used, the Sen Study methodology would identify \$0 in additional profits at The Beer Store, not the \$700 million that is claimed.

## Overview of the Sen Study

The Sen Study arrives at its conclusions using average beer prices for five brands sold in 24 bottle packages in the two jurisdictions for a December 4, 2012 to May 21, 2013 survey period (the “survey period”). The analytical premise of the study appears to be in two steps – first, put Ontario and Quebec average prices on a common “net” basis by removing the impact of direct taxation on those prices (i.e. sales taxes), and second, predict the value of the TBS distribution model province-wide by extrapolating the average net price difference per case across all beer sales at The Beer Store.

As such, the data on pricing is fundamental to the analysis.

The Earnscliffe Strategy Group (Earnscliffe<sup>1</sup>) was asked to assess the accuracy of the net average pricing analysis in order to determine if the modelling was conducted on the basis of accurate information and therefore whether the conclusions drawn by Professor Sen’s study are reliable in light of the author’s methodological approach. It was not the purpose of this assignment to analyse the Sen Study’s econometric modelling and overall methodological approach.

## The Earnscliffe Analysis: Relevant Facts

### The Basics

The retail cost of a case of beer includes a number of components including production, distribution and retailing costs, and sales and commodity taxes, applied by both the federal and provincial governments.

While we did not seek to replicate the Professor's econometric analysis, we followed his logic path to achieve a “net price” by removing government sales and commodity taxes from the retail cost of the product. To do so, we started with the data used in the study, tested its accuracy and then determined whether the correct average adjustments were made to achieve ‘net’ prices as claimed by the Study.

### The Study Approach to Comparative Beer Prices

Retail beer prices fluctuate in both Ontario and Quebec, so the Sen Study utilized a survey approach monitoring prices for select brands over time. As noted above, we used the beer price

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<sup>1</sup> The Earnscliffe analysis was conducted by Tom Sweeting and John Whitehead, Principals at Earnscliffe Strategy Group. Both are former Assistant Deputy Ministers in Ontario's Ministry of Finance. Both were directors of Ontario's Taxation Policy Branch and Sweeting was also Assistant Deputy Minister of the Office of the Budget and Taxation. Author biographies are attached.

survey<sup>2</sup> data from the Sen Study to limit the number of variables. To obtain Quebec prices, the Sen Study claimed to collect pricing information for a case of 24 bottles of 5 popular brands from the websites of two major grocery stores in Montreal, during the survey period. Ontario pricing data for the same brands was stated as having been obtained from TBS prices posted on its website over the same period. Table 1 below outlines what the Sen Study claimed to be the pre-tax average beer prices for the 5 brands surveyed.

	<b>Quebec – IGA</b>	<b>Quebec – Metro</b>	<b>Ontario - TBS</b>
Pre-Tax Sample Average	\$26.08	\$25.95	\$35.56

Based on this data, the Sen Study identified an average price differential of “roughly \$9.50” per case. The approximate \$9.50 per case price difference was claimed to be a measure of the market power of TBS and was then extrapolated to a province-wide amount of \$700 million.

#### Beer Tax Facts: Ontario

- Taxes on beer purchased at The Beer Store in Ontario are comprised of:
  - 1.) Commodity taxes levied on the consumer on a volume basis and collected and remitted by the manufacturer; and,
  - 2.) Harmonized sales taxes paid by the consumer, based on the retail price of beer.
- Provincial commodity taxes in Ontario are comprised of a “Basic Tax” and a “Volume Tax”. These two taxes are applied on a per litre basis and currently total 91.62¢ per litre. The Basic Tax portion is indexed on March 1 of every year by the rolling three year average of the Consumer Price Index for Ontario.
- The Basic Tax rate is also reduced for small brewers (under 50,000hl in annual production) and there is also a unique Basic Tax rate for draught beer. However, both these taxes are of no consequence to this analysis as the products in question are not draught beer products nor are they from small brewers benefiting from the tax reductions.
- Similarly, Ontario has an environmental levy on non-refillable beverage alcohol containers that is not relevant to the prices in the Sen Study as they were all packages comprised of refillable beer bottles to which the environmental levy does not apply.
- Federal commodity taxes are comprised of a single federal excise tax of 31.22¢ per litre.<sup>3</sup>

<sup>2</sup> While we do not endorse the survey methodology utilised in the Sen Study, we are using its price survey data nonetheless in order to limit the number of variables and to avoid any suggestion that our analysis simply “cherry-picked” retailers, products and timeframes to demonstrate a different result.

<sup>3</sup> The federal excise tax is actually tiered with lower excise rates applied on a brewer’s first 75,000hl of production. The 31.22¢ per litre rate applies to all production over 75,000 hl. As the products that are the subject of the Sen Study are all produced by large brewers it is the higher tax rate that is most applicable for this analysis.

- Ontario and the federal government apply the Harmonized Sales Tax (HST) of 13% - 5% federally and 8% Ontario – on the price paid by consumers exclusive of the refundable bottle deposit.
- In Ontario, a deposit is paid by the consumer on each bottle purchased – refundable when the empty bottle is returned – of 10¢ per bottle or \$2.40 per case of 24 bottles.

### Beer Tax Facts: Quebec

- The tax system in Quebec has fundamentally the same components as in Ontario – commodity taxes, retail sales tax and refundable deposits.
- The provincial commodity tax rate is 50¢ per litre, again with adjustments for small brewers that aren't relevant to the products surveyed in the Sen Study.
- Quebec also has a different commodity beer tax rate for sales to licensed establishments which, as is the case with Ontario's draught beer tax rate, was not relevant to the products surveyed in the Sen Study.
- As in Ontario, the federal commodity/excise tax is 31.22¢ per litre.
- Quebec sales tax is 9.975% and the federal sales tax is 5%.
- Refundable bottle deposits in Quebec are also 10¢ per bottle.

## **The Earnscliffe Analysis: Assessing Study Data on Net Beer Prices in Ontario and Quebec**

### Step 1: Data on prices in Ontario

The price data in the Sen Study is stated to cover weekly prices for the period from December 4, 2012 to May 21, 2013.

According to the Sen Study, the average “pre-tax” price for the 5 brands surveyed at TBS for the period of the study was \$35.56, although the detailed weekly price data for each brand was not included in the Sen Study. In an effort to verify the accuracy of the Sen Study's claimed \$35.56 average “pre-tax” TBS price for the five brands surveyed, Earnscliffe obtained pricing data for the survey period covered by the Sen Study from The Beer Store.<sup>4</sup> An analysis by TBS of this price data found an average price for the same 5 brands surveyed in the Sen Study that was within 1 cent of the \$35.56 average used in the Sen Study (See Appendix 1 for the information on TBS price changes during the period that was used in calculating the TBS average for the survey period).

However, at the same time, we determined that TBS prices are inclusive of both bottle deposits and Harmonized Sales Tax (see Appendix 2 for confirmation letter from Beer Store President Ted Moroz).

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<sup>4</sup> The Sen Study did not indicate that the average prices reported for Ontario or Quebec were weighted by volume. Therefore, we had The Beer Store weight the price by time.

The bottle deposit adds \$2.40 per case of 24 bottles (10¢ per bottle x 24 bottles) to the selling price and the 13% HST adds another \$3.81 per case of 24 bottles when the average price for the survey period is used. The combined total of these two charges is \$6.21 per case.

## Step 2 – Data on Prices in Quebec

As is the case for Ontario, the detailed brand-by-brand weekly Quebec pricing data for the survey period is not included in the Sen Study report. As such, we have assumed for the purposes of this analysis, that the average prices quoted in the Sen Study for the survey period are accurate.

However, in light of the above noted error in respect of identifying Ontario net price data, steps were taken by The Beer Store to verify that the same error had not been made in respect of the Quebec beer prices. To conduct this verification:

1. Retailer websites from where the Sen Study obtained its Quebec pricing data were visited to ascertain whether the prices displayed were inclusive or exclusive of sales taxes and deposit;
2. Telephone calls were placed to the two retailers surveyed to confirm their pricing practices; and,
3. Purchases of beer were also made at the two retailers surveyed in the Sen Study to verify whether advertised prices were inclusive or exclusive of sales tax and deposit (see Appendix 3).

Those results were reported to Earncliffe.

Based on this verification process, we are confident that the Quebec prices presented in the Sen Study are exclusive of federal GST, Quebec sales tax, and bottle deposit.

**Based on our analysis of the Sen Study pricing data we have determined that the average prices used in the study for the two provinces were simply not comparable.**

**More specifically, the Ontario average price included Harmonized Sales Tax (HST) and refundable bottle deposit while the Quebec average prices excluded Quebec sales tax, federal GST and the refundable container deposit.**

**While the Sen Study claimed to compare equivalent “net prices” between the two provinces, our analysis concludes that it did not.**

## The Earnscliffe Analysis: Adjusting for Errors in the Pricing Data

### Price Comparison: Adjustment #1

The Sen Study methodology is stated to be based on comparing prices, exclusive of taxes and refundable container deposits. Taxes accrue to government treasuries, not the beer industry or retailers, and bottle deposits are returned to the consumer – neither is a source of revenue for the industry. As the Sen Study’s average price for Ontario included both these elements while the Quebec prices did not, the Ontario prices need to be adjusted. Backing out the refundable deposit and the sales tax (which is not levied on the deposit) from the average Ontario price used in the Sen Study, we found a net average Ontario price of \$29.35 for 24 bottle cases of the 5 brands in Ontario during the survey period. Table 2 below provides this adjustment.

	<b>QC Average Price</b>	<b>ON Average Price</b>
Sen Study Prices	\$26.02 <sup>5</sup>	\$35.56
Adjustment for Deposit Charges Included in Price	Not applicable	-\$ 2.40
Adjustment for Retail Sales Taxes	Not applicable	-\$ 3.81
<b>Revised Net Prices</b>	<b>\$26.02</b>	<b>\$29.35</b>

### Step 3 – Extracting commodity tax on beer

A key premise of the Sen Study was that to correctly compare beer prices between Quebec and Ontario one needs to look at prices net of taxes – i.e. any revenue from the sales price that flows to government and not industry should be removed from the price. We agree with this premise. However, in order to do this correctly it is necessary to remove not only sales taxes but also commodity taxes in order to account for any differences in the commodity tax structures in the two provinces.

As shown previously, Quebec and Ontario as well as the federal government levy beer commodity taxes on a per liter basis. These taxes are remitted by brewers but the responsibility for paying them rests with the consumer and they are reflected in the ultimate price charged to the consumer.

<sup>5</sup> The Sen Study identified average prices at the Quebec IGA of \$26.08 and at the Quebec Metro of \$25.95. Since the study did not provide volume information to provide a weighted average of these observations, we have taken a simple average of the two observations, equalling \$26.02.

The federal commodity tax on beer is levied in the form of an Excise Tax amounting to \$2.56 per case of 24 bottles. As this tax is applied equally in both Ontario and Quebec, no difference in tax load exists between the two provinces.

However, in examining the commodity tax structures in the two provinces, it is clear that Ontario's commodity taxes comprise a considerably higher portion of the selling price than in Quebec. For the period of the study, the Ontario commodity tax on a case of 24 – 341ml bottles amounts to \$7.43<sup>6</sup> while Quebec commodity tax on the same case totals \$4.09, a difference of \$3.34¢ or 82%. Consistent with the Sen Study's stated methodology of assessing prices on a pre-tax basis, these government commodity tax revenues must also be removed to obtain a true pre-tax selling price and to account for any differences in commodity tax rates between jurisdictions. Based on our analysis we have concluded that the Sen Study did not do this.

**The “net prices” identified in the Sen Study did not account for differences in commodity taxes in the two provinces and therefore do not reflect “true net prices” – i.e. prices that are exclusive of all government taxes included in the price.**

#### Price Comparison: Adjustment #2

In order to arrive at a true net average price comparison it is necessary to remove not only sales taxes and deposits (Adjustment #1) but also commodity taxes. Table 3 below provides a full tax adjusted assessment of the Ontario and Quebec beer prices for the 5 brands surveyed during the survey period.

With the data fully adjusted to a true pre-tax price, it is evident that the difference in Ontario/Quebec beer prices described in the Sen Study is not the result of higher beer industry profits in Ontario but rather a failure to compare Ontario and Quebec prices on an equal footing. More specifically, Ontario beer prices inclusive of sales taxes and container deposits were compared to Quebec prices exclusive of these charges and no adjustment was made for Ontario's 82% higher provincial commodity tax rate. The result of using incorrect data is to ascribe a higher revenue to the brewing industry in Ontario during the survey period compared to Quebec when in fact that was not the case.

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<sup>6</sup> Ontario's basic tax on beer was increased during the course of the Sen Study. Prior to March 1, 2013 the Basic Tax was levied at a rate of 72.35¢ per litre, which, when combined with the 17.6¢ Volume Tax generated a total commodity tax of 89.95¢ per litre or \$7.36 per case of 24 X 341 ml bottles. As of March 1, 2013 the Basic Tax was increased to 74.02¢ per litre, which, when combined with the 17.6¢ Volume Tax generated a total commodity tax of 91.62¢ per litre or 7.50 per case of 24 X 341ml bottles. This tax change was included in the commodity tax applied during the period of the study. As March 1, 2013 (the date the Basic Tax was increased) represents the actual mid-point of the survey period in the Sen Study, the total Ontario commodity tax was adjusted to 90.785¢ per litre to reflect the average of its pre- and post-March 1 rates. The different tax rates were in effect for virtually identical amounts of time during the study period. As a result the average was computed using a 50/50 ratio).

<b>Table 3: Re-Stated Net Price Removing All Relevant Taxes &amp; Deposits</b>		
	<b>QC Average Price</b>	<b>ON Average Price</b>
Price after Adjusting for HST and refundable Deposit	\$26.02	\$29.35
Adjustment for Provincial Commodity Taxes	-\$ 4.09	-\$ 7.43
<b>QC and ON prices on Equal Basis</b>	<b>\$21.93</b>	<b>\$21.92</b>
Adjustment for Federal Commodity Taxes	-\$ 2.56	-\$ 2.56
<b>Net Price after removing all Consumer Taxes and deposits</b>	<b>\$19.37</b>	<b>\$19.36</b>

## Conclusion

Our analysis clearly demonstrates that when the Sen Study prices in both provinces are calculated net of sales and commodity taxes and refundable bottle deposits (components of price that flow to governments and consumers, not brewers), net prices for the brands surveyed in Ontario and Quebec were in effect identical.

**The Ontario Convenience Store Association sponsored Sen Study incorrectly concludes that price differences between Ontario and Quebec in its data are a function of Ontario's liquor retailing system and in particular The Beer Store. The Sen Study's claimed price differential between Ontario and Quebec is actually the result of errors related to the treatment of provincial sales and commodity taxes and refundable container deposits in the data collected.**

**When study errors and omissions related to determining net prices are corrected, the average price for the brands surveyed in the two provinces during the study period was found to be equal. Claims of higher Ontario brewer or Beer Store profits being responsible for price differences between the provinces are not supported by the corrected data. In fact, using the corrected data would determine that the claimed \$700 million in additional revenue accruing to the beer industry in Ontario is in fact zero.**

## Beer Prices Comparison: Ontario and Quebec

<b>Sen Study Approach</b>			
	Quebec	Ontario	Difference
"Pre-Sales Tax Price"	26.02	35.56	9.54

  

<b>Correct Approach</b>			
	Quebec	Ontario	Difference
Base Price	19.37	19.36	-0.01
Federal Excise Duties	2.56	2.56	0.00
Provincial Commodity Taxes	4.09	7.43	3.34
<b>Sub-Total</b>	<b>26.02</b>	<b>29.35</b>	3.33
Federal & Provincial Sales Tax	3.90	3.81	-0.09
Refundable Deposit	2.40	2.40	0.00
<b>Cost to Consumer</b>	<b>32.32</b>	<b>35.56</b>	3.24

  

<b>Accounting for the Difference</b>	
"Pre-Sales Tax Price"	9.54
<b>Less Corrections:</b>	
Commodity Tax Difference	3.34
Sales Tax Difference	3.81
Refundable Deposit Difference	2.40
<b>Net Difference</b>	-0.01

**Appendix 1: TBS Prices for Brands Used in Sen Study for the Survey Period (cont'd)**

**Sen Study Brands: TBS Prices Including Sales Taxes and Deposits  
(As posted on Website)**

Week	Week Starting	Coors Light	Budweiser	Bud Light	Canadian	Moslon Dry	
1	December 3, 2012	\$37.95	\$35.95	\$35.95	\$37.95	\$31.95	
2	December 10, 2012	\$37.95	\$35.95	\$35.95	\$37.95	\$31.95	
3	December 17, 2012	\$37.95	\$35.95	\$35.95	\$37.95	\$31.95	
4	December 24, 2012	\$37.95	\$35.95	\$35.95	\$37.95	\$31.95	
5	December 31, 2012	\$37.95	\$35.95	\$35.95	\$37.95	\$31.95	
6	January 7, 2013	\$37.95	\$34.95	\$34.95	\$37.95	\$31.95	
7	January 14, 2013	\$37.95	\$34.95	\$34.95	\$37.95	\$31.95	
8	January 21, 2013	\$37.95	\$34.95	\$34.95	\$37.95	\$31.95	
9	January 28, 2013	\$37.95	\$34.95	\$34.95	\$37.95	\$31.95	
10	February 4, 2013	\$37.95	\$33.95	\$33.95	\$37.95	\$31.95	
11	February 11, 2013	\$35.95	\$33.95	\$33.95	\$35.95	\$31.95	
12	February 18, 2013	\$35.95	\$32.95	\$32.95	\$35.95	\$31.95	
13	February 25, 2013	\$35.95	\$32.95	\$32.95	\$35.95	\$31.95	
14	March 4, 2013	\$35.95	\$38.95	\$38.95	\$35.95	\$32.95	
15	March 11, 2013	\$34.95	\$38.95	\$38.95	\$34.95	\$32.95	
16	March 18, 2013	\$34.95	\$38.95	\$34.95	\$34.95	\$32.95	
17	March 25, 2013	\$34.95	\$38.95	\$34.95	\$34.95	\$32.95	
18	April 1, 2013	\$33.95	\$38.95	\$34.95	\$33.95	\$32.95	
19	April 8, 2013	\$33.95	\$33.95	\$33.95	\$33.95	\$32.95	
20	April 15, 2013	\$33.95	\$33.95	\$33.95	\$33.95	\$32.95	
21	April 22, 2013	\$37.95	\$33.95	\$33.95	\$37.95	\$32.95	
22	April 29, 2013	\$37.95	\$38.95	\$38.95	\$37.95	\$32.95	
23	May 6, 2013	\$38.95	\$38.95	\$38.95	\$38.95	\$32.95	
24	May 13, 2013	\$38.95	\$38.95	\$38.95	\$38.95	\$32.95	
25	May 20, 2013	\$33.95	\$38.95	\$38.95	\$33.95	\$32.95	
<b>Average Dec 3-May 20</b>		<b>\$36.71</b>	<b>\$36.23</b>	<b>\$35.75</b>	<b>\$36.71</b>	<b>\$32.43</b>	<b>Average 5 Brands \$35.57</b>

<b>Sen Study Pre sale tax average price</b>	<b>\$35.56</b>
<b>Average TBS Price Including Sales Tax and Deposit</b>	<b>\$35.57</b>
<b>Difference</b>	<b>(\$0.01)</b>

## Appendix 2: Confirmation of The Beer Store Pricing Practices



OFFICE OF THE PRESIDENT

T 905.361.4204 Corporate Office  
F 905.361.4204 5900 Explorer Drive  
Mississauga, ON L4W 5L2

October 30, 2013

Mr. Tom Sweeting  
Principal  
Earncliffe Strategy Group  
330 Bay Street, Suite 505  
Toronto, Ontario M5H 2S8

Dear Mr. Sweeting:

I am writing to confirm that beer prices posted on The Beer Store (TBS) website are inclusive of both Ontario Harmonized Sales Tax and applicable container deposits.

This is true for the period covering December 2012 to May 2013 and has been true ever since TBS began posting prices on-line.

It is a longstanding policy at TBS to advertise beer prices with sales taxes and deposits included (even prior to this information being provided on the internet).

Given that the *Liquor Control Act* (LCA) requires any particular product to sell for the same price at all alcohol outlets in the province (Section 3), it is important that TBS policy is consistent with Ontario government policy with respect to posting of beverage alcohol retail prices.

If you require any further information related to this issue, please feel free to contact me at your earliest convenience.

Sincerely,

Ted Moroz

### Appendix 3: Beer Pricing in Quebec

The advertised price of beer did not include applicable sales taxes or bottle deposit.

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BUD LIGHT BIERE			\$24.99 FP
+DEPOT BIERE	2.40	DP	\$2.40
SOUS-TOTAL			\$27.39
TPS (5%)			\$1.25
TVQ (9.975%)			\$2.49
<b>TOTAL</b>			<b>\$31.13</b>
CARTE DEBIT	Media		\$31.13
ARGENT	Monnaie		\$0.00

Nombre d'articles : 1

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# TAXE FEDERAL: 883850223

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MONTREAL, QC H2G 1A8  
TEL.: 514-729-1866

<b>BIERE</b>			
CANAD.BIERE BTL.		FP	26.99
Depot			2.40
<b>SOUS-TOTAL</b>			<b>29.39</b>
26.99	T.P.S. ( 5.000)%		1.35
26.99	T.V.Q. ( 9.975)%		2.69
<b>TOTAL</b>			<b>33.43</b>
C. DEBIT			33.43
Nombre d'articles: 1			

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## About the Authors



### **Tom Sweeting, Principal, Toronto**

Prior to joining Earnscliffe in June 2006, Tom Sweeting served the Province of Ontario in a variety of capacities for 34 years. Over his career, he provided ongoing issue management and daily support to twelve Ministers of Finance and eleven Deputy Ministers. Tom was involved in thirty-three Ontario Budgets.

He began his career in the Tax and Fiscal Policy Division in the then Ministry of Treasury, Economics and Intergovernmental Affairs in 1972 and then served as Senior Budget Advisor. Tom was appointed Director of the Taxation Policy Branch in 1980. Tom became Assistant Deputy Minister of the Office of the Budget and Taxation in 1997 and twice had responsibility for the Provincial-Local Finance Division during his tenure as ADM.

Over his years as director of the Taxation Policy Branch, Tom led the implementation of numerous changes to Ontario's tax system. He was involved in three major federal-provincial tax reform exercises. As Assistant Deputy Minister, Tom was responsible for the development and co-ordination of policy input, public consultation, and legislative implementation of the Ontario Budgets since 1998. He oversaw the development and implementation of a hundreds of tax changes, including personal income tax, corporate tax, retail sales tax, and reforms to the property tax system. He led the federal-provincial fiscal arrangements efforts on behalf of Ontario. He also had responsibility for Ontario's pension policy and other income security policy issues.

From September 2005 until retiring from the Ontario Public Service on May 31, 2006, Tom was Assistant Deputy Minister and Special Advisor to the Deputy Minister, whereby he led the development of his final Ontario Budget. He has been involved in various committees and task forces of the Province throughout his career. Until recently, he served on the Board of Directors of the Ontario Electricity Financial Corporation, and was chair of the Audit Committee for several years. He represented Ontario's interests in several federal-provincial fora. He attended numerous Finance Ministers' meetings, both federal-provincial and provincial-territorial, as well as meetings of the First Ministers and Provincial-Territorial Premier's meetings. He sat on the Federal-Provincial Committee on Taxation.

He has also been a member of the Canadian Tax Foundation, the Institute of Public Administration of Canada, and the Conference Board of Canada.

He is a graduate of McMaster University where he received his Honours B.A. in Economics.



### **John Whitehead, Principal, Toronto**

John joined Earnscliffe in 2013 after over 30 years in Ontario's public service including 20 years in senior leadership roles. He has been recognized for his outstanding policy advice and collaboration skills that lead to innovative partnerships that work.

John's experience in government spans taxation policy; federal-provincial fiscal relations; fiscal policy; Treasury Board operations; business planning; energy policy; and agency relations. He contributed expert policy advice to the development of 28 Ontario

budgets. John has served as Assistant Deputy Minister within the Ontario Ministries of Finance, Economic Development and Innovation, Infrastructure and Energy, and had extensive experience in the Treasury Board Office, Taxation Policy Branch and Regulatory Affairs. He also served as Chief Administrative Officer for the ministries of Energy and Infrastructure.

John was lead executive for several strategic initiatives and outreach including: aboriginal relations and consultation on green energy, federal-provincial negotiations for a new health care funding agreement, and representing Ontario's trade policy interests.

He brings thoughtful, multilayered analysis in support of informed decision-making, and is accomplished at distilling complex issues into layman's language to share knowledge, broaden understanding and crystallize strategic choices for clients.

A graduate of York University with a Specialized Honours B.A. in Economics, John also completed the Executive Program at Queen's University. He has been a guest lecturer at both Queen's University and the University of Toronto and serves as a volunteer on the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.