

SPRING
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NATIONAL AND GLOBAL
PERSPECTIVES
NATIONALES ET MONDIALES



Canadian
BUSINESS
LEADERS
speak



les
chefs
d'entreprise
CANADIENS
s'expriment

CANADIAN COUNCIL OF CHIEF EXECUTIVES
CONSEIL CANADIEN DES CHEFS D'ENTREPRISE

As the first decade of the 21st century draws to a close, Canadians find themselves in the grip of the most severe – and most globally synchronized – economic downturn since the 1930s.

Around the world, governments and central banks have responded by slashing interest rates and boosting public spending. Yet unemployment continues to rise and business conditions in many industries are tougher than at any time in recent memory.

In this issue of **Perspectives**, member CEOs of the *Canadian Council of Chief Executives* address both the risks and the lessons of the deepening recession. In excerpts from recent speeches and essays, they discuss the challenges of leading in difficult times, the importance of staying focused on long-term growth opportunities, and the need for a balanced and responsible approach to financial market regulation.

Also in this issue, Canadian business leaders confront the looming threat of protectionism and consider how Canada can best take advantage of opportunities in emerging markets.

As always, we hope that these thoughts will stimulate further discussion and debate about how Canadians can work together to build a stronger and more prosperous society.

La première décennie du 21^e siècle tire à sa fin, les Canadiens sont en proie à la récession économique la plus grave – et la plus synchronisée mondialement – depuis les années 1930.

Les gouvernements et les banques centrales du monde entier ont réagi en réduisant radicalement leurs taux d'intérêt et en augmentant leurs dépenses publiques. Malgré cela, le taux de chômage ne cesse de grimper et la conjoncture économique de nombreuses industries est la plus difficile que l'on ait connue.

Dans ce numéro de **Perspectives**, de hauts dirigeants membres du *Conseil canadien des chefs d'entreprise* abordent les risques et les enseignements tirés de la récession. Ils traitent des enjeux liés au fait de diriger en ces temps difficiles, de l'importance de la croissance à long terme, et de la nécessité d'adopter une approche équilibrée et responsable en matière de réglementation des marchés financiers.

Dans ce numéro, des chefs d'entreprise canadiens confrontent la menace latente de protectionnisme et réfléchissent à la manière dont le Canada peut tirer profit des possibilités qu'offrent les marchés émergents.

Nous espérons que ces réflexions susciteront d'autres discussions et débats sur la façon dont les Canadiens peuvent, ensemble, oeuvrer à l'édification d'une société plus forte et plus prospère.

ROSS LAVER
EDITOR/RÉDACTEUR

IN THIS ISSUE  DANS CE NUMÉRO

**LEADERSHIP IN CHALLENGING TIMES /
LEADERSHIP EN TEMPS DIFFICILES**

- “Making headway through the storm”** page 4
Annette Verschuren, The Home Depot Canada and Asia
- “Lessons from a crisis”** page 5
Dominic D’Alessandro, Manulife Financial
- “Keep Canada in mind”** page 6
Richard E. Waugh, The Bank of Nova Scotia
- “What we need are more builders”** page 7
W. Geoffrey Beattie, The Woodbridge Company Limited
- “The sun will continue to shine”** page 8
John C. Risley, Clearwater Fine Foods Inc.
- “Innovation égale croissance économique”** page 9
Phil Sorgen, Microsoft Canada Co.
- “The folly of protectionism”** page 10
Thomas d’Aquino, Canadian Council of Chief Executives

**WINNING IN THE GLOBAL ECONOMY /
GAGNER AU NIVEAU DE L’ÉCONOMIE MONDIALE**

- “The global ride ahead”** page 11
M. Elyse Allan, General Electric Canada
- “The dawn of a new century”** page 12
Robert E. Brown, CAE Inc.
- “How Canada can do better”** page 13
Jacques Lamarre, SNC-Lavalin Group Inc.
- “We have to play to our strengths”** page 14
Richard E. Waugh, The Bank of Nova Scotia
- “Finding opportunities in India”** page 15
Robert E. Brown, CAE Inc.

“Think globally, act locally” page 16
Michael E. Roach, CGI Group Inc.

“Adapting to China” page 17
Annette Verschuren, The Home Depot Canada and Asia

**SUSTAINABLE GROWTH AND CORPORATE RESPONSIBILITY /
CROISSANCE DURABLE ET RESPONSABILITÉ SOCIALE**

“Responding to the challenge” page 18
Richard L. George, Suncor Energy Inc.

“Myths and misperceptions” page 19
Ron A. Brenneman, Petro-Canada

“Every drop matters” page 20
Gordon M. Nixon, Royal Bank of Canada

“An enormous energy opportunity” page 21
Bruce H. March, Imperial Oil Limited

**BUILDING CANADIAN SUCCESS /
BÂTIR LA RÉUSSITE DU CANADA**

“We need each other” page 22
Blake C. Goldring, AGF Management Limited

“Six ways to enhance Canada’s cultural sovereignty” page 23
John M. Cassaday, Corus Entertainment Inc.

“An important issue to get right” page 24
R. Jeffrey Orr, Power Financial Corporation

“Éduquer, entreprendre et coopérer” page 25
Monique F. Leroux, Mouvement des caisses Desjardins

“A resounding sense of pride” page 26
Thomas d’Aquino, Canadian Council of Chief Executives

Making headway through the storm

November 13, 2008

In recent weeks, we have seen giants of the United States and European banking industries fail. We have seen trillions wiped out of global equity markets. And we have seen rapid and unprecedented legislative involvement in the world economy. All of this news is concerning, and even downright scary, to business leaders, governments and working Canadians.

In the home improvement industry, we pay close attention to housing markets. While it is true property values are far healthier in Canada than the United States, we too have seen a recent decline in the value of Canadians' most prized asset. Put this together with investment losses and millions of Canadians are understandably concerned about their financial situation.

We must also understand that this fear has caused noticeable, day-to-day changes in consumer spending.

Listen, I'm no fear monger. In fact, I'm incredibly bullish about the future of Canada's knowledge-based economy. But perception is reality. And as policy makers and business leaders, we must acknowledge that Canadians are, in the short-term, fearful about their financial situation.

What are business leaders to do in the midst of all this economic upset? I guess that depends on your perspective. Personally, I'm a firm believer that challenge brings opportunity. There's a lot Canadian business can do to make headway through this economic storm, while preparing for calmer seas and more prosperous times ahead. While it's important to keep a watchful eye on the balance sheet, The Home Depot Canada

will work to achieve its primary focus – the enhancement of customer experience and improved productivity. This approach will position us for even stronger growth when the economic clouds of today give way to the sunshine of prosperity tomorrow.

Which leads me to a second point about managing during tough times: It's more important than ever to maintain a measured, strategic focus. As business leaders – and as policy makers – we shouldn't let stress steer us into the perilous waters of impulsive decision-making.

This isn't to say we should simply stay the course. Good management – and good policy – requires a willingness to change headings quickly when the need arises. Any change business makes in response to the economy should aim to quickly reduce the current threat, without changing long-term strategic thinking.

We're taking this pragmatic approach, because these aren't entirely uncharted waters for our economy. Those of my generation remember the OPEC oil crisis and stagflation of the 1970s. We remember the stock market panic of 1987. And we all remember the tech bubble and the terrible events of September 11, 2001. We will endure the uncertainty of our current situation – worse though it may be – just as we endured the economic uncertainty of those troubled times.

ANNETTE VERSCHUREN
THE HOME DEPOT CANADA AND ASIA



Lessons from a crisis

October 29, 2008

INTEGRITY is the foundation on which everything else depends. People want leaders they can trust, who stand for something and who can be relied upon to do the right thing.

The irony of discussing leadership and integrity, given the tumultuous developments in global financial markets, is not lost on me. Every day brings new revelations that these qualities were too often absent in many parts of the financial services industry. Who would have thought a few months ago that we would witness the nationalization or forced sale of major portions of the banking industry in Europe, the United States and elsewhere? That investment banking, as we know it, would virtually disappear? That AIG, once the world's largest financial institution, would be on life support?

I am pleased, as I think we all should be, that the situation in Canada is a far healthier one. Our financial institutions are strong.

I believe there are really two main reasons for the difficult situation that exists today. First is the inexcusable sin of failing to properly regulate our financial markets. For the past 30 years or so, deregulation has been the religion of policymakers in many parts of the world. The result is that the financial markets were turned into veritable casinos. The fallout is affecting everyone, even those of us who have run our businesses in a disciplined and prudent manner.

Second, we seem to have forgotten that there is no such thing as a free lunch. We wanted to have our cake and eat it, too, whether it was consumers buying houses

they couldn't afford or governments financing expenditures with borrowed money.

There are many lessons that can be drawn from recent experience. For one thing, policymakers ought to rid themselves once and for all of the attitude that the "market is always right." It is this attitude which is, more than anything else, at the heart of the current crisis. It should be obvious that sound regulation is necessary if markets are to operate properly.

Questions should also be asked as to whether or not recent innovations in the financial markets are proceeding in a reckless and uncontrolled manner. I believe that a slowdown in the pace of innovation to allow for a more comprehensive assessment of risk would be a very good thing. Moreover, we desperately need to move to a principles-based system of financial reporting. Rules-based systems will always be "gamed" by the clever.

I want to conclude on a positive note. We should all take comfort from the bold and pragmatic actions that authorities around the world are taking to deal with the situation. The global banking system is rapidly deleveraging and many of the world's leading banks are being recapitalized. While much remains to be done and stresses still remain, I am confident that the worst is behind us.

DOMINIC D'ALESSANDRO
MANULIFE FINANCIAL



Keep Canada in mind

February 25, 2009

WHILE not immune, Canadian banks have weathered the recent financial storm relatively well. And I humbly suggest that when it comes to ways to improve the global financial sector – and ultimately the global economy – Canada offers a model that’s worth consideration.

First, Canada has had a good macro-economic policy framework that has produced excellent results. The country has its fiscal house in order. Public finances were put into surplus over a decade ago. In the early 1990s, Canada had the second-highest debt-to-GDP ratio of any industrialized economy. Today, Canada’s net debt ratio is the lowest in the G-7. Even with the Canadian government’s recently announced stimulus package, the ratio of net debt to GDP will remain under 30 per cent. Compare that to the United States, where the debt-to-GDP ratio is predicted to exceed 60 per cent. Also, Canadian monetary policy has been consistent and effective. Canada was one of the first countries to establish inflation targeting. Since the 1990s, Canada has successfully kept inflation low and stable.

Second, Canada has a strong financial sector regulatory policy approach. Since 1867, Canada has had a “national” banking system, not a regionally based one. This provides a real advantage of geographic diversification and economies of scale.

Federal legislation that governs the banking sector – the Bank Act – is overhauled every five years. This mandated regular review allows for change and evolution, but in a disciplined and measured manner. During the 1980s, regulations separating the traditional four pillars of the financial sector –

banks, insurers, trust companies and investment dealers – were largely eliminated. By the 1990s, all the major investment dealers were owned by banks, creating an integrated bank model. We did not have the lightly regulated, independent dealers that have been at the centre of the problems in the United States. Our dealers have been managed under a single, prudential financial institution framework for more than 20 years.

Third, we have a banking sector that is performing well due to sound business models and proven risk-management practices. Our leverage is one of the best in the world. It was one of the best going into the crisis, and remains so now.

Underpinning this success is the conservative, pragmatic risk culture of Canada and its bankers, combined with a strong internal governance structure.

During this financial crisis, Canadian banks have had their own challenges to contend with. No one has been completely immune and we have made mistakes. But on the whole, we have also had very strong performance relative to American and European banks.

We are lucky in Canada, absolutely. We are a country rich in resources. But our country and our financial system also have been well managed. As governments, policy makers and private firms contemplate the future and make more lasting changes, keep Canada in mind.

RICHARD E. WAUGH
THE BANK OF NOVA SCOTIA



What we need are more builders

October 27, 2008

OVER the past few decades, there has been an insidious and dangerous shift in how all of us – businesses and individuals – manage our assets. We have seen markets like the United States, the United Kingdom and Europe turn into financial playgrounds for traders and speculators. And through it all, governments and regulators have been standing back for fear of imposing rules that could make their country less competitive.

My perspective on what happened, where we are today and where we need to go next has developed at Woodbridge, working with the Thomson family. The Thomsons are builders. When Roy Thomson died in 1976, the family's fortune was about \$500 million. When Ken Thomson died in 2006, it had grown to \$25 billion.

One thing has never changed and that is the investment principles and strategies that drove that remarkable growth. Ken was a wonderful man but was not a business genius. He was a principled investor, and his principles continue to guide the family and management at Woodbridge:

- Find good investment opportunities that have long-term prospects and that can withstand factors that are beyond our control – like the inevitable ups and downs of the market we are seeing today;
- Work with honest and competent business managers and in return give them our long-term commitment and support;

- Focus on a small number of significant investments rather than spreading ourselves thinly across many holdings, so we can ensure we are staying focused. As Ken liked to say, "Don't water the wine."
- Most importantly, we don't invest with the expectation of short-term returns or expect to sell the minute we hit a target stock price or see a wobble or worse in the markets.

This philosophy of building great businesses over time is hardly unique to Woodbridge. At one time, it was the dominant investment philosophy in North America. But in recent years, we have seen a new style of investing taking over. The builders have given way to the traders, who seek the best return in the shortest amount of time and will take on significant risk in pursuit of that big reward.

How do we recover the builder orientation? I hope the discipline of the markets will start us off. It is extremely valuable to have a new generation of investors live through a major market downturn. In recent years, some investors were performing a high-wire act without a net because they had never seen anyone fall.

There is also an important role for public policy. Good government isn't big government or no government; it is smart government that embraces its responsibility to look decades ahead and build the appropriate policy infrastructures for growth and prosperity.

W. GEOFFREY BEATTIE
THE WOODBRIDGE COMPANY LIMITED



The sun will continue to shine

January 15, 2009

WE have all been shaken by the economic events of the last several months. I can't think of a time since World War II when the world has been so impacted by a single issue, nor a time when the period of recovery was so uncertain. Never have there been more conflicting views as to whether things are about to get worse or better, or how long the world will have to suffer anemic levels of economic activity. In the face of such a dilemma I prefer to retreat to common sense and fact-based observations. So let's examine some facts.

The bankruptcy of Lehman Bros. in the United States taught the world's central bankers that no important financial institution could again be allowed to fail. It was this bankruptcy which brought the global financial system almost to a halt. Since then, much of what has emanated from the policy makers has been designed to bolster the world's financial system. The global economy can get along without a GM or a Ford. It cannot function without a financial system in which everyone has confidence, and which has the capacity to dispense credit.

So the point is that we have a line in the sand, so to speak, below which no further deterioration will be permitted. We should be encouraged by that. One of the reasons the Great Depression lasted several years was because banks were allowed to continue to fail through a multi-year period.

The election of President Barack Obama is an important and positive element in all of this. The United States needs leadership which has the support and respect of the rest of the world. Mr. Obama appears to enjoy

both and he has assembled around him a non-partisan team of economic advisors and administrators who have the ability to navigate through this crisis.

The world's fastest-growing large economy, China, is governed by extremely enlightened long-term policy makers. I am not suggesting I subscribe to policies such as those on human rights. But the simple point is that China understands its role in the global economy and, as the owner of the largest foreign exchange reserves in the world, has the capacity to continue to invest in and grow through these troubled times. That strong engine will be a vitally important part of getting the global train going again.

Current oil and natural gas prices, and indeed virtually all commodity prices, are well off their highs of a year or so ago. As such, they are providing an important stimulus to consumers, and lower input prices for business.

So where am I in all of this? Having to work harder than I perhaps ever have, certainly more worried than I have been in a long time, but basically optimistic we'll get through this. Yes, things will no doubt be tough for a while and the stock market will gyrate wildly and there will be further news of economic hardship. But I don't believe for a minute we are in for a repeat of the Great Depression. The sun will continue to rise and the human race will once again prove itself to be capable of adaptation. We are lucky to live in Canada.

JOHN C. RISLEY
CLEARWATER FINE FOODS INC.



Innovation égale croissance économique

Le 4 février 2009

TOUTES les entreprises astucieuses recherchent continuellement des façons de devenir plus efficaces, plus compétitives et plus productives.

Toutefois, à mesure que l'économie mondiale devient de plus en plus instable, il est évident que nous sommes tous touchés par les effets du resserrement des conditions de crédits et du ralentissement économique.

J'ai récemment rencontré d'autres dirigeants d'entreprise membres du Conseil canadien des chefs d'entreprise et, malgré l'équilibre économique compromis des derniers mois, j'en suis ressorti encouragé et confiant dans le potentiel du Canada.

Une telle crise mondiale crée des occasions et je continue de croire que les entreprises canadiennes se trouvent en excellente position pour tirer profit de ces occasions.

Il ne fait aucun doute que nous vivons une période où les chefs d'entreprise doivent évaluer soigneusement la meilleure façon d'utiliser leurs ressources afin d'affronter les incertitudes à venir.

Je crois qu'en tant que chefs de file au sein du secteur technologique, nous pouvons jouer un rôle important afin d'aider les entreprises à réagir à ce contexte économique difficile et en constante mutation grâce à l'innovation.

En bout de ligne, la croissance économique dépend de l'innovation. Et l'innovation repose sur la capacité des gens à

transformer de nouvelles idées en produits qui offrent une valeur inédite aux clients.

L'innovation n'a cependant rien de magique. Au sein du monde actuel axé sur les connaissances, les technologies de l'information offrent les outils nécessaires pour habilitier les employés qui connaissent les clients d'une entreprise et qui comprennent ses marchés.

Ce sont ces gens habilités qui décèlent les occasions dissimulées et qui stimulent l'innovation menant à un avantage concurrentiel.

On craint toutefois qu'à mesure que l'économie ralentira, les entreprises se concentreront davantage à contrôler les dépenses et perdront de vue l'importance capitale d'investir dans l'innovation.

En réalité, au sein de toute économie, l'innovation constitue les assises nécessaires pour créer des occasions et favoriser la réussite. Ceci continuera de s'avérer peu importe l'état de l'économie.

Je crois que les entreprises qui continuent de miser sur l'innovation se retrouveront en bien meilleure position pour faire face aux conditions économiques difficiles actuelles.

En fait, j'ai la certitude que grâce à l'innovation, elles créeront les conditions requises pour une croissance plus rapide lorsque le climat économique s'améliorera.

PHIL SORGEN
MICROSOFT CANADA CO.



The folly of protectionism

January 31, 2009

EIGHTY years ago, the United States suffered its most devastating financial crisis of the 20th century. For many Americans, the preceding decade was a period of prosperity and excess. Then came the 1929 stock market crash, which triggered bank failures and a serious credit crunch. Overnight, the economy ground to a halt and the lines of the unemployed grew longer.

Today, the United States and much of the rest of the world are at a similar point in the economic cycle. Is the current global financial crisis fated to give way to another Great Depression?

It might, if we fail to heed the lessons of history. Although the 1929 crash dealt a severe blow, most economists agree that it was not the sole, or even the most important, cause of the Dirty Thirties. The real culprit was rising protectionism, the most notorious example of which was the 1930 U.S. Smoot-Hawley Tariff Act. Smoot-Hawley raised barriers against more than 20,000 imported goods. In retaliation, other countries slapped higher tariffs on U.S. products. Between 1929 and 1934, the volume of world trade fell by two-thirds.

The moral is obvious: in times of economic distress, restricting trade is exactly the wrong thing to do. As United States Federal Reserve Board Chairman Ben Bernanke has observed, economic isolationism and retreat from international competition inexorably lead to lower productivity and lower living standards for consumers.

As recently as November, the United States and 19 other leading nations promised to refrain from raising new barriers to trade. In

their November statement, leaders of the so-called G20 spoke of the “critical importance of rejecting protectionism and not turning inward in times of financial uncertainty.”

Yet today, the United States is contemplating legislation that would directly contravene that pledge. This week, the House of Representatives approved a provision that would bar imported iron and steel from infrastructure projects funded by the \$820-billion federal stimulus package. Meanwhile, the Senate is considering a measure that would extend the “Buy American” provision to all goods and services purchased with stimulus money.

Why, given the importance to the United States of open trade, are politicians rushing to erect walls? Clearly, members of Congress are feeling immense pressure from workers and employers in their home states who are bearing the brunt of the recession. When jobs are threatened, it is natural to blame others.

By the same token, however, it is the job of leaders to rise above parochial politics and focus on the national interest. And it is manifestly not in the interest of the United States to take steps that would inevitably lead to demands for retaliation among workers and companies in other countries.

As the nations of the world work to overcome our shared economic challenges, we need to continue our efforts to open doors of opportunity, not close them.

THOMAS D’AQUINO
CANADIAN COUNCIL OF CHIEF EXECUTIVES



The global ride ahead

July 22, 2008

BUSINESS in the 21st century is all about the intersection between globalization and technology. Success will go to those who find ways to use these two forces to solve big problems.

This isn't new. It has happened before and it is happening now. Business leaders, governments and regions must recognize it, make decisions to take full advantage of it, and ride the waves of history.

As we all hitch up for the global ride ahead, what will it take to keep moving in the right direction? Today I will share with you three considerations that have been critical to our global ride at General Electric, and which I hope will resonate with you more broadly.

First, attitude. Same old, same old isn't sustainable – at home or in global markets. Companies have to be flexible, and ready to embrace change as they pursue new markets.

Second, be in tune with the macro global trends. While there's no roadmap to help you arrive at your destination, there are markers that can help to define your path, highlight the opportunities and drive your success.

And third, every time and every way you pursue these trends gives you important information and adds to your globalization experiences.

There are many valuable observations and lessons – and I will share a few of them with you. Let's start with the right attitude. Just as our new world order is not really new, the way to win is also age-old.

You'll find the key in one of the most astute observations ever made about economic success, almost 150 years ago, not by a corporate titan or business guru, but by a man of science – Charles Darwin.

In 1859, Darwin published his theory that the survival or extinction of each organism is determined by its ability to adapt to its environment.

In times of rapid change, those who adapt the quickest will survive. That's equally true in the animal world or the corporate jungle.

My company took that lesson to heart. In 1878, Thomas Edison founded the Edison Electric Light Company, which evolved into General Electric in 1892.

Four years later, we were on the Dow Jones Index – and GE is the only company on the Dow Jones today that was on the original index.

The secret to such longevity? Be adaptable, see the trends ahead – and seize the opportunities they present.

At GE, we are guided by the desire to constantly take in the opportunities around us, and draw out the innovation within us. That is what it will take, too, for any business to survive.

M. ELYSE ALLAN
GENERAL ELECTRIC CANADA



The dawn of a new century

September 8, 2008

NEXT year, we will be celebrating the 100th anniversary of the first airplane flight in Canada. A century after that event, the aerospace industry is a vibrant, vital and highly successful sector of the Canadian economy, generating revenues of \$22 billion a year, providing Canadians with 85,000 direct, high-remuneration jobs and exporting 82 percent of its production.

Not many of our fellow citizens are aware that Canada is part of a very select club of nations that have their own complete aerospace industry, from design to construction. Montreal is the only city in the world where you can build a complete aircraft. This cannot be done even in the two other global aerospace centres of Toulouse, in France, and Seattle, in the United States. But it is possible in Montreal, with motors by Pratt & Whitney Canada, landing gears from Héroux Devtek, flight electronics for pilot stations designed by CMC Electronics and assembly by Bombardier.

You might say it is typically Canadian that our aerospace industry is more recognized and renowned internationally than at home. Canada leads the world in the production of small engines through Pratt & Whitney, in the manufacture of regional jets through Bombardier and in flight simulation through my own company, CAE.

Allow me to review some of the factors that should come into play to ensure the continued leadership of our industry globally.

All Canadian exporters are facing ongoing economic challenges. Our sector also has to navigate through the difficult times that world airlines are experiencing, particularly in the

United States. At the same time, the changing realities of the global industry will soon include even more competitors in a crowded field who are supported by their national governments. New players like China, Russia, India, Korea and Japan have announced their intention to build their own aerospace industries.

How then can our Canadian aerospace sector successfully compete against other companies and countries? We must be able to rely on our government to keep the doors of international trade open so that we continue to have access to foreign markets. Government support is necessary to keep our companies on a level playing field but also to ensure we keep our incredible pool of talent, the people responsible for the R&D and the innovation that has built our leadership position over all these years. Canada and its aerospace industry have been extremely fortunate in attracting and keeping the brain power it needed to excel on a global scale. To remain successful in the future, we must keep our talent pool here and continue to innovate in a stable, supportive environment.

I know that this can be achieved. The past and recent events in Canada point to a new era of exciting developments, continued innovation and stability in our industry/government partnership that will propel us to even greater heights as the second century of our Canadian aerospace industry dawns.

ROBERT E. BROWN
CAE INC.



How Canada can do better

March 18, 2008

HOW do we create success in this world of ours? I would like to suggest four areas where we need to do better.

First, in a globalized world, a country's foreign policy matters. Governments have to think carefully about how they conduct their foreign relations, because of its economic consequences. We also have to realize that "our way" is not the only way. Emerging countries need to address their own problems in ways that reflect their own history and traditions. As Canadians, if we want to change social conditions inside another country, the best way to do so is through engagement, not isolation.

As I travel to different countries, I have learned a simple truth: people are pretty similar everywhere you go. They all want to live in peace, to enjoy good health, to have a decent job and enjoy a dignified retirement. They want their children to have a better life than they have had. So let's not confuse a nation's leadership for the country itself.

The second area I want to look at is the energy sector and the recognition that nuclear energy is the way of the future. The United States Energy Information Administration has estimated the world will need as much as 50 per cent more energy by 2025, as emerging economies begin to boom. For Canada this offers great opportunities. We have built up considerable expertise in nuclear technology. We have scientists, engineers, and thousands of Canadians working in the nuclear business supply chain.

Third, government must become more responsive, and that means less

bureaucracy. One of government's key responsibilities is to regulate. As engineers and builders, we know that projects need to respect the environment, the health and safety of people, the rights of aboriginal peoples and other citizens, and the long-term interests of local communities. These are all legitimate public policy concerns.

The problem lies in how they are enforced. Regulators with quasi-judicial status often do not consider the importance of on-time delivery, and their time-consuming processes frequently result in costly delays. We need to develop a new and more streamlined approach to the necessary regulation of our activities.

The fourth area I want to touch on is taxes. To be competitive in the global economy, we need to reduce taxes. According to the Fraser Institute, taxation by Canadian governments at all levels accounts for 46 per cent of total household income. We have come some distance in recent years, with the federal government lowering both corporate and personal taxes. Nevertheless, we still have a long way to go if we're going to remain competitive. Income taxes in Canada, while a necessary part of the fabric of our society, are still too high and too complex. They are discouraging investment from abroad and creating significant economic distortions here at home. So yes, we are moving, but others are moving more quickly – and leaving us behind.

JACQUES LAMARRE
SNC-LAVALIN GROUP INC.



We have to play to our strengths

April 29, 2008

THERE is a powerful need for all of us to be thinking about the future of Canada and the ability of business to compete and grow globally. Too many Canadian companies are too focused on our home market and too hesitant to participate in global consolidation.

In addition to more globally focused companies, Canada will also be in a better position to succeed globally if our governments gear our public policies towards supporting the international competitiveness of Canadian businesses. In a global economy, you can't build walls, subsidize weakness and hope to be protected.

The recent foreign acquisition binge involving some of Canada's biggest and best companies is a clear warning sign for Canadian businesses. It's not surprising that some major Canadian businesses are being bought by big foreign firms. We have some great companies and some incredibly dynamic industries. Large international firms look at Canada, as they do throughout the world, and recognize the value of our firms – and, in a free and open global world, are attracted to invest and acquire.

Our inward investment policies cannot act as a barrier to foreign takeovers. However, these policies must not disadvantage Canadian firms and their opportunities to develop into global corporations.

In our experience, there are significant policy disparities between what is practiced in Canada and what applies in other jurisdictions. The review periods for takeovers are shorter in Canada than in

other key jurisdictions. This disadvantages Canadian firms in their quest to become global competitors – in particular if foreign governments use the review period (and extend it) in an active/interventionist effort to find domestic alternatives to a foreign takeover bid. I personally experienced this as a former board member of Inco.

While the principle behind some of Canada's practices – the shareholders' interests – is absolutely sound, it is not clear that the national interest is always being served effectively. A global yet practical perspective is essential to compete and win.

There's a clear benefit in Canadian firms participating in global consolidation. The head offices of large, internationally oriented corporations will remain and grow here in Canada. Why is this important? Because it brings considerable economic and social benefits, not the least of which are high-paying and rewarding careers and indirect employment for various supporting services. This adds to Canada's personal and corporate tax base and provides our communities with people who can – and do – contribute significantly socially and culturally.

As a smaller economy, we have to play to our strengths and build on strategic sectors – like the financial services sector, like the energy and mining and telecommunications sectors – and think globally. If you're going to play in the big league, you've got to prepare your team first.

RICHARD E. WAUGH
THE BANK OF NOVA SCOTIA



Finding opportunities in India

May 27, 2008

OVER the last 10 years, India's population has increased by some 160 million. The economy has grown at a sustained double-digit rate.

Since our entry into the Indian market in the early 1970s, we have delivered 13 full-flight simulators to four Indian airline customers. We have also provided other airlines with pilot training services. Over the past three years, our footprint in this market has expanded substantially and our employee base in India has exploded from 13 to 250.

One of the key factors behind our recent growth in this market is the availability of an enormous pool of English-speaking talent, trained to western standards. India produces some 112,000 engineers with at least a bachelor's degree every year, compared to 137,000 in the United States.

One of the lessons we have learned relates to the importance of partnering locally. It has been our experience in India that to succeed, several local partners are needed. We acquired one of India's leading military simulation companies and established CAE Macmet, which employs 90 people specializing in the design of simulators for applications geared to air, land and naval forces. We also entered into a joint venture to establish a military training centre with Hindustan Aeronautics Limited, a billion-dollar company that is now ranked 34th on the list of the world's top 100 defence companies.

India is also home to some of the world's richest people, who have attained world eminence for their business achievements. We have all heard of Mr. Ratan Tata and of his Tata Group, which comprises more than 98 companies. They acquired Teleglobe here in Canada a few years ago and just

bought the Jaguar and Land Rover brands while unveiling the Nano, the world's lowest-priced car.

Two other fabulously wealthy compatriots have entered the aviation business and grown two of India's largest airlines in the process. Mr. Vijay Mallya, Chairman of the United Breweries Group, launched Kingfisher Airlines in 2005 with all new aircraft and innovative flair focused on maximum comfort for passengers.

The second, Mr. Naresh Goyal, launched Jet Airways in 1993. It has become India's largest private domestic airline with a fleet of over 80 aircraft, and now serves several international destinations, including Toronto.

If I could peer into a crystal ball, I might foresee the emergence of similar levels of wealth among today's and tomorrow's entrepreneurs in China – along with an evolution towards an even more liberalized economy with bountiful opportunities.

That both these countries will continue on their tremendous path to growth is a given. What we must all recognize is that their respective trains have long left the station and that any company seeking to grow cannot afford to remain on the platform.

ROBERT E. BROWN
CAE INC.



Think globally, act locally

May 12, 2008

AS a nation, we have done a lot of good things over the years and, as a result, Canada has long fought above its weight. From the very origins of Confederation when our ancestors broke away from Europe and decided to be independent of the United States, Canadians have dreamed big and have made some very significant and risky bets in order to pursue the unique and high quality of life we enjoy in Canada.

Canada is great because Canadians made it great. We are ambitious and our people and organizations have all the ingredients necessary to succeed on the world stage. We are building from a position of strength. But we must maintain our resolve – for things have changed dramatically.

A definite change impacting Canada and CGI is globalization. Goods and services now move independent of political boundaries, and the emergence of mega multinational corporations has shifted our economic reality. Inco, Falconbridge, Alcan – Canadian giants once thought to be untouchable – have all been acquired by foreign companies who waited patiently for these Canadian firms to grow and expand before swallowing them up as part of their international growth strategy.

We need to ensure that Canada and its businesses – established and emerging – do not become essentially farm teams for international titans. Again, we need to focus on long-term vision to create long-term, sustainable value.

There has been no shortage of headlines recently debating the hollowing out of

Canadian companies. On balance, and by the numbers, some will say that there are as many Canadian companies acquiring as being acquired. Superficially, that may be true, but if we analyze more closely, we will find that most of the Canadian buyers are either regulated or closely held companies with multiple voting rights. In other words, they are in a position to buy while not exposed to being easily acquired.

Yes, we need to be concerned about the hollowing out of Canada, but we do not need to hide behind protectionist barriers.

Canadian companies must be aggressive. We need to dream big dreams. Like Canada, CGI is impacted by the emergence of the knowledge economy and is also directly impacted by globalization. In the face of these two realities, we see numerous challenges and some great opportunities.

Like the early builders of Canada, we need to take advantage of our strong work ethic, healthy economy and strong Canadian dollar to ensure that Canada's destiny remains firmly in the hands of Canadians for generations to come.

As Canadians and business leaders, we need to preserve for future generations as many choices and options as we benefit from today. From CGI's perspective, we remain confident in the future of our company and in the future of Canada as we move ahead together on the global stage.

MICHAEL E. ROACH
CGI GROUP INC.



Adapting to China

January 13, 2009

It is a real honour for me to lead the expansion of The Home Depot's business to Asia. It's also a vote of confidence in our Canadian leadership team, and I believe the team of Chinese and North American leaders we have put together is up to the task.

When we first opened our doors in China in 2007, it was a humbling experience. Across North America, The Home Depot is *the* market leader in home improvement. In China, we have 12 stores in six regions of a country of 1.3 billion people.

Needless to say, the Chinese market is vastly different from our own, and I am talking about more than the obvious cultural and language differences. More than 300 million people – a population as large as that of the United States – have left the countryside for larger urban centres. With this shift comes increased wealth, private home ownership and material possessions.

Home ownership in China, as we know it, has only existed for 20 years. This is a different marketplace than we are used to in Canada or the United States. And if we hoped to be successful, our first task was to recognize the difference.

Seventy per cent of Chinese home improvement spending is focused on the completion of new home interiors, typically in high-rise buildings. When Chinese customers take possession of a new home, they typically receive a cement box which they are responsible to "finish." That means everything from plumbing and electrical work to interior decorating. This means we need to merchandise our stores differently than we

do in North America. Items like lawnmowers and patio furniture aren't as important to the Chinese customer. Instead, they're looking for a wide selection of products like flooring, kitchen and bath fixtures, and appliances.

We're also looking to bring a number of The Home Depot's popular proprietary brands to the Chinese market. We've already had great success with one of our company's proprietary brands. With Behr paints, The Home Depot is revolutionizing the way our Chinese customers paint their homes. If you can believe it, Behr quite literally introduced the concept of paint chips – those little colour samples we use in North America – into the Chinese market. Paint is one of the fastest growing categories in our Chinese stores.

Even more than in North America, Chinese customers are sharply focused on value. China also isn't a "do-it-yourself" market. The Chinese typically rely on an extensive network of tradespeople to complete home improvement projects. This is a huge opportunity for The Home Depot. One approach we have found especially successful is to serve as a project manager, as a means to get our products into consumers' homes.

This is one of the things I love most about our approach in China: we didn't force our marketing and merchandising practices in a region that wouldn't accept them. We developed a local strategy and adapted our culture, instead of asking 1.3 billion people to adapt to us.

ANNETTE VERSCHUREN
THE HOME DEPOT CANADA AND ASIA



Responding to the challenge

May 9, 2008

INCREASINGLY, how a company deals with environmental and social issues determines the level of confidence of investors, regulators, policymakers and the communities in which we operate. To protect our long-term licence to operate and to secure new markets for our products, we must understand, and respond to, changing stakeholder expectations.

For example, with the addition of new pipelines and infrastructure, California could be a strong market for oil sands crude. But our industry faces a real barrier due to a recent order requiring imported fuels to contribute to a 10 percent reduction in the carbon content of all passenger vehicle fuels by 2020. California legislators are responding to growing public demand for greenhouse gas reductions. And if America's largest state closes its borders to oil sands crude, our industry may be forced to seek other markets. Ironically, this would leave the United States even more dependent on oil from jurisdictions that do not share Canada's commitment to responsible resource development.

So how are we responding? Suncor was an early leader on climate change. More than a decade ago, we adopted a comprehensive climate change action plan. By harnessing technology, we cut greenhouse gas emission intensity at our oil sands plant by 50 percent compared to 1990 levels. And we are not alone. Overall industry emissions are down by 45 percent per barrel.

But because production is expanding, absolute emissions continue to rise. It's a big problem and demands some big solutions. That's why we're seeing a surge in interest in

large-scale application of carbon capture and storage technology.

In Suncor's case, we've joined 15 other companies on a proposal that would capture at least 20 megatonnes per year of carbon dioxide and safely sequester it underground. That's the equivalent of taking every car and truck off the road in Alberta, Saskatchewan and Manitoba.

Making this a reality is a lengthy and costly process. Even then, it won't be a panacea. We'll need to find further ways to reduce our energy consumption and carbon footprint.

Another response to the climate change challenge is to develop renewable energy. Suncor is a partner in four wind power projects and we operate Canada's largest ethanol production facility. We've invested more than \$250 million in renewable energy to date. We plan to build on that commitment with a further half-billion dollar investment over five years. And we're seeing many other companies taking a similar approach.

What renewable energy projects offer is a choice to consumers of cleaner energy alternatives. They also provide a degree of offsets to the greenhouse gas emissions produced in our core business — an important consideration as we move further into a carbon-restrained economy.

RICHARD L. GEORGE
SUNCOR ENERGY INC.



Myths and misperceptions

February 19, 2009

SOME might see protecting the environment as being inconsistent with continuing growth in Canada's oil sands supply. We see that they can coexist. The difference in view is largely due to misperceptions.

To understand some of the environmental challenges with the oil sands, it's helpful to know how it is produced. For deposits that are within 200 feet of the surface, we can use surface mining. This is basic truck and shovel technology. We then use hot water to separate the bitumen from the sand. In-situ production, on the other hand, recovers deeper deposits by injecting steam into the reservoir to mobilize the bitumen.

Only 20 percent of the resource is shallow enough to be mined. In-situ production will be used to recover the remaining 80 percent. The significance of this point is that mining covers only two percent of the oil sands land, while in-situ covers 98 percent. And in-situ has many environmental strengths.

The view that oil sands are all about mines is just one misconception. Another myth is that oil sands operations are the number one contributor of greenhouse gas (GHG) emissions in the world. The answer is not even close. Oil sands represent four percent of Canada's emissions, and Canada contributes 2.3 percent of the world's emissions. So oil sands account for less than 1/10th of one percent of the world's GHG emissions.

Another myth is that oil sands development is creating a wasteland the size of Florida. The truth is that over the past 40 years, oil sands mining has disturbed 1/100th of one

percent of Canada's boreal forest. In total, 162 square miles. That's one-thirtieth the size of greater Los Angeles. And unlike urban development, the oil sands mines are being reclaimed once they're depleted.

There is a common belief that mining oil sands consumes five barrels of water for every barrel of oil produced. This is not true. We do need to mix two barrels of water into the sand to separate one barrel of bitumen, but 90 percent of that water is recycled. Contrary to some environmentalists, we're not draining the Athabasca River dry. We're using about one percent of the flow, and we're working to reduce even that amount.

You've also likely heard about tailings ponds, which are a mixture of water, clay, sand and a trace of residual bitumen. On a scale of one to 10, a tailings pond would have a toxicity of one or two. Tailings ponds are used to recycle large quantities of water, avoiding the need for more fresh water from the river. And with new technologies, tailing ponds are becoming smaller.

One final myth is that North Americans do not want oil sands developments to proceed. In fact, in a recent survey 75 percent of Canadians and 68 percent of Americans said that oil sands development is a good thing. Only five percent said oil sands development should not proceed at all. I think that most of the public is concerned about how, not whether, this valuable resource gets developed. Most want to see it developed in a more environmentally responsible way. And we do, too.

RON A. BRENNEMAN
PETRO-CANADA



Every drop matters

November 25, 2008

LAST month the cover story of *Scientific American* asked why there seem to be two camps: those who think we've got a water crisis and those who think we've got an energy one, as if the two problems are unrelated. They're not. We need water to generate energy. And we need energy to deliver clean water.

I'll be the first to say that I used to think of Canada as a water- and energy-rich nation. But our population is growing and so are the demands on our water and energy resources. And climate change is simply making a bad situation worse.

When we call water a liquid asset, it's not just a clever pun. Any industry that relies on water – and there aren't many that don't – should be thinking hard about whether or not it has secure access to water. If we want businesses and individuals to change their behaviour, we must consider market-based mechanisms such as emissions trading or environmental taxation.

We'll also need a similar, coordinated approach to water in Canada, where a patchwork of overlapping responsibilities is complicated by the lack of a strong, overarching national water strategy and a history of undervaluing water. As pressure mounts on the world's limited water resources, individuals, industries and governments will all have to start managing our shared water resources better.

And that means there is a role for business in offering innovative solutions to the challenge. I should clarify that I'm not talking about privatizing water here, or exporting water to the United States, and I'm not going

to wade into the debate about whether water is a commodity or a human right. But in the last few years, I've gone on record advocating for Canada to focus on niche areas in which we can compete globally. In this global economy, Canada must find its winners, because the rest of the world isn't sitting still.

Water could well be one of those winners for Canada. The global water industry is estimated at \$400 billion (U.S.) a year and is expected to increase to \$1.6 trillion in the next 10 years.

We've got a mature water tech research and development sector, as well as world-class companies that are developing and selling technologies. Right now, there could well be a researcher at a university in Toronto, or Waterloo, who is developing remarkable new ideas related to water management. It's our job to make sure that this knowledge can be commercialized in Canada, so that the resulting jobs and wealth will flow to Canadians.

I can't imagine a more important legacy for our country and our children than to incubate made-and-built in Canada solutions to the water and energy issues that are plaguing the world.

To accomplish this, we must collaborate between sectors and across party lines, because every step counts. Every drop matters. Every one of us has a role and a responsibility.

GORDON M. NIXON
ROYAL BANK OF CANADA



An enormous energy opportunity

October 1, 2008

THE oil sands of northern Alberta are undergoing rapid growth. Nearly \$100 billion will be spent in the coming decades to produce this resource which contains almost 175 billion barrels – a reserve second only to Saudi Arabia's in size. This development has made the oil sands one of the most widely discussed energy stories.

Recent polls suggest that Canadians are divided about this energy opportunity. Most agree that oil sands development has benefited our economy. At the same time, many are concerned about the impact of development on the environment.

These are legitimate concerns – and ones that industry shares. We are steadfastly committed to reducing our environmental footprint and are achieving significant progress on all fronts. Yet some are calling for a temporary halt to development while others argue that no further development should be permitted.

In a perfect world, halting or delaying development might be a valid choice. But the world we live in is far from perfect.

Consider the global energy outlook. World demand for energy continues to grow. And even with rapid increases in renewable energy, the world will depend on hydrocarbon fuels to satisfy most of its demand, at least for the foreseeable future. We will need oil – and more of it.

Canada has the good fortune of having a world-class resource. All told, about 13 percent of the world's known oil reserves are buried in the oil sands. And while many of

the world's oil resources are in regions where political and civil stability are weak, making supply highly vulnerable, Canada has the added advantage of possessing an enormous energy supply in a stable political environment. We are a resource-rich country in a resource-hungry world. And oil sands development is an essential piece of the puzzle.

There's no question that the environmental issues associated with oil sands development are pressing. However, tough issues have a way of getting solved when we apply human ingenuity and technological innovation. Throughout our industry's history, technology has enabled us to resolve many environmental challenges. From directional drilling that lightens our footprint to world-class systems that identify new energy efficiencies to advanced catalysts that convert heavier crudes into cleaner fuels – our industry has long operated at the technological frontier.

In the future, we will continue to face tough challenges when it comes to developing oil sands. We must constantly look for ways to do things better, especially with regard to our environmental footprint. Our goal is simple: In 100 years, we want no evidence that we were ever there.

In the end, the oil sands should be recognized for what they are – an enormous historic energy opportunity for all Canadians. If we do this right – as we are confident we will – the legacy we leave future generations will be one we can take pride in.

BRUCE H. MARCH
IMPERIAL OIL LIMITED



We need each other

June 26, 2008

I HAVE a great deal of respect for the soldiers wearing the Canadian uniform.

That is why I have become so active in promoting, advocating and supporting our Navy, our Army, our Air Force. And as I travel the country and meet with business executives, I have found great receptiveness to this message. The biggest question I get from my colleagues is, "How can we help?"

You may wonder why I feel so passionately about building bridges to bring the business community and the military closer together. I've never been in the military. So let me cut to the bottom line. There are three main reasons why I believe there needs to be a strong relationship between business and the military.

- We need each other. For there to be business continuity we need security, and for security you need business continuity.
- We live in a global world where our economies are linked and interdependent.
- We need to do the right thing – and that means supporting the men and women who put their lives on the line for us.

Business needs a strong and robust Canadian Forces. And the Canadian Forces need the resolute support of business.

The decisions we make as business leaders can have huge impacts on our clients, our shareholders and so on. In business, you can lose your job. You can lose your client's money. You can go bankrupt. But you can still recover.

As soldiers, you too make significant decisions. But your decisions can have a life and death impact. And that takes a great deal of courage, commitment and selflessness – much of which has been tested in recent years with various conflicts around the globe.

It is this backdrop that set the stage for Canada Company, an apolitical organization created for one purpose: to be a bridge between Canadian business and those who serve.

We feel strongly that Canada's military should have the support it deserves – everything from proper housing to access to medical care and education. You need speedy access to benefits and – for reservists – knowing that your job will be there when you return. You also need to have the assurance that you have the proper equipment and tools necessary to carry out your assignments.

Our scholarship fund is an important initiative for the children of the men and women killed while serving our country. But equally important is showing our soldiers that we care. It's about giving you peace of mind to know that if – heaven forbid – something tragic happens, your loved ones will be looked after. It is about Canadians taking care of Canadians.

I remember coming across a Kenyan proverb that read: "Sticks in a bundle are unbreakable." That is a striking image. That is why I believe that we need each other.

BLAKE C. GOLDRING
AGF MANAGEMENT LIMITED



Six ways to enhance Canada's cultural sovereignty

January 22, 2009

WE believe protecting our cultural sovereignty is important. Broadcasting contributes over 23,000 jobs in Canada. We have proposed that the Canadian government adopt the following approach to media in Canada.

One, foster a Canadian-owned but globally competitive industry. The Canadian system now competes with the world. We must acknowledge our new market realities.

Two, encourage the creation of larger and stronger enterprises. Canadian companies require scale to make the investments that will be required to meet domestic and global market demands. In the interest of "diversity", small players are being licensed without the resources required to compete. In many cases they need to be rescued by well-funded incumbents who were denied the license in the first place.

Three, support the creation of high-quality Canadian content from all Canadian producers, including producers that are affiliated with Canadian broadcasters. Canadian media companies need to be encouraged to invest in content. Corus is the rare exception in Canada today of a broadcaster possessing the intellectual property rights to compete globally.

Four, recognize that successful private media enterprises are what will lead to a stronger cultural system, not the current system of progressive fees, conditions and tariffs. Areas like copyright have to be examined against global benchmarks, not the current incremental approach. No

attempt should be made to regulate the new media activities of Canadian broadcasters as this will inhibit rather than enhance our potential in the digital realm. Government should re-examine the system of escalating licence conditions that were established to meet the policy goals of the traditional broadcasting system. Broadcast groups should be able to make strategic use of programming funds rather than allocating them by factors such as licence or program type.

Five, recognize that our small market requires that government continue its support of research and development in intellectual property. It is inescapable that the Canadian system will continue to require direct funding and policies such as tax incentives to support the creation of the content that will tell Canadian stories to domestic and international audiences.

Six, we need the ability to experiment. If we want people to invest in new digital receivers, we need to offer content they can't get on their current radio receivers.

We are in the midst of some very interesting times: the transition from analog to digital; the emergence of the web as a viable disseminator of content and advertising; and the difficult economic climate.

We need our governments to find ways to support Canadian media companies, which are small in global terms, to ensure our on-going ability to hear and see the stories that are important to us all.

JOHN M. CASSADAY
CORUS ENTERTAINMENT INC.



An important issue to get right

April 14, 2008

I AM guessing that corporate governance is not a subject that keeps all of you up at night, but I think it is one that deserves a bit of worry. Corporate governance is another way of saying “oversight of management”.

I think everybody understands that the manner in which a business is run has a huge impact on how well it performs, how much it grows, how many jobs it produces and how much wealth it creates. People also know that different management approaches work better in different situations. To think that the governance practices that are appropriate for a large, widely held public company, like a bank, could be the same as what might be best for an up-and-coming technology company – or for, say, an industrial company built and controlled by an entrepreneur – is simply misguided.

We at our group, and I know many others, are concerned by the approach taken by the Canadian Securities Administrators (CSA) in their “Corporate Governance Guidelines” proposed in 2005. The issue of director independence has, in our view, not been well thought through.

The guidelines state that a majority of the members of a board of directors should be independent and that all members of the compensation committee and of the nominating committee should be independent. Very sound thinking and consistent with our own beliefs. The problem is their definition of independent director. They have not only defined independence as “independent from management”, but have also said “independent from a major shareholder”.

Now we have a problem. A board should be made up of members who are primarily independent of management. But should a board be independent of the shareholders or, more specifically, a major shareholder? How does this make any sense?

Let me use our group as an example. Power Financial’s stake in Great-West Lifeco was worth \$22 billion at the end of the most recent fiscal year. Officers of our company, including me, sit on the board of Great-West Lifeco, as do others affiliated with our group. We have no other relationship with Great-West other than as directors and shareholders. And let me tell you, we care how Great-West Lifeco does. We are major long-term shareholders, and our interests are in seeing that the shareholders prosper over the long term. But our model is directly called into question by the governance guidelines. These rules run contrary to the fundamental rights of shareholders. If you own a majority of the shares of a company you should be able to control the company.

This is an important issue for Canadian regulators to get right. Business is tough enough and competitive enough that we don’t need to add further challenges. We think everybody will be better off if our governance regulations are designed to allow different business models to prosper.

R. JEFFREY ORR
POWER FINANCIAL CORPORATION



Editor’s note: In December 2008 the CSA requested comments on proposed revisions that would not automatically preclude a major shareholder from being considered an independent director.

Éduquer, entreprendre et coopérer

Le 2 novembre 2008

A notre échelle à nous, on peut certes dire que les succès du Mouvement Desjardins et du mouvement coopératif québécois sont parties prenantes des succès du Québec. Et la coopération constitue tout aussi certainement l'une des forces sur lesquelles nous devons compter pour l'avenir.

Mais cette force doit s'allier à d'autres forces. Nous devons en fait conjuguer ensemble trois verbes : **éduquer**, **entreprendre** et **coopérer**.

Nous expérimenterons dans les années à venir une plus grande rareté de main-d'œuvre, et l'économie gagnera toujours en complexité. Dans ce contexte, **éduquer** c'est nous assurer que les jeunes qui arrivent sur le marché du travail ont les habiletés suffisantes pour jouer le rôle qu'on attend d'eux et pour prendre leur place.

Éduquer, c'est aussi consacrer une attention particulière à la qualité de notre système d'éducation supérieure. À l'heure où non seulement les grands pays industrialisés mais aussi les pays émergents tels la Chine et l'Inde sont passés maîtres dans l'art de former de grandes quantités de diplômés au profil scientifique, le financement de nos universités requerra d'importants efforts.

Pour moi, l'éducation sera le moteur de notre prospérité future, de notre capacité d'innovation et de notre capacité d'**entreprendre** dans un monde global et concurrentiel.

Alors qu'il était actif au sein de la Chambre de commerce de Lévis, en 1891, Alphonse Desjardins écrivait : « *Que nous manque-t-il donc pour être un centre prospère et industriel? Ce qui nous manque, ne nous le cachons point, c'est un peu plus d'esprit d'initiative, joint à une dose d'audace compatible avec la prudence et la sagesse les plus ordinaires. Ce qui nous manque, disons-le franchement sans fausse honte comme sans crainte, c'est une connaissance plus approfondie des incomparables avantages que nous possédons, et que nous laissons dormir dans une très coupable inactivité.* »

Entreprendre, c'est continuer à développer chez les plus jeunes le goût de bâtir et d'innover. Les PME jouent un rôle tellement important au sein de notre économie que la création soutenue de nouvelles entreprises sera toujours un élément incontournable de notre prospérité.

Entreprendre, c'est aussi, dans nos grandes entreprises, continuer à oser et à mener à terme de nouveaux projets. C'est continuer à faire valoir de nouvelles idées et à développer de nouveaux marchés avec des modèles d'affaires distinctifs.

Entreprendre, c'est continuer à bâtir les entreprises qui créeront demain la richesse, tant humaine qu'économique.

Avec l'éducation et l'entrepreneurship, la coopération nous permettra, à mon avis, de tracer le plus sûr chemin vers un avenir à la hauteur de nos attentes.

MONIQUE F. LEROUX
MOUVEMENT DES CAISSES DESJARDINS



A resounding sense of pride

January 20, 2009

MILITARY service is one of the most important contributions anyone can make to our country. In times of war and in times of peace, at home and abroad, the Canadian Forces have served our country with pride and distinction. Together, they are building a safer, more secure world for all Canadians – and for generations to come.

Some 2,750 Canadian soldiers are now serving in Afghanistan alongside troops from 36 other nations to help rebuild that country as a stable, democratic, self-sufficient society. It is a daunting task, and progress, I am sure, is not always obvious. But their accomplishments over the past eight years are nothing short of remarkable. Afghan people now vote, men and women have rights, and children are attending school. Deadly mines have been swept from populated areas, badly needed medicine is being distributed and, for the first time in many years, families in much of the country are feeling a measure of security.

The contributions of the Canadian Forces extend well beyond Afghanistan. Canadian men and women in uniform currently serve in the Balkans, Israel, Sudan, Congo, Sierra Leone and half a dozen other countries, participating in a wide variety of anti-terrorist, development and reconstruction programs.

The Canadian Forces also play a vital role in providing humanitarian assistance and emergency relief. The Forces' Disaster Assistance Response Team, or DART, has deployed to disaster-struck regions in Rwanda, Haiti, Honduras, Turkey, Sri Lanka and Pakistan. None of us will forget their swift response to the devastating tsunami

that shook South East Asia, and their important contribution to the relief effort after Hurricane Katrina.

Here at home, Canadian Forces personnel have been mobilized in civil aid initiatives such as the ice storm of 1998 and the Red River flood of 1997. The Canadian Forces will be deployed at the Winter Olympics in Vancouver next year, and they perform an essential service in securing our borders from illegal drugs and other threats.

Shortly before Christmas, Prime Minister Harper visited Canadian Forces Base Petawawa. He spoke for all Canadians when he expressed his condolences to the families and friends of Canada's war dead. He reminded us all that some 3,500 servicemen and women would not be home for the holidays.

He said, and I quote, "It is because of them, now and throughout our history, that we are able to celebrate our Christmas in such peace and prosperity. It is because of them that we have this wonderful country. It is their gift to us."

One thing that is especially satisfying to me is the way Canadians have rallied around our troops in support of the mission in Afghanistan. From coast to coast, there is a resounding sense of pride in the achievements of our military and tremendous gratitude for the personal sacrifices our Forces and their families have made, and are making, to serve our great country.

THOMAS D'AQUINO
CANADIAN COUNCIL OF CHIEF EXECUTIVES

