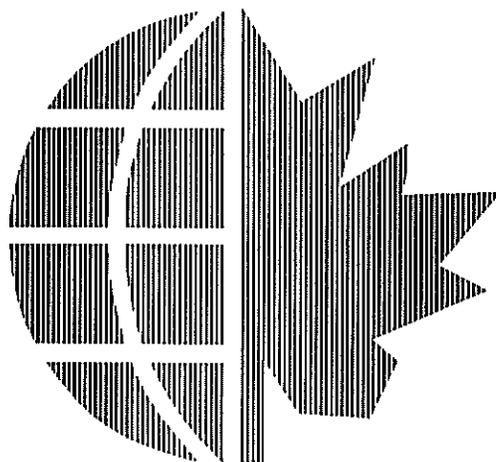

NATIONAL AND GLOBAL
PERSPECTIVES
NATIONALES ET MONDIALES



Canadian Business Leaders Speak
Les chefs d'entreprise du Canada s'expriment

June • Juin
1994

BUSINESS COUNCIL ON NATIONAL ISSUES
CONSEIL CANADIEN DES CHEFS D'ENTREPRISE



In ***Perspectives***, we offer to our readers extracts of members' speeches on numerous issues.

This issue covers the period April to June 1994 and addresses themes as diverse as Canadian unity, global trade and competitiveness, the information highway, and the changing skills required of the Canadian labour force.

While the quotes are brief, they carry distinct messages and reflect, in different ways, the Business Council on National Issues' commitment to intellectual entrepreneurship.

We are pleased to share these thoughts with you.

Dans ***Perspectives***, nous offrons à nos lecteurs des extraits de discours prononcés par nos membres sur de nombreux sujets.

Ce numéro, couvrant la période d'avril à juin 1994, traite d'un large éventail de sujets, tels que : l'unité du pays, le commerce mondial et la compétitivité, l'autoroute de l'information, et les nouvelles exigences du marché du travail en matière de formation.

Bien que les extraits soient brefs, ils communiquent des messages précis et reflètent, de manières différentes, l'engagement du Conseil canadien des chefs d'entreprise à diffuser la contribution intellectuelle du secteur privé.

Il nous fait plaisir de partager ces idées avec vous.



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Canada
A Business Perspective
on National and Global Priorities

June 21, 1994

Over the past year, you have heard exponents of Quebec separation ... articulate a vision for an independent Quebec. This viewpoint has led some, including Americans, to predict Quebec's secession from Canada. Others have gone even further and have talked openly about the breakup of Canada. Please recognize that this debate in one form or another, has been part of the political landscape in my country since before Confederation.

I do not believe that any of these predictions will come true for one simple but compelling reason -- the majority of Canadians, including our fellow citizens in Quebec, do not wish such a thing to happen. It would fly in the face of good economics, of common sense, and of history. Canada, both politically and economically, is one of the world's great success stories. It is hard to leave a winning team.

I have been deeply involved in Canada's so-called constitutional debates for two decades both as an interested citizen and as a member and then Chairman of the BCNI. From the process, I learned several stark lessons worth remembering. First, that embedded in the Canadian spirit is a powerful will to live. That spirit is not clothed with the same manifest patriotism that one finds here in the United States, but believe me, it is there, it is real and it is very strong.

Secondly, we should not underestimate the extraordinary ability of the federal system in Canada to accommodate change. Federalism has grown up with Canada and has provided the political framework for a country that is judged to be among the most successful in the World. The accommodation of change will continue in Canada, and I am convinced that federalism will once again show the way.

Thirdly, Quebec separation, or worse, the breakup of Canada makes no sense economically. I do not know personally a single business leader anywhere in my country that believes otherwise. Even separatists and their economists agree that the price for Quebec and for Canada would be a substantial drop in standard of living and quality of life.

So to those of you here today who are "Canada watchers", I would offer this advice. Look upon predictions of Quebec's departure from Canada with real circumspection. And take prophecies of Canada's disintegration with a grain of salt!

J. EDWARD (TED) NEWALL
NOVA CORPORATION OF ALBERTA



The Canadian Question

April 27, 1994

Since the beginning of our history, the "will we - won't we break apart" question has been one of our never-ending stories. Today, we're still together and I, for one, believe ever more will be so. Although, having said that, I do think it quite likely the rules governing our confederation will change a bit in the years ahead.

GORDON R. CUNNINGHAM
LONDON INSURANCE GROUP

We must develop a Canadian soul!

May 5, 1994

We must have unity -- and share publicly the joy of being Canadians! We almost never do this. Americans always do it and it strengthens their unity. We must phase out the constant emphasis of how different and diverse we are from one another in Canada. Once you become a Canadian, you may have fond memories of past lives in other countries -- but that is over -- there should be no two passports -- there should exclusively be one loyalty to your great country of Canada.

E.S. (TED) ROGERS
ROGERS COMMUNICATIONS INC.

Les risques de la séparation

le 21 juin 1994

Quant à moi, ... je réitère mon complet désaccord avec le projet visant à séparer le Québec du Canada.

Les gains économiques d'un tel geste pour les citoyens québécois sont hypothétiques, illusoires, au mieux très minces, admettent les plus convaincus partisans de l'option de la souveraineté. Par contre, les risques, l'incertitude, les coûts tant politiques qu'économiques ne sont pas hypothétiques, et seront les conséquences bien réelles d'un retrait du Québec de la fédération canadienne et cela même si des conditions relativement favorables entouraient le projet du Parti Québécois de séparer le Québec du Canada. [...]

Malheureusement, les conséquences économiques négatives du retrait du Québec du Canada frapperont plus durement ceux qui, parmi nos concitoyens, sont les moins mobiles sur le plan professionnel et ceux qui disposent de peu de moyens de s'en protéger.

Ce sont là des arguments contre une option. Personnellement, mes convictions se fondent plutôt sur un sentiment positif à l'endroit du Canada, dans lequel je vois un pays unique, admiré dans le monde, doté d'un système politique et économique qui a favorisé, surtout au cours de ces 30 dernières années, l'émergence au Québec d'une classe économique, politique et sociale qui joue un rôle de premier plan au Canada.

LAURENT BEAUDOIN
BOMBARDIER INC.



J'y crois

le 20 mai 1994

Au cours des trente dernières années, les Canadiens ont payé terriblement cher l'environnement constitutionnel incertain qui a prévalu. Le prix a été lourd non seulement au regard de l'économie et des finances mais aussi par les pressions et les menaces qui se sont exercées sur cet ensemble de valeurs sociales précieuses qui ont fait du Canada le pays exceptionnel que l'on sait. Nos dirigeants ont le devoir d'expliquer clairement aux Canadiens les risques qui accompagnent ces perpétuelles remises en cause.

Je demeure confiant que les Canadiens, dans leur vaste majorité, veulent faire face avec calme et sérénité au défi qui leur est posé et qu'ils veulent poursuivre la grande expérience canadienne. Malgré certaines difficultés, les Canadiens savent que leur pays fait l'envie du monde. [...] Ma position est sans équivoque. Le Canada est une des plus grandes démocraties du monde. Il a donné à ses citoyens un degré unique de liberté et de justice. L'unité et la force de notre pays demeurent les meilleurs garants de cet héritage.

Au fil des ans, nous avons fait des progrès dans la construction de notre pays. L'attitude des Canadiens a toujours été constructive et faite de modération. Nous devons maintenir cette attitude.

Pour ma part, je me suis toujours porté à la défense du Canada. J'y ai cru dans le passé, j'y crois aujourd'hui, et j'y croirai demain.

PAUL DESMARAIS
POWER CORPORATION DU CANADA

Exports in a Globalized Economy

April 13, 1994

We have a great base on which we can build a superior investment climate -- a modern society, an educated work force, potentially competitive, lots of natural resources, energy, a relatively good social climate and a great international image. We also have some distinct disadvantages -- a small internal market and population, our climate, political uncertainty and something that is as painful as a winter without a Florida vacation: high direct and indirect taxation at all levels of government.

L. DAVID CAPLAN
PRATT & WHITNEY CANADA

Key to Success

June 6, 1994

The largest growing markets today are in Asia I believe partnerships in such countries are the key to success in these markets.

Partnerships offer many advantages: of being on the spot, of having access to regional financing, of providing Canadian technology, ... and of bringing in Canadian expertise in the management of large and complex projects. Partnerships with local firms also enable the Canadian partner to compete on price in many markets. What Canadians have to offer, above all, is excellence in technology.

GUY SAINT-PIERRE
SNC-LAVALIN GROUP INC.



Asia Pacific -- The Challenge to Canadian Business

May 16, 1994

As we prepare to enter the 21st century, a number of extraordinary events are re-shaping the political and economic universe. Among the most important are the end of the Cold War and the collapse of the Soviet Union; the headlong rush into the information age, and with it, the technological empowerment of vast numbers of people on a global basis; and the stunning rise in economic power and influence of the Asian countries bordering on the Pacific Ocean.

All three of these phenomena have far-reaching implications for Canada. In geo-political and economic terms, perhaps none is more important to our future than the dawning of what has been called "the century of the Pacific".

THOMAS d'AQUINO
BUSINESS COUNCIL ON NATIONAL ISSUES

Practical Idealism

April 27, 1994

The establishment of the World Trade Organization or WTO offers Canada, our NAFTA partners, and multilateralists everywhere the means to resolve the intractable and wide-ranging disputes that the steady globalization of the world economy will bring. Along with the World Bank and the IMF, the WTO will be the third pillar of the world's economic structure.

MATTHEW W. BARRETT
BANK OF MONTREAL

Steelworld 2000 -- The Complete Picture

May 10, 1994

We'd do well to examine the "F" in FTA and NAFTA. What do we mean by "Free"? It certainly should mean "open". But, quite frankly, the current trade laws between Canada and the US are too limiting to permit open trade between us.

... Tit-for-tat trade actions are a destructive process ... if we stopped bashing each other with trade cases, we could get on with the truly important task of increasing the use of steel. We could spend our money on engineers instead of lawyers.

JOHN MAYBERRY
DOFASCO INC.

The Canadian Economy in Review

May 5, 1994

Here is the real secret to the power of the FTA and NAFTA. We are such a small economy relative to the US that only modest gains of market share by Canadians have enormous impact upon our own economy.

Consider this. A 1% gain in market share in the US would imply increases of more than \$70 billion ... to Canada's GNP. If the Americans were to make similar gains here in Canada, the impact on their GNP would be about \$6 billion.

W.R.P. DALTON
HONGKONG BANK OF CANADA



Managing in a Decade of Change

May 17, 1994

Since the beginning of the nineties, we in Canada have been subjected to more change than what took place in all of the seventies and eighties. This change has affected our political system, our economic structure, our cultural activities and has a major impact on the way in which our corporations carry on their business. [...]

I believe that there is a growing recognition in our society that we are in a new economic age in which the old rules and the comfortable assumptions of the past no longer apply. What we can be sure of is that it will be an age of constant change and that the societies and institutions that will do well in this environment will be those that aggressively manage change rather than allowing change to overwhelm and manage them.

FREDERICK H. TELMER
STELCO INC.

Much to be Proud Of

May 17, 1994

We're putting more and more emphasis on continuous training because we need skilled people to operate our sophisticated facilities. We no longer require people with strong backs, but we require people with good minds, with a high degree of literacy, with computer skills, technical trade skills, and interpersonal or people skills.

PETER J.G. BENTLEY
CANFOR CORPORATION

Strength Through Innovation

March 24, 1994

Our recruitment focus has shifted; the skill profile we look for focuses on a person's ability to adapt to change, think creatively, explore new technologies and new types of work. Broad-based education is important, as are technical skills. It used to be that when you joined the workforce you might use the same technology for your career, and stay in virtually the same position as the day you started. Not so any more. The workplace is a learning institution itself, faster, more demanding of change and flexibility, but also ripe with opportunities for meaningful work.

ROBERT M. ASTLEY
THE MUTUAL LIFE ASSURANCE
COMPANY OF CANADA

Observations on the Financial Services Revolution

April 8, 1994

The business revolution is changing our behaviour. It's bringing different skill-sets to the forefront. We are encouraging employees to take greater responsibility; to take leadership roles and build relationships. This is the kind of changed behaviour that we are looking for. This is the kind of changed behaviour that is necessary, given the changes that are sweeping through our organization, and the world around us.

A.L. FLOOD
CIBC



Competitive Dynamics

June 16, 1994

Sweeney's Law concludes that the prosperity of Asian countries is inversely proportional to their natural resources. Places like Hong Kong and Taiwan have no natural resources -- only the quality and spirit of their people. On the other hand, Indonesia, Australia and the Philippines have relied too much on natural resources and have never gotten their act together.

GRAHAM SWEENEY
DOW CHEMICAL CANADA INC.

The Learning Partnership

April 16, 1994

Education reform can only happen if it is comprehensive, creating new partnerships at every level: from early childhood development and school-to-work programs to after-school and summer programs. The business cycle reinvents itself every five years with new structural organizations improving upon ways of doing business. Maybe education should adopt its own five year cycle of reinvention and structural organization.

DANIEL J. BRANDA
HEWLETT-PACKARD (CANADA) LTD.

Eastern Rail Rationalization

May 4, 1994

To be competitive as a nation, Canada needs an effective transportation system There is an urgent need to deal with the serious overcapacity problem confronting both [Canadian Pacific and Canadian National] railways in the east where miles of duplicate track carry only half the traffic necessary to support them It is in this context that CP Rail System and CN North America have been discussing the rationalization of their eastern networks. A range of joint options has been examined and the one with the best potential appears to be a full merger in the east with the two railways participating as equal partners in a new railway.

WILLIAM W. STINSON
CANADIAN PACIFIC LIMITED

The Beacon Initiative

April 5, 1994

We expect that same demand will quickly appear for broadband capability into communities. Like the availability of digital service, interactive broadband services will be seen as an enabler of new businesses and new business opportunities. [...]

Customers will be able to subscribe to a variety of services... at highly competitive rates. [...]

The key here is that customers will have the option to use the various distribution channels and services that make the most sense for them. And, it is that element of choice which is at the heart of the Information Highway. It will deliver options to customers. Put them in control of [the] marketplace.

IVAN DUVAR
MARITIME TEL & TEL



Racing Towards Millennium: When Hype Becomes Hope

May 17, 1994

Beyond the hype, there's hope the new electronic devices and communications networks -- the information highways, byways, and access ramps -- will enable Canada to improve its economic and competitive performance in the new global economy. [...]

While there are technological challenges to be met, the barriers to the fullest deployment of telecommunications are not primarily technical: they are more often economic, political and regulatory. [...]

To serve the public interest of Canadians in the Information Age, new objectives and roles are needed for industry regulators. Regulatory agencies must increasingly view their role as a catalyst for the development, integration and modernization of network infrastructure.

The traditional regulatory focus on rate minimization is not appropriate in a competitive environment. And in view of the convergence of different industries such as telecom, cable and TV, regulation has to be applied equally to all market participants.

JEAN C. MONTY
NORTHERN TELECOM LIMITED

The More Things Change

April 20, 1994

Today, ore isn't mucked by hand as it was in some of our early mines. Technology, of course, has changed all that. Our business is wealth creation. It results from the same human attributes -- drive, determination, ingenuity and curiosity -- that have always fuelled growth and progress.

PETER A. ALLEN
LAC MINERALS LTD.

Advice to Federal Finance Minister On Tax Increases

June 30, 1994

The search for future tax revenue sources by your officials is a counterproductive exercise. Canada is already taxed to the hilt and regardless of the method used to pluck the goose you will still be extracting more feathers from the economy. The loss of these feathers, regardless from which part of the bird they come, will render a crippled bird completely unable to fly. Surely you should appreciate that we must face up to cuts in government spending, which will certainly include major changes in spending on so-called "safety nets". The sooner the spending problem is tackled the greater the chance for political rewards to the current government and the lesser the chance of political damage.

ROGER PHILLIPS
IPSCO INC.