

We fly on your schedule.

Your priorities can change quickly,  
so we fly when you want to.  
No waits, no line-ups, no hassles.



Call us today.  
604.272.8123 • 1.877.399.8123 • londonair.com



The Vancouver  
Board of Trade's  
**Awards  
of Valour**

See page 2 for details.



# SOUNDING BOARD

THE OFFICIAL NEWSPAPER OF THE VANCOUVER BOARD OF TRADE AND ITS MEMBERS

"We firmly believe that Canada needs a more progressive approach to air policy." Chair Elio Luongo on 'Open Skies,' page 3

NOVEMBER 2013 • VOLUME 53 • NUMBER 11

## THIS ISSUE

Air Canada CEO on competing globally • 2

Board to honour men and women in uniform • 2

Business groups push for 'Open Skies' • 3

Is B.C. really open for business? • 4

Developing a vibrant regional economy • 6

New program expedites business travel to Asia • 6

Board CEO joins CETA discussion • 7

Shipbuilding industry prepares for job boom • 8

Province releases Small Business Profile 2013 • 9

Photo highlights from recent events • 11

Avoiding the dreaded dividend cut • 13

Why business etiquette still matters • 14

@boardoftrade

/VancouverBoardofTrade

boardoftrade.com

## 'We share economic destinies'

Alberta Premier gets standing ovation from B.C. business crowd at Energy Forum 2013

BY GREG HOEKSTRA

Just one hour after unveiling a new energy agreement between Alberta and B.C., Premier **Alison Redford** stood before a sold-out crowd at **The Vancouver Board of Trade** and emphasized the crucial need for cooperation between the two provinces.

"B.C. is Alberta's gateway to Asia, and our second-largest provincial export market, while Alberta is B.C.'s entry point to the North-American heartland and, by far, its biggest provincial export destination," said Redford, in her keynote address at Energy Forum 2013, held Nov. 5. "Our provinces share economic destinies."

The framework agreement between the two provinces was announced by Redford and B.C. Premier **Christy Clark** earlier that morning, after officials from both provinces "worked through the night" to finalize the deal.

Under the framework, Alberta has agreed to B.C.'s five conditions for new oil pipelines – including the right for B.C. to negotiate with industry on "appropriate economic benefits" for our province.

In return, Clark agreed that B.C. will not seek a cut of Alberta's royalty or tax revenues, and pledged our province would support Redford's



Alberta Premier Alison Redford delivers a keynote address at The Vancouver Board of Trade's sold-out Energy Forum 2013, held Nov. 5 at the Fairmont Hotel Vancouver. Photo by Sara Borck Photography

Canadian Energy Strategy.

"We are in a battle for Canada's future," said Redford, to a room packed with many of B.C.'s business leaders. "Our provinces both have unemployment rates well below the national average. We both anticipate strong economic growth in the natural resources sector and we are both looking for emerging economies to export to across the Pacific. Together we are truly Canada's economic engine."

Following her keynote address, Redford took part in a "fireside chat" on stage with **Gary Mason**, National Affairs Columnist for **The Globe and Mail**. The candid conversation about Canada's energy future concluded with a standing ovation for the visiting Premier.

The forum kicked off in the morning with a keynote address by **Ian Anderson**, President of **Kinder Morgan Canada**, on the economic opportunity presented by the proposed Trans Mountain Pipeline Expansion Project.

In his remarks, Anderson stressed that the expansion project had the potential to greatly impact and improve communities along the existing pipeline route.

If approved, Anderson estimated that \$423 million would be spent in communities during construction, and another half a billion would be paid over the next two decades through increased property taxes.

"An additional \$500 million in property taxes paid on the expansion over 20 years – that's a lot of

police, firefighters, and fixed potholes," said Anderson.

Anderson's presentation was followed by remarks by **Greg Stringham**, Vice President of the **Canadian Association of Petroleum Producers**, who expressed optimism at the positive step forward announced by Clark and Redford that morning.

"We still know there's a ton of work left," he told the room of nearly 400 delegates. "It was very good to see that they can come together and say, 'We're going to work to try to resolve these things.'"

For more on Energy Forum 2013, or to view a full photo gallery from the event, visit [www.boardoftrade.com](http://www.boardoftrade.com) or [www.facebook.com/vancouverboardoftrade](http://www.facebook.com/vancouverboardoftrade).

**CBC. Vancouver lives here**

**HSBC**

**VANCOUVER sportsnet**

**AMPCO GRAFIX**

[www.ampcografix.com](http://www.ampcografix.com)

604.472.3800

Ampco Grafix is the Leader in Graphic Project Management



## Operating in a globalized world

Air Canada CEO to share strategies during Nov. 13 address

Join **The Vancouver Board of Trade** on Wednesday, Nov. 13 for a keynote address by **Air Canada's** President and CEO, **Calin Rovinescu**.

Air Canada is Canada's largest domestic and international airline, serving more than 175 destinations on five continents. The airline is among the 20 largest airlines in the world, and in 2012, it served close to 35 million customers.

Connecting passengers and goods with destinations around

the world is crucial to keeping Canada competitive in the global marketplace. As Canada's Pacific Gateway, how does B.C. fit into Air Canada's global strategy?

Get your boarding card to hear directly from Rovinescu, as he outlines his airline's strategies for operating in a globalized world.

For more information, including how to purchase tickets, visit [www.boardoftrade.com/events](http://www.boardoftrade.com/events) or email [reservations@boardoftrade.com](mailto:reservations@boardoftrade.com).



Calin Rovinescu, President and CEO, Air Canada

## Port Metro Vancouver CEO gives annual update



Robin Silvester, President and CEO, Port Metro Vancouver

On Nov. 26, **Port Metro Vancouver** President and CEO **Robin Silvester** will deliver his annual address to our city's business leaders at **The Vancouver Board of Trade**.

Join us as Silvester shares insights on the Port's current projects and programs, and discusses what lies ahead in 2014 for Canada's largest and busiest port.

As the most diversified port in North America, the Port handles \$172 billion in goods – or one-fifth of Canada's total goods trade – with more than

160 economies annually.

It manages land, water and assets along 600 kilometres of shoreline in 16 Lower Mainland municipalities, and acts as one of the region's most important job creators.

A dynamic gateway for domestic and international trade and tourism, Port Metro Vancouver strengthens the foundation of the regional economy, and plays a very important role in the national economy as well.

Visit [www.boardoftrade.com/events](http://www.boardoftrade.com/events) for more information or to purchase tickets.

## Board to honour men and women in uniform

First-ever 'Awards of Valour' ceremony on Dec. 4

Be a part of **The Vancouver Board of Trade's** history on Dec. 4, as our organization hosts its inaugural Awards of Valour ceremony honouring men and women in uniform.

Previously known as the Community Heroes Luncheon, this special event will recognize individuals that have gone above and beyond the call of duty.

In 2013, we will once again recognize the Police Officer of the Year and Firefighter of the Year. However, for the first time

ever, we will also be honouring exceptional members of the **Royal Canadian Navy** and **Canadian Army**.

These individuals have demonstrated the best characteristics of bravery, dedication, and humanitarianism.

Be sure to attend this feel-good luncheon and let these hard-working representatives know that you and your company support their efforts.

Visit [www.boardoftrade.com/events](http://www.boardoftrade.com/events) to reserve tickets.

## EVENTS CALENDAR UPDATE

See our full events calendar at [boardoftrade.com](http://boardoftrade.com)

TUESDAY, NOVEMBER 12, 2013

### Leaders of Tomorrow Development Night: Business Etiquette Training

5:30 – 7:30 p.m.

**Carey McBeth**, Business professionalism and etiquette expert

SFU Segal Graduate School  
500 Granville Street

WEDNESDAY, NOVEMBER 13, 2013

### Air Canada: Operating in a Globalized World

11:45 a.m. – 2 p.m.

**Calin Rovinescu**, President & CEO, Air Canada

WEDNESDAY, NOVEMBER 13, 2013

### Members' Reception at The Blackbird Public House & Oyster Bar

**SOLD OUT**

5 – 7 p.m.

The Blackbird  
905 Dunsmuir Street

WEDNESDAY, NOVEMBER 20, 2013

### Networking Breakfast Series: Orientation and Roundtable

7 – 9 a.m.

Renaissance Vancouver  
Harbourside Hotel  
1133 West Hastings Street

Event Sponsor:  
Worldlynx Wireless

WEDNESDAY, NOVEMBER 20, 2013

### Long-Term Infrastructure Planning: Sustaining a Livable Region

11:45 a.m. – 2 p.m.

Hyatt Regency Vancouver  
—Regency Ballroom  
655 Burrard Street, Vancouver

**Greg Moore**, Chair, Metro Vancouver Board of Directors and Mayor, City of Port Coquitlam, British Columbia

Media Partner:  
*The Vancouver Sun*

WEDNESDAY, NOVEMBER 20, 2013

### Women's Leadership Circle Special Event

5 – 7 p.m.

The Boathouse Restaurant  
— Kitsilano  
1305 Arbutus Street

TUESDAY, NOVEMBER 26, 2013

### Robin Silvester, President and CEO of Port Metro Vancouver: Annual Address

11:45 am – 2 p.m.

The Fairmont Pacific Rim  
— Star Sapphire Ballroom  
1038 Canada Place

**Robin Silvester**, President and CEO, Port Metro Vancouver

Presenting Sponsor: CN  
Supporting Sponsor: Global Container Terminals Canada

WEDNESDAY, DECEMBER 4, 2013

### The Vancouver Board of Trade's Awards of Valour

11:45 a.m. – 2 p.m.

Vancouver Marriott Pinnacle  
— Pinnacle Ballroom  
1128 Hastings Street West, Vancouver

FRIDAY, DECEMBER 6, 2013

### Leaders of Tomorrow Executive Roundtable with JOEY Restaurant Group

7:30 – 9 a.m.

Joey Bentall One  
505 Burrard Street

Event Sponsor:  
*Joey Restaurants*

WEDNESDAY, DECEMBER 11, 2013

### The Vancouver Board of Trade's Holiday Lunch and Year-End Wrap Up

11:15 a.m. – 2 p.m.

Hyatt Regency Vancouver  
— Regency Ballroom  
655 Burrard Street, Vancouver

PANELLISTS

**Jas Johal**, Senior Reporter, Global Television

Additional panellists to be announced soon.

What speaker, topic or issue do you want explored? We'll look into it.

E-mail: [dcrawford@boardoftrade.com](mailto:dcrawford@boardoftrade.com)

Register now at [boardoftrade.com/events](http://boardoftrade.com/events)



# Business groups push to 'Open Skies' in Canada

Vancouver Board of Trade and Richmond Chamber get joint resolution approved at national level

BY GREG HOEKSTRA

The Vancouver Board of Trade and Richmond Chamber of Commerce are moving the dial forward on improving air access in Canada.

In late September, the two organizations joined forces to bring the issue to the attention of business organizations from across the country, during the Canadian Chamber of Commerce's Annual General Meeting in Kelowna.

Over the course of several days, representatives from the Richmond Chamber of Commerce and Vancouver Board of Trade advocated for their joint policy resolution — *Improving Air Access for the Benefit of the National Economy* — both in private meetings and on the floor in front of 600 delegates.

Despite some dissenting views initially, the two organizations were ultimately successful in swaying opinion in favour of their policy, which was formally adopted by the Canadian Chamber of Commerce on Sept. 30.

"This is a huge win, not only for our two organizations, but potentially for consumers and businesses across Canada," said Elio Luongo, Chair of The Vancouver Board of Trade, following the AGM.

"We pushed this issue on to the national agenda because we firmly believe that

Canada needs a more progressive approach to air policy."

"Enhanced air access policy is vital to Richmond, British Columbia, and the entire nation," said Howard Harowitz, Chair of the Richmond Chamber of Commerce Policy Advisory Committee. "International flights not only carry passengers, which are key to tourism and business, but also cargo imports and exports, essential to international trade and our Canadian economy."

It's estimated that every time a 777 or larger aircraft lands at a Canadian airport, 1,700 hours of labour demand are created. Just one plane per day of this size, in one airport in Canada, would create at least 310 family-supporting jobs.

"The time has come for us to acknowledge that the current system is holding us back," added Vancouver Board of Trade President and CEO Iain Black. "Simply put, our aviation industry is not as competitive as it should be, which is driving both cargo and travellers across the border to U.S. airports and costing our economy dearly."

The Vancouver Board of Trade and Richmond Chamber of Commerce prepared their joint resolution earlier this year, and submitted it to the Canadian Chamber of Commerce for consideration in late July.

The resolution stresses the need to move from "Blue Sky" bilateral agreements with foreign airlines to more progressive "Open



A sea of red cards as delegates vote on a proposed resolution at the Canadian Chamber of Commerce's Annual General Meeting, held in Kelowna in late September. Photo by Mark Coffey

Skies" agreements, which are market-driven and allow for airlines to determine the appropriate level of capacity and competition in the marketplace.

Of particular importance is the need to negotiate Open Skies agreements with Asia Pacific nations. This region presents one of the largest growth opportunities, however restrictions in certain bilaterals do not allow Canadian airports — and therefore Canada's economy — to effectively compete in this vastly expanding marketplace.

The resolution also calls on the federal

government to review and reduce the government-imposed taxes, fees and charges on air travellers, to further improve Canada's ability to attract international tourists.

The Richmond Chamber and The Vancouver Board of Trade continue to collaborate on issues of regional importance, in conjunction with the BC Chamber of Commerce, including issues pertaining to Vancouver International Airport.

To read the full resolution and its six recommendations for government, visit [www.boardoftrade.com](http://www.boardoftrade.com).



## escape to yukon

**\$548**  
Including fees & taxes

Airfare from Vancouver and accommodation for two nights.  
Per person, based on double occupancy, until December 16, 2013.

Subject to availability, pricing subject to change and some restrictions apply.  
Option for third night and single/triple supplements available.



**YUKON**  
LARGER THAN LIFE

[flyairnorth.com](http://flyairnorth.com)  
or call your travel agent

**AIR NORTH**  
Yukon's Airline



**PUBLISHER:** Business in Vancouver Media Group

**EDITOR:** Greg Hoekstra, 604-640-5450

**ADVERTISING SALES:** Katherine Butler, 604-608-5158

**DESIGN:** Business in Vancouver Media Group

As the official publication of The Vancouver Board of Trade, the *Sounding Board* newspaper provides analysis and discussion of regional and national issues facing the business community, along with input from member companies, allowing them to raise their profile in the business community.

*Sounding Board* is published 12 times per year by Business in Vancouver Media Group in partnership with The Vancouver Board of Trade.

*Sounding Board* is read by leading business executives and their employees. The paper has a primary circulation of 12,500 and a conservatively estimated total readership of 37,500.

#### ABOUT THE VANCOUVER BOARD OF TRADE

The Vancouver Board of Trade is Vancouver's chamber of commerce. Since 1887, The Board of Trade has been an active proponent of business in Vancouver. The World Trade Centre Vancouver is the international division of The Vancouver Board of Trade and is affiliated with more than 300 WTCs worldwide.

#### OUR MISSION STATEMENT

The Vancouver Board of Trade works in the enlightened interest of its members to promote, enhance and facilitate the development of the region as a Pacific centre for trade, commerce and travel.

#### OUR BASIC PRINCIPLES

The Board of Trade believes that the market system is the only system that works effectively in the allocation of scarce economic resources for efficient and stable economic growth and job creation. The Board of Trade recognizes the imperfections of the market system and supports the need for publicly provided services such as social services, health services and public education. The Board supports the philosophy of less government involvement in the business sector and believes that governments should not do what can be done in whole or in part by the private sector.

#### PUBLICATIONS MAIL AGREEMENT No. 40011551

The Vancouver Board of Trade, World Trade Centre  
Suite 400, 999 Canada Place  
Vancouver, B.C. V6C 3E1  
contactus@boardoftrade.com

#### BOARD OF DIRECTORS 2013-2014

##### EXECUTIVE COMMITTEE

Chair	Elio Luongo Canadian Managing Partner — Tax KPMG LLP
Senior Vice-Chair	Janet Austin Chief Executive Officer YWCA Metro Vancouver
Vice-Chair	Tim Manning Regional VP, Commercial Financial Services RBC Royal Bank
Vice-Chair	Tamara Vrooman Chief Executive Officer Vancity
Secretary-Treasurer	George Cadman, QC Shareholder Boughton Law Corporation
Finance and Audit Committee Chair	Jon Schubert
Policy Council Chair	Robin Silvester President and Chief Executive Officer Port Metro Vancouver
Immediate Past Chair	Ken Martin President and Chief Executive Officer Pacific Blue Cross
Member at large	Maninder Dhaliwal Executive Director Tradeworks BC
Member at large	Member at large Tracey McVicar Partner CAI Capital Management Company
Member at large	Member at large John Nightingale President and Chief Executive Officer Vancouver Aquarium
President and CEO	Iain Black The Vancouver Board of Trade

##### BOARD OF DIRECTORS

Penny Ballem	City of Vancouver
Dave Cunningham	Telus Corporation
Lara Dauphinee	Fiore Financial Corporation, Fiore Group
Mary Anne Davidson	Acciona Infrastructures Canada
Anne Giardini	Weyerhaeuser Company Limited
Calvin Helin	RCI Capital Group, Inc.
Craig Hemer	Odgers Berndtson
Robin Hemmingsen	BCIT School of Business
David Hoff	Ledcor
Terry Hui	Concord Pacific Developments Inc.
Richard Jaffray	Cactus Restaurants Ltd.
Moray Keith	Dueck Auto Group
Sacha McLean	The McLean Group
Evi Mustel	Mustel Group
Gordon Nelson	Rogers Communications Group
Jatinder Rai	Response Advertising Inc.
Elise Rees	Ernst & Young LLP
Dr. Mark Schonfeld	
Dennis Skulsky	BC Lions Football Club
Lorne Segal	Kingswood Properties Ltd.
Denise Turner	Bravura Business Solutions Inc.

## chair's message

# Keeping B.C. 'open for business'

BY ELIO LUONGO

Last week, I had the honour of chairing what I believe was one of the most important events **The Vancouver Board of Trade** has hosted in the past decade – our sold-out Energy Forum 2013.

As you will see on the cover of this month's *Sounding Board*, Alberta Premier **Alison Redford** delivered a keynote address at the forum, only an hour after she and B.C. Premier **Christy Clark** announced a crucial new framework agreement that will help move Western Canada's energy products to foreign markets.

Needless to say, the new agreement will have sweeping implications for both our provinces, and The Vancouver Board of Trade is extremely proud to have played even a small role in helping to facilitate dialogue and cooperation between B.C. and Alberta's business communities.

The agreement reached by our provincial leaders is really part of a broader discussion that is thankfully gaining much needed profile, and that is the question of whether we as the business community are doing our bit to ensure our province – and our country, for that matter – is really perceived as being “open for business.”

In recent years, our governments have made some important strides to attract foreign investors and improve our competitiveness in global markets.

Yet despite these initiatives, there still seems to be a great deal of misinformation in the general public – particularly here in B.C. – that is negatively impacting how we are viewed on the world stage.

Lately, it seems that much of the public debate has been based on a very rudimentary understanding of our economy and how it truly functions. Take the debate over pipelines, for example, in which much of the dialogue is emotionally driven, with very little interest in the facts.

Unfortunately, what many British Columbians aren't realizing is that job and wealth-creating capital is highly mobile. It doesn't see provincial and national borders. What we need British Columbians to understand is that we can no longer take our economic well-being for granted.

As B.C.'s business community – as the employers and job cre-

ators of this province – we have an obligation to remind our staff, our neighbours, our friends and even our families that our quality of life in British Columbia is directly linked to our economic success.

Yes, there is no question that we need to have an eye forward – that we need to economically diversify and invest in new technologies – but we also have to acknowledge that our province is reliant on the extraction of our natural resources.

It's a fundamental part of who we are. It's how we built British Columbia into one of the greatest places to live in the world, and it's the key to unlocking even greater prosperity as we forge ahead. It's also directly linked to the provision of roads, hospitals and schools in the Lower Mainland.

Are we obliged to find balance? Absolutely. There are risks that come with resource extraction – including the safety of our forests, the ecological preservation of land near or around our mines, and the threat of a petroleum spill near or around our water. Our solemn – and legal! – obligation is to progressively and responsibly deliver on true “responsible stewardship.”

Projecting that we have struck this crucial, delicate balance between resource stewardship and extraction is the signal that the rest of the investing world needs to hear, when they contemplate doing business with Canada.

We need to acknowledge that our country has a small, open trading economy, with 80 per cent of its population living within an hour's drive of the U.S. border. We live next door to a country with a population ten times the size of our own. Meanwhile, politicians of every stripe, at every level of government, are publicly advocating for us to engage more with Asia – a region whose population is more than 100 times (!) the size of Canada's.

As business leaders, we must encourage more, informed discussion about the implications of embracing – and, on occasion, confidently rejecting – some of the utopian concepts that are being batted around in the public these days.

Too much of the dialogue lately has been emotionally driven, and often knee-jerk reactions. This hurts our economy and threatens our way of life.

Take the return to PST, for



Elio Luongo, Chair,  
The Vancouver Board of Trade

example. “The will of the people” notwithstanding, we have now reverted back to a provincial tax system that has been rejected and abandoned by 123 jurisdictions around the world. We have reintroduced a system that costs small businesses enormous money, and that makes it harder to employ people, and more expensive to build factories, homes, and sawmills.

In addition, we live in a region that has 17 different governments, mayors, bureaucracies – each with its own set of rules and nuances for the businesses that operate within them. We also have an *additional* layer of municipal government, which spends more than \$600 million annually, primarily on business-incurred expenses.

It is incumbent on us, as the association that represents businesses across Metro Vancouver and beyond, to ask the tough questions on your behalf to ensure value for your business tax dollars is being maximized, and that taxation systems going forward reflect the needs of those of us who, with the stroke of a pen, actually *create* jobs and build communities. Simply put, we have to best position our businesses to compete; to create the economic activity that, in turn, sustains the lifestyle we've come to take for granted.

Like the dialogue of our western premiers, this will require some more, informed discussion. It will also require acknowledging and facing the growing opposition to our way of life.

As many of you know, we at The Vancouver Board of Trade are in the midst of reinventing our policy development framework, with a goal of bringing businesses together for this very purpose; for ensuring we are known around the world as being “Open for Business.”

We invite you, as always, to join us.

*Elio Luongo is 2013-2014 Chair of The Vancouver Board of Trade.*

## NFP GOVERNANCE ESSENTIALS PROGRAM



# Better serve your Not-For-Profit organization AND ITS MISSION.

Effective governance is critical to making good organizations great, as is understanding your role as a board director. The **NFP Governance Essentials Program (NFP Program)** is an intensive three-day program designed to help directors learn, grow, and make a positive impact. Offered at Canada's leading business schools, the NFP Program is taught by top faculty and highly respected directors-in-residence.

Jointly developed by the Institute of Corporate Directors and the University of Toronto's Rotman School of Management, this premier program is supported by the RBC Foundation and TELUS.

**MAKE A DIFFERENCE AS AN NFP DIRECTOR. CONTACT THE ICD AND APPLY TODAY. 1.877.593.7741 x228 [icd.ca/NFP](http://icd.ca/NFP) [education@icd.ca](mailto:education@icd.ca)**

A limited number of RBC Foundation and TELUS scholarships valued at \$1,000 are available for each offering.

CITY	COURSE DATE	APPLICATION DEADLINE
Vancouver	February 2-4, 2014	December 19, 2013
Toronto	February 9-11, 2014	December 19, 2013
Saskatoon	March 30 - April 1, 2014	February 27, 2014
Halifax	April 28-29, 2014	March 27, 2014

Supported by:



RBC Foundation  
RBC Fondation



In collaboration with:



Jointly developed by:



Rotman School of Management  
UNIVERSITY OF TORONTO



Institute of Corporate Directors  
Institut des administrateurs de sociétés

Better Directors. Better Boards. Better Business.™



# Developing a vibrant regional economy

Metro Vancouver Chair discusses growth and infrastructure projects in the Lower Mainland

BY GREG MOORE

**Metro Vancouver**, which provides regional-scale utility services and political leadership to more than 50 per cent of British Columbia's total population, is a critical player in supplying the community infrastructure necessary to support a thriving local economy, while protecting our natural assets and the environment.

Over the next 10 years, Metro Vancouver will be investing upwards of \$5.5 billion in our drinking water, sewerage and solid waste infrastructure, which will create an estimated 32,000 direct and 18,000 indirect job-years between now and 2022.

That makes us one of the biggest utilities in the province, and certainly means that we have a critical role to play in securing a livable and sustainable future for the Metro Vancouver region.

The reason for that is simple: local infrastructure is the very foundation upon which economic activity is based.

Residents demand clean water and effective waste management systems in choosing where they live, businesses need high-quality road systems and bridges to deliver their products and services to consumers, employees need efficient transit to connect them to their jobs, and companies rely on excellent community amenities



Greg Moore, Chair of Metro Vancouver's board of directors and Mayor of Port Coquitlam.

like parks and recreational opportunities to attract the skilled workforce they need to succeed.

Metro Vancouver and the 24 local governments that comprise its membership have risen to this challenge by working together, as partners, in providing the urban infrastructure that has helped the Lower Mainland develop into a growing and vibrant regional economy.

That means striking a delicate balance

between retaining the uniqueness of the many municipalities, communities and neighbourhoods that we call home, and coming together when necessary to make plans as a region that help position us in a world that is increasingly indifferent to arbitrary political borders.

That theme of partnership and cooperation is embodied in our Regional Growth Strategy, which focuses on land use policies to guide the future development of the region and support the efficient provision of transportation, regional infrastructure and community services.

It does so in part by targeting two-thirds of growth in urban centres and other transit-accessible locations, protecting industrial lands and providing guidance on transit infrastructure investment.

The Regional Growth Strategy is a truly unique accomplishment in many ways, because it buttresses the often fiercely held autonomy of the individual local governments within Metro Vancouver

against the need to ensure that we can collectively make strategic decisions that enhance the sustainability and livability of the region overall.

Essentially, that means actively encouraging individual municipalities to maintain and protect their economic, social and cultural identity, while taking a

very deliberate macro view in planning for the region's long-term economic and environmental viability.

And that broad view is increasingly seen as critical to the future growth of the region.

Join me Nov. 20 as I address **The Vancouver Board of Trade**, and we

discuss not only Metro Vancouver's role as a major utility, but also the critical role we play in building a vibrant regional economy and contributing to the outstanding quality of life we enjoy as a region.

*Greg Moore is Chair of the Metro Vancouver board of directors and Mayor of Port Coquitlam.*

"Local infrastructure is the very foundation upon which economic activity is based."

Greg Moore will address The Vancouver Board of Trade on Nov. 20. To purchase tickets, visit [boardoftrade.com/events](http://boardoftrade.com/events)

## New federal program expedites business travel to Asia

The Vancouver Board of Trade helped bring issue into national spotlight two years ago

BY GREG HOEKSTRA

A new program announced by Prime Minister **Stephen Harper** last month could have huge benefits for B.C.'s business travellers.

While attending the APEC Summit in Bali, Indonesia, Harper confirmed that Canada will launch a new pilot project this winter, the Asia-Pacific Economic Cooperation Business Travel Card, aimed at improving Canadian business travel to countries across Asia.

Under the program, pre-approved Canadian business people will be eligible for expedited travel to participating countries, as well as faster border clearance upon return to Canada.

"Our Government is committed to making it easier for Canadian business people to travel to participating APEC economies to expand their businesses' international reach, with a view to creating jobs and economic growth," said Harper.

"This pilot project will help Canadian businessmen and women travel more easily to the Asia-Pacific region, one of Canada's export markets of choice. This just makes good business sense."

"This is great news for business travellers across the country, particularly here in B.C. where trade with Asia is so critical to our economic success," said **Iain Black**, President and CEO of **The Vancouver Board of Trade**.

"Our organization has been advocating for an expedited business travel card for several years. We're encouraged to see the federal government moving forward with this important program, which will strengthen ties between Canada and Asia."

In 2011, The Vancouver Board of Trade prepared a resolution calling for the federal government to implement the APEC Business Travel Card for Canadian business people.

The Vancouver Board of



Prime Minister Stephen Harper takes part in day two of the APEC summit in Bali, Indonesia.

Trade championed the resolution at the **Canadian Chamber of Commerce's** Annual General Meeting on Sept. 18, 2011 in St. John's, Newfoundland — successfully pushing the issue onto the national agenda.

"This is an important step forward for the thousands of

British Columbians who travel back and forth between Asia for business — including many of the women and men who make up our membership," said **Elio Luongo**, Chair of The Vancouver Board of Trade.

"This provides Canadians with a level playing field with

business travellers from other APEC nations. This also has the potential to further increase trade with Asia, and, in turn, increase Canada's GDP."

For more information on the program, or the Asia-Pacific Economic Cooperation, visit [www.apec.org](http://www.apec.org).

# Board CEO joins discussion on CETA's benefits

BY GREG HOEKSTRA

The Vancouver Board of Trade's President and CEO, **Iain Black**, participated in a roundtable discussion Oct. 25 with federal Minister of International Trade, **Ed Fast**, on the recently signed Canada-EU trade deal.

The roundtable, which took place at **Port Metro Vancouver**, brought together business and industry leaders to share ideas and hear from Minister Fast about the benefits of the new Comprehensive Economic and Trade Agreement (CETA), including how it will create jobs for Canadians and foster long-term economic growth.

Black attended the meeting on behalf of The Vancouver Board of Trade's 5,000 business members, which collectively represent more than one-third

of B.C.'s workforce.

Black also has a personal connection to the agreement. As B.C.'s former minister of economic development, he previously participated in the sub-national negotiations on behalf of our province.

As a result, Black understands the challenges that were encountered, and thus, the great accomplishment this historic agreement represents.

"CETA is a huge win for our country. Economic impact aside, it was groundbreaking because all provinces were included in the negotiations," said Black.

"It's no secret that this historic agreement will have widespread benefits for nearly all Canadians. But what's really exciting for us in British Columbia, is the potential this has to strengthen some of our leading industries,"

he added.

"Under CETA, we will see the elimination of tariffs on some of B.C.'s key exports — everything from seafood and agri-food products, to metals, minerals and forestry products. Simply put, this agreement will make many B.C. companies more competitive in the European Union — the world's largest integrated economy, with more than 500 million consumers."

Black also pointed to a joint Canada-EU study, which estimated a free trade agreement could boost Canada's economy by \$12 billion annually, while increasing bilateral trade by 20 per cent.

In addition, the new agreement will lead to predictable investment rules, which will ensure Canadian businesses are treated no less favourably



The Vancouver Board of Trade's President and CEO, Iain Black, speaks to media following a roundtable discussion on CETA with Ed Fast, Canada's Minister of International Trade.

in the EU than European businesses, as well as provisions that will provide greater certainty, transparency and protection for investors in both regions.

For more information on the Comprehensive Economic and Trade Agreement, visit the federal government's website [actionplan.gc.ca/ceta](http://actionplan.gc.ca/ceta).

## Transportation Minister gives first Board of Trade address next month

The Vancouver Board of Trade is pleased to announce that B.C.'s Minister of Transportation and Infrastructure, **Todd Stone**, will address members on Dec. 3.

Stone was elected MLA for Kamloops-South Thompson in May 2013, and was

appointed Minister of Transportation and Infrastructure one month later. He is current Deputy House Leader, and serves as a member of the government's Priorities and Planning Committee and the Cabinet Committee on Strong Economy.

Before being elected to the B.C. Legislature, Stone was founder and CEO of a Kamloops-based software company. He is also the former vice chair of the board of governors of **Thompson Rivers University**, and has served on the boards of the **Thompson-**

**Nicola-Cariboo United Way**, the **Kamloops Chamber of Commerce**, and the **Insurance Corporation of BC (ICBC)**.

Don't miss Stone's first address to The Vancouver Board of Trade. Register at [www.boardoftrade.com/events](http://www.boardoftrade.com/events).

MJS: TSX-V AOBK1D: FSE

**Majestic Gold Corp.**

- Large NI 43-101 gold resource
- Increasing gold production year on year
- Located in a prolific gold producing region
- Strong, experienced management team

An emerging gold producer in Shandong Province, China

VIEW WITH **layar**

[www.majesticgold.net](http://www.majesticgold.net)

502-535 Thurlow St. Vancouver, Canada. V6E 3L2  
T: 604-681-4653 F: 604-568-4902 E: info@majesticgold.net

The Vancouver Board of Trade

## Long-Term Infrastructure Planning: Sustaining a Livable Region

Wednesday, November 20, 2013 | Hyatt Regency Vancouver  
11:45 a.m. – 2 p.m.



### Greg Moore

Chair, Metro Vancouver Board of Directors and Mayor, City of Port Coquitlam, British Columbia

Join us as Greg Moore, the Chair of the Metro Vancouver Board of Directors (and Mayor of Port Coquitlam), makes his inaugural address to The Vancouver Board of Trade. He will provide insight into the major capital projects for which Metro Vancouver is responsible and share his perspective as to how Metro's Regional Growth Strategy can support a vibrant and sustainable economy for our region.

Media Partner:

**THE VANCOUVER SUN**  
SERIOUSLY WESTCOAST

[boardoftrade.com/events](http://boardoftrade.com/events)



# 'Speed dating' for airports

B.C.'s airports connect with airlines from around the globe at World Routes conference in Las Vegas

BY REBECCA CATLEY

Imagine 3,000 participants looking for the right fit and a lasting partnership. But they're not people in search of love — they are airlines and airports, looking to link up with new, profitable flights.

This speed-dating for aviation event happened last month at World Routes, a global event in Las Vegas. And, just as in romance, the stakes were high.

Three of B.C.'s regional airports — **North Peace Regional Airport** in Fort St. John, **Kamloops Airport** and **Canadian Rockies International Airport** in Cranbrook — were represented on this world stage by **Vantage Airport Group**, an industry-leading investor, developer and manager of 11 airports around the world, founded in 1994 by **Vancouver Airport Authority (YVR)**.

World Routes is an annual conference that brings together route planners from over 300 airlines and air service marketing representatives from more than 1,000 airports. Through three days of 20-minute meetings, the airlines and airports plan, develop and extend commercial aviation service to destinations around the world.

"Airlines add flights based on a number of factors, most importantly on whether they can profitably fill their seats," said **Lee Lipton**, Director of Air



Let the speed dating begin! The Vantage Airport Group team in Las Vegas is ready to meet and greet airlines from around the world. Submitted photo

Service Marketing for Vantage Airport Group.

"We have to present them with a solid demonstration of the benefits of our airports and the vibrancy of our communities. When we meet with airlines, our proposals compete against those of other airports, so it's important that we put the best case forward. We know how important additional air service is to stimulating local business and tourism here in B.C."

Smaller, regional airports may not have the resources in-house to attend World Routes or aggressively market themselves and their communities. Vantage brings experience, expertise, and the strength of its network to provide the representation that often leads to new route development for its airports.

For example, in 2013, Vantage helped North Peace Regional Airport become **WestJet** Encore's launch destination for its Bom-

bardier Q-400 turboprop service to Vancouver and Calgary. Later in the year, that same effort paid off, with WestJet announcing Encore service for Kamloops as well.

Founded 20 years ago by Vancouver Airport Authority, Vantage Airport Group is an industry-leading investor, developer and manager of airports around the globe. With a current portfolio of 11 airports on three continents, Vantage understands the value

of building and sustaining long-term relationships by working in partnership with local stakeholders to identify the challenges and opportunities in each market.

For more information on Vantage Airport Group, visit [www.vantageairportgroup.com](http://www.vantageairportgroup.com). For more on World Routes, visit [www.routesonline.com](http://www.routesonline.com).

*Rebecca Catley is senior director of communications and marketing for Vantage Airport Group.*

## B.C.'s shipbuilding industry prepares for hiring boom

New campaign aims to raise awareness about careers shipbuilding and repair

The **B.C. Shipbuilding and Ship Repair Board (SSRB)**, with support from the B.C. Ministry of Jobs, Tourism and Skills Training, is kicking off its Shipbuilders campaign with an online contest at [WeAreShipbuilders.ca](http://WeAreShipbuilders.ca).

Current and past employees of B.C.'s shipbuilding sector are encouraged to enter the "Get on Board!" contest by visiting [weareshipbuilders.ca](http://weareshipbuilders.ca). Individuals can participate in the campaign and win a chance at one of three cash prizes with a total value of \$6,000 by sharing a story, video, or answering a survey about their experiences in the industry.

"The shipbuilding industry is composed of a wide-variety of jobs and skill sets within the ship-

building and ship repair sector," says **Lisa Bumbaco**, VP of Human Resources at **Seaspan** and Chair of the SSRB Communications and Marketing Sub-Committee. "We felt it was important to present different methods of entry that would appeal to all of our workforce."

Selected stories and elements of the survey will be used throughout the development of the Shipbuilders campaign, and three finalists will be chosen by a jury of industry experts to take home cash prizes of \$3,000 for first place (donated by Seaspan), \$2,000 for second place (donated by **BC Ferries**), and \$1,000 for third place (jointly donated by **Meridian Marine Industries** and

**Point Hope Maritime**).

"We are all shipbuilders, and this contest is aimed at everyone who works or has worked in B.C.'s shipbuilding and ship repair industry: from those who recently joined and are enjoying learning the ropes, to our more experienced workers with great stories to tell," says Mark Wilson, SSRB Chair and VP of Engineering for BC Ferries.

The "Get on Board!" contest marks the first phase of the SSRB's website, a highly anticipated industry-wide resource tool that will help raise awareness of B.C.'s shipbuilding and ship repair sector, and provide information on career and training opportunities available on the

West Coast.

Over the next decade alone, B.C.'s employers will need over 4,000 individuals to meet existing and future job openings in both the shipbuilding and repair sector and the directly affiliated metal plate and fabrication sector for such professions as welder, marine fitter, electrician, pipefitter, trades supervisor, machine fitter, marine engine mechanic, and many more.

"B.C.'s shipbuilding and ship repair sector is collectively facing the dual challenge of replacing an aging workforce and meeting future requirements driven by the upcoming hiring boom," says **Hank Bekkering** of Point Hope

Maritime.

"We are looking for the next generation of skilled and dedicated individuals to work with us well past 2020," adds James McFadden, President of Meridian Marine Industries.

The campaign is geared at raising the awareness of career options and opportunities in B.C.'s thriving shipbuilding and repair industry, and highlighting the advantages of working for a growing, safe, high tech and stable industry that offers excellent working conditions on the beautiful West Coast.

The contest launched Oct. 28 and runs until Dec. 20. For more information, visit [www.weareshipbuilders.ca](http://www.weareshipbuilders.ca).



# Small Business Profile released at Board of Trade

BYWU XU

The Vancouver Board of Trade's Small Business Council held a roundtable discussion with the Honourable **Naomi Yamamoto**, B.C.'s Minister of State for Tourism and Small Business, on Oct. 29.

Speaking to an audience of small business owners from distinct backgrounds, Yamamoto stressed the contribution of small businesses to economic growth, employment and trade in B.C.

Yamamoto also called attention to provincial achievements in reducing regulations and red tape that hindered small business growth. She noted that the province has eliminated more than 40 per cent of regulations and implemented a zero net increase policy. The reductions aim to simplify complicated processes such as applications for government contracts and procurement by small businesses.

Yamamoto spoke extensively about the *Small Business Accord*, a document outlining government commitments to deepen engagement with small businesses at the policy level. Those commitments include creating a small business awareness strategy and adopting a coordinated approach during business policy formulation.

In addition, the *Small Business Accord* covers a number of developmental

programs, such as the business mentoring program, which has been received enthusiastically by roundtable participants.

Yamamoto then introduced the *Small Business Profile 2013*, a document with comprehensive information on small businesses in B.C. Released annually by the ministry, the *Small Business Profile* aims to promote public awareness of small business by detailing the sector's impacts on the B.C. economy. This year, The Vancouver Board of Trade was chosen as the official venue to release the document.

At one point, Yamamoto asked the roundtable participants to follow her on Twitter, which raised some chuckles. There is little doubt, however, that the ministry is keen on connecting with small business owners across the province through new avenues, such as social media.

The ongoing effort to develop efficient, direct communication channels between the government and small businesses is best exemplified by the ministry's Twitter town hall meeting on red tape reduction, which attracted 140 participants in late September. Yamamoto also mentioned a variety of small business awards, which encourage community building and engagement.

Following her presentation, Yamamoto opened the floor to small business



B.C.'s Minister of Small Business, Naomi Yamamoto, speaks to members of The Vancouver Board of Trade's Small Business Council on Oct. 29, after releasing Small Business Profile 2013. **Photo by Greg Hoekstra**

owners for a 50-minute discussion, with topics ranging from internship hiring policy and small business classification, to taxation and the small business information portal.

The Small Business Council is a program initiated by The Vancouver Board of Trade, connecting small businesses in a wide range of industries across B.C.

Recognizing the critical importance of small businesses to the provincial economy, the Small Business Council

is mandated to connect, educate and inspire business owners throughout the province. The council advocates for its members on policy issues at all levels, provide platform and resources, and periodically organize events such as the roundtable with Minister Yamamoto.

For more information on the Small Business Council, visit [www.boardoftrade.com](http://www.boardoftrade.com). For more information on *Small Business Profile 2013* or the B.C. Government's *Small Business Accord*, visit [www.resourcecentre.gov.bc.ca](http://www.resourcecentre.gov.bc.ca).



The Vancouver  
Board of Trade

## The Vancouver Board of Trade's Awards of Valour

Wednesday, December 4, 2013

11:15 a.m. – 2 p.m.

Vancouver Marriott Pinnacle

This year will be presenting the following awards:

Vancouver Police Department:  
[Police Officer of the Year](#)

Vancouver Fire & Rescue Services:  
[Firefighter of the Year](#)

Canadian Army:  
[39 Canadian Brigade Group Commander's Award for Outstanding Performance](#)

Royal Canadian Navy:  
[Commander Royal Canadian Navy Bravo Zulu Award for Outstanding Achievement](#)

Join us in honouring individuals that have demonstrated the best characteristics of bravery, dedication, and humanitarianism.

Register online at [boardoftrade.com](http://boardoftrade.com)

## The Vancouver Board of Trade's Holiday Lunch and Year-End Wrap

Wednesday, December 11, 2013

11:15 a.m. – 2 p.m.

Hyatt Regency Vancouver



Featuring this year's panellists:

**Jas Johal**, Senior Reporter, Global Television

**Jeff Lee**, Reporter, The Vancouver Sun

**Treena Wood**, News Director, News1130 Radio

Moderated by:

**Iain J.S. Black**, President & CEO, The Vancouver Board of Trade





# MORE TO SEE MORE TO READ

WITH DIGITAL ACCESS

## THE VANCOUVER SUN



## GET MORE WITH DIGITAL ACCESS



Subscribe to Digital Access and get unlimited access to all the news and information at [vancouversun.com](http://vancouversun.com) on your desktop, laptop, tablet and smartphone, as well as The Vancouver Sun apps for tablets and smartphones.

With Digital Access you have the most comprehensive coverage of your community. Along with breaking news, developing stories, local, national and international coverage, you have access to trending videos, slideshows, interactive features and social media options.

Subscribe now at [vancouversun.com/subscribe](http://vancouversun.com/subscribe)

\*\$0.99 plus all applicable taxes for the first 30 days. \$9.95 plus taxes every 30 days thereafter.



# Around the Board

Photo highlights from recent events and activities at The Vancouver Board of Trade



City of Vancouver Mayor Gregor Robertson speaks to reporters following his Oct. 16 address to The Vancouver Board of Trade on his vision for the future of Vancouver. **Photo by Kim Stallknecht**



Members network at The Edge Social Grille & Lounge on Oct. 22, prior to a Small Business Council event on Leading Organizational Change, featuring a presentation by Board of Trade CEO Iain Black.



On Oct. 17, The Vancouver Board of Trade hosted an earthquake preparedness seminar for businesses with Steve Yendall, Vice President, Western Region, RSA Insurance. Following Yendall's presentation, he was joined on stage by Marshall Oliver, Director of Technical Services for BELFOR Property Restoration, and Kevin McIntyre, President of the Underwriters Insurance and Guardian Risk Managers, for a panel discussion. **Photo by Tyson Jerry**



Vancouver Board of Trade President and CEO Iain Black speaks to communications students at BCIT on Oct. 21. Black's discussion centered on the 'sustainable competitive advantage' of communication skills, and included tips on how students can develop as 'whole' human beings. **Photo by Scott McAlpine**



Shawn A-in-chut Atleo, National Chief, Assembly of First Nations speaks to The Vancouver Board of Trade on Sept. 27, sharing 'a First Nations perspective on Canada's Development Agenda.' **Photo by Kim Stallknecht**



The Vancouver Airport Authority's new President and CEO, Craig Richmond, delivered his inaugural address to a sold-out audience at The Vancouver Board of Trade on Oct. 23, continuing a long-standing tradition between the two organizations. **Photo by Sara Borck Photography**



# Entrepreneur's vision remains Krystol Clear after 40 years

BY SARAH RIPPIN

**Ron Yuers** is exactly where he thought he would be after 40 years of building his company. Yuers's vision of wanting to create products that actually work, and would continue to work through the test of time without sacrificing quality or revenue, has become the mantra of his successful concrete waterproofing company.

"I never diverted my thought patterns. If you're going to succeed in anything and excel, you have to have a plan. You need to have a goal and know how to get there. Money is not the goal. It's the reward," says Yuers. "I had every intention of making Kryton and the product Krystol the most used material of its kind in the world — simply because it was, and still is, a product that has always worked as it was meant to work."

In 1973, Yuers co-founded **Canwest Waterproofing Company**, initially specializing in concrete restoration work. Frustrated with the poor quality of the products available in the market, Yuers began thinking about improvements and resolved to develop a product that reacted internally and remained permanent.

Yuers partnered with a chemist in Vancouver to develop a surface-applied cementitious slurry coat system, what we know today as Krystol T1 and T2. Based on the success of his first project and knowing the void in the marketplace the decision was made to manufacture and sell the new product under the name **Kryton**.

During these early years, Yuers put everything he had into getting Kryton off the ground, and he found the best way to get global distribution was to buy a one-way ticket somewhere, and not buy a ticket home until he sold something. His wife Jeanette would manage the business back in Vancouver.

By 1979, there were many companies manufacturing new ways to waterproof concrete, usually as a brush-on product. His team began experimenting with adding Krystol as an admixture directly to the ready-mix. After some testing and innovation, the new product successfully waterproofed, strengthened and rendered concrete crack resistant — a huge breakthrough.

This admixture, Krystol Internal Membrane (KIM), was subsequently used when building the world's largest volume building

under a single roof — The **Boeing** Developmental Center in Seattle. Boeing used KIM in the tunnels which delivered parts to where they were manufacturing 747s. The structure remains waterproof today.

To help improve international trade, Yuers joined **The Vancouver Board of Trade** in 1984, serving on many committees and as a tour director, as well as a director for the Board of Trade from 1985-88 and again from 1989-1992. Through these positions, Yuers helped form a committee to study a potential bilateral trade agreement with the U.S. He felt strongly that the study should be Canada-wide, as small businesses were suffering as a result of having their incomes impeded by high import duties. Prime Minister **Brian Mulroney** stood behind the committee's findings and campaigned for what would become the Canada-US Free Trade Agreement.

By 1994, Yuers had refocused back on Kryton's expansion. By that time, his son and daughter had joined the company, and together they began to explore how to increase their brand's awareness on a global level. Their straight-talking, ethical business style combined



Ron Yuers (centre), founder and current chairman of Kryton International Inc., saw the company he started in 1973 celebrate its 40th anniversary in September. Behind Ron stands son Kevin, Vice-President of Kryton; and daughter Kari, President and CEO.

with their category-defining products, meant they boxed above their weight-class, winning projects against tough competition from larger companies.

The Kryton team went on to win **Ernst & Young's** Entrepreneur of the Year Award and **Hanley Wood's** Most Innovative Product Award in 2003. In 2006, they again won Most Innovative Product for their Krystol Waterstop System.

Most recently, the Yuers' commitment to Kryton's company culture has resulted in being named one of the "Best Companies to Work for in British Columbia" for four consecutive years.

Forty years after he first created Kryton, Yuers can proudly say he has built a solid company. With over 50 distributors in 43 countries, Kryton is featured in hundreds of projects annually.

"Though you must keep your thinking organic to survive in the construction industry, as it is constantly reinventing itself, your vision must remain sound," says Yuers. "If you have clarity from the beginning, and commit to that vision, you will most certainly achieve your goals."

*Sarah Rippin is multimedia coordinator for Kryton International Inc.*

The Vancouver Board of Trade

Thank you sponsors!

For your generous contributions throughout October



Without your support, our events would not be possible



# Avoiding the dreaded dividend cut

BY MICHAEL ARMSTRONG  
AND ANDREY SCHMIDT

Most investors fear the prospect of a company's dividend being cut. As commonly known, some companies pay a portion of their profits to shareholders as dividends. These dividend payments tend to be completely discretionary, meaning that a company's board of directors may, at any time, decide that it is not in best interests of the company to continue paying the dividend.

Any corporate decision to reduce or eliminate a dividend has consequences. If the decision is unexpected, some existing shareholders will probably react negatively and sell their shares, driving down the share price. The shareholders who stick around may be forced to re-evaluate their reasons for investing in the company.

These consequences are not particularly palatable, which raises the question - what can be done to avoid investing in companies that are about to cut their dividends? We have some basic suggestions.

First, pay attention to the

payout ratio. The payout ratio is simply the percentage of a company's earnings that are paid out as dividends to shareholders. A lower payout ratio means that the company has more flexibility to continue to pay dividends at a time when its earnings are temporarily depressed. On the other hand, a high payout ratio may mean that there is little margin for error.

Second, do not expect all companies in cyclical or volatile industries to pay uninterrupted steady dividends. An oil pipeline company with steady cash flows is far different from an oil tanker company with exposure to volatile tanker rates. A regulated utility is far different from a homebuilder. Sustainable dividends go hand in hand with sustainable underlying businesses. Cyclical companies have to be closely monitored. When a cyclical company's results are weakening along with its industry, a dividend cut can come at any time.

Third, view an extremely high dividend yield as a possible red flag. The market may be anticipating a dividend cut in advance of an announcement.

When we run a simple screen for companies with the highest dividend yields, we often see a dog's breakfast of companies with high payout ratios, companies in declining industries, like fixed-line telecom, natural resource companies with depleting assets, companies with lots of debt, and even foreign-based companies where shareholders face currency exchange risk. We are not saying all high-yield companies are bad; rather, we are simply suggesting that investors be skeptical.

Let's look at a concrete example. In July, American coal producer **Walter Energy Inc.** (NYSE:WLT) cut its dividend by over 90 per cent - from 12.5 cents to 1 cent per quarter. The company had little choice in the matter, as prices for the commodity it produces, metallurgical coal, had dropped sharply, and its lenders demanded the change. The company's shares declined by more than 15 per cent in one day in response to this news. Evaluating this situation, we reiterate that cyclical companies like Walter cannot all be expected to pay uninterrupted steady dividends. Our point about payout ratios also applies,



Andrey Schmidt and Michael Armstrong of Armstrong Schmidt Investment Management.

but since this company has been losing money recently, it seems pretty obvious.

We have mentioned some risks and situations to avoid, but inverting our message, when we find companies with substantial (but not extremely high) dividend yields, moderate payout ratios and sustainable business models, it is usually worth doing further research. The upside of a great dividend stock is a profitable multi-year hold period that includes a healthy, or even rising, dividend payout to the shareholder. We want to be involved in those situations.

Armstrong Schmidt Investment Management provides the

full range of investment services to both retail and corporate clients with a specific focus on discretionary portfolio management. The partnership operates under the corporate umbrella of Raymond James Ltd., one of Canada's leading full-service investment dealers. The views and opinions expressed in this article are those of Armstrong Schmidt Investment Management and not Raymond James Ltd. This article is not a solicitation and is for information purposes only. Raymond James Ltd. is a member of the Canadian Investor Protection Fund. For more information about our services, please visit [www.armstrong-schmidt.ca](http://www.armstrong-schmidt.ca).

The Vancouver  
Board of Trade

## Welcome to some of our newest members

**2P Agency Soft Inc.**  
atbos.com  
ctaliercio@atbos.com  
604-639-2011

**Atlas Courier Ltd.**  
atlascourier.com  
sashae@atlascourier.com  
604-875-1111

**Crawford & Company**  
ca.crawfordandcompany.com  
michelle.jansen@crawco.ca  
604-554-0268

**Commissionaires of BC**  
commissionaires.bc.ca  
busdev-dir@commissionaires.bc.ca  
604-646-3330

**Dauratus Research Inc.**  
dauratus.com  
cmchiba@dauratus.com  
604-879-8080

**Decked Out Construction Inc.**  
m.whiteford@shaw.ca  
778-888-3185

**Gilmour Knotts  
Chartered Accountants**  
gilmour.ca  
grantg@gilmourknotts.com  
604-888-4200

**Haida Enterprise Corporation**  
haico.ca  
pcain@westcoastresorts.com  
604-278-3130

**Herbenus B.V.**  
nijzink@herbenus.nl  
604-354-8366

**JarvisLegal Law Corporation**  
jarvislegal.ca  
danielle@jarvislegal.ca  
604-637-8711

**J. Robert Thibodeau  
Architecture + Design Inc.**  
gotad.ca  
patrick.schilling@gotad.ca  
778-330-1139

**Microsoft Canada**  
microsoft.com  
anwan@microsoft.com  
604-263-2016

**Real Board Solutions**  
realboardsolutions.com  
terry@realboardsolutions.com  
604-608-6153

**Starfish Channel Builders**  
starfishcb.com  
michael.desandoli@starfishcb.com  
604-505-6761

**Westland Insurance Group Ltd.**  
westland-insurance.com  
mwubs@westland-insurance.com  
604-543-7788

**Vancouver Community  
College**  
vcc.ca  
iryong@vcc.ca  
604-871-7000

**Leadership loves company**

# CYP lends a hand to shoreline cleanup

Volunteers participate nationwide in environmental initiative started by Vancouver Aquarium

BY RYAN LERMITTE

Vancouver's natural beauty is one of its greatest treasures. From the mountains to the sea, one can appreciate our city's true beauty and splendor.

However, this beauty also needs to be protected. That's why members of **The Vancouver Board of Trade's Company of Young Professionals** program joined a group of nearly 50 like-minded volunteers – ages four to 75 – to participate in the Great Canadian Shoreline Cleanup at Olympic Village in late September.

This amazing group of people persevered through pouring rain that was sometimes even blowing sideways to collect more than 20 kilograms of garbage!

The Great Canadian Shoreline Cleanup was founded in 1994 by a group of volunteers at the **Vancouver Aquarium** looking to clean up an area of beach around Stanley Park. This small group has evolved into a nationwide movement in partnership with the **World Wildlife Fund** (WWF) and the Vancouver Aquarium.

Each year, hundreds of thousands of kilograms of garbage are cleaned up from Canada's shorelines by thousands of volunteers. This waste is being diverted from the ocean, lakes, and rivers, reducing the amount of harm to the ecological diversity and keeping the ecosystems robust. This diversion away from the waters is very important, as garbage has a dramatic effect on marine life and is one of the leading causes of death and illness.

In 2012, 416,996 cigarettes and cigarette filters were diverted from Canadian waters, along with other top offenders – 98,835 food packages, 69,790 plastic bags, and 69,725 bottle caps.

And if you are wondering what some of the weirdest finds have been, one year an 18k gold ring was found. In Surrey, a car was recovered from a river. For the Olympic Village clean up, the most interesting find was a "Hello Kitty" thermos.

The mission of the Great Canadian Shoreline Cleanup is to "promote understanding and education about shoreline litter



Volunteers braved wind and rain to participate in the Great Canadian Shoreline Cleanup at Olympic Village on Sept. 22, including members of The Vancouver Board of Trade's Company of Young Professionals program. **Submitted photo**

issues by encouraging Canadians to rehabilitate shoreline areas through cleanups." This mission is being lived out on a daily basis and the world is a better place because of it.

Do you love running, biking, or walking along the seawall? Did you grow up on a lake playing games in the summer? Do you simply love nature and want to

give back to the community in which you live?

Join the Shoreline Cleanup in September 2014 and get in the spirit of giving in Vancouver.

For more information on the Great Canadian Shoreline Cleanup, visit [www.shorelinecleanup.ca](http://www.shorelinecleanup.ca).

Ryan Lermite is the owner of *Umbrella Properties Ltd.* and a

member of *The Vancouver Board of Trade's Company of Young Professionals (CYP) Program*. CYP is a leadership development program which engages those under 35 through leadership, networking, and volunteerism opportunities. To engage your company's emerging leaders or learn more about the program, visit [www.tcyp.ca](http://www.tcyp.ca).

## Business etiquette: Does it *actually* matter?

Yes, it does! Why courtesy and manners are still a crucial part of doing business

BY CAREY MCBETH

The word "etiquette" often gets a bad rap. For one thing, it sounds pretentious and dated. It is perceived as a set of rules that are intrusive to our sense of individuality and freedom.

In reality, etiquette is a critical part of business. It is about fostering business relations based on integrity, best practices, and cultural sensitivity: the guiding principles for success in business.

Knowledge of proper business etiquette will minimize any misunderstanding or business blunders that can ultimately kill a deal-in-progress. While the presence of business etiquette might not be immediately apparent or visible, the lack-of it will certainly impact the bottom-line.

Here are some of the top business etiquette tips you can't afford to ignore.

### Smartphone

Put your Smartphone away



Carey McBeth

during meetings. It is considered rude and gives the perception that a potential caller or email is more important than the person in front of you. Consider this — the President of the United States, who is considered the most powerful man in the world, does not have a cell phone present during meetings.

### Email

Reply to all emails within 24-48 hours after receiving the

message, even if it is just to acknowledge you have received the email and are working on the details.

### Social media

Watch what you post or tweet, and never post or tweet in heat. Stay away from controversial topics, negative comments, and avoid the use of profanity. Remember your digital footprint is essentially visible to everyone, and it will never go away!

### Small talk

Never underestimate the value of "small talk." It is about building relations with your colleagues, clients and boss. Stay well informed on the latest news and events (local, national and international) and avoid talking about religion, politics and health.

### Listen, listen, listen

People love to feel important and the way to do that is to give them your undivided attention.

### Eye contact

Eye contact is vital in the

North American business arena. It is a non-verbal ability to communicate and should be made 40-60 per cent of the time. When you maintain eye contact, you present confidence in yourself and what you are communicating. Lack of eye contact is often perceived as a lack of interest or an indication of a short attention span.

### Dining for dollars

Sixty per cent of business is conducted over a meal. Ensure you know how to navigate the business meal. As the host, it is your responsibility to take care of every last detail, know when to start the meal, engage in business conversation, and take care of the bill in a sophisticated manner (away from the table).

### Know how to finesse embarrassing situations

Knowing whether or not to tell your CEO that he has spinach stuck in his teeth is a test of one's business etiquette skills. (Answer: Tell him, but discreetly).

### Thank-you notes

State why you're writing. For example, "Thank you for the taking the time to visit our office yesterday." Next, elaborate. "It was extremely valuable to have our executive team meet with you face to face." Finally, continue to build the relationship. "We look forward to working with you to increase your exposure to new markets." Taking the time to write a handwritten thank-you note shows your clients that their business truly matters.

*Carey McBeth is a business etiquette and modern manners expert. She is an accomplished speaker and popular media resource. Carey is routinely quoted in national media including the National Post and The Globe and Mail. She is a frequent guest on Global News, CBC Newsworld, CTV, CKNW and CBC. For business etiquette and modern manners tips, follow Carey McBeth on Twitter at [www.twitter.com/careymc Beth](http://www.twitter.com/careymc Beth).*





## WOMEN'S LEADERSHIP CIRCLE®

# Shining a light on B.C.'s unsung heroes

How early childhood educators bring value to our communities and our economy

BY CHRISTINE BUTTKUS

November 20 is International Day of the Child and a time to reflect on efforts to enhance the well-being of children, our communities, and the related impact on the economy.

This article draws attention to the work of Early Childhood Educators (ECEs) in B.C. who uphold rights and advocate for children as part of their professional code of conduct.

As experts in early care and learning, they hold college and university-level training and are licensed to practise in our province. They work in a range of capacities, including child care centres, schools, after-school programs, and as community consultants.

These leaders support healthy child development in the classroom and beyond. The importance of the work that ECEs do was highlighted in **The Vancouver Board of Trade's** own *Kids 'N Crime* report in 2010, under the headline "pay now or pay more later."



Christine Buttkus

There is a critical loss of ECEs by the fifth year of their careers, posing a tremendous capacity loss to the sector and, of course, ripple effects on the families served.

Through ECEBC's Leadership Initiative, and with support from the **Vancity Community Foundation**, ECEs selected to participate in the annual leadership initiative are able to profile their successes in classrooms and in the community.

This is a critical form of support where leaders are en-

couraged to lead from where they are. Through the five cohorts of the leadership initiative, we have had a chance to see the incredible leadership capacity that is often untapped and under-recognized in community.

Because many ECEs do not earn a living wage, receive minimal benefits, and receive minimal professional development support, ECEs have been particularly grateful for the opportunity that they receive to re-energize during the leadership initiative. However, research informs us that our work that enhances quality of work life is not sufficient in absence of a living wage.

High-quality early care and learning programs support increased participation of women in the workforce. Those of you who are parents will recall the challenges of transitioning to family life and needing the confidence that allows us to return to work.

An ECEBC fact sheet titled *It Makes Good Dollars & Sense* states that stress from work-life

conflict among adults with young children costs the Canadian health care system \$2.5 billion annually, and the child welfare system another \$1.2 billion per year.

What's more, the report says that investing in child care has a bigger job multiplier effect than any other sector, with more employment per dollar of activity.

We invite the business community to remain educated and engaged in this economic issue, to assist in finding solutions that work and to help support the ECEs who support our workforce and the development of future leaders.

On Nov. 26, ECEBC is hosting its fifth annual showcase at **Vancouver Community College**. The event will profile projects that focus on children's rights, healthy child development, understand-

ing how ECEs contribute, integrating Aboriginal cultural values into care and learning, brain development, school success in children, and more.

Come learn more about these professionals, who contribute to future development of healthy communities and economic vibrancy.

For more information about the issues and the projects visit [www.ecebc.ca](http://www.ecebc.ca) or search for ECEBC Leadership on Facebook.

*Christine Buttkus is a consultant and member of The Vancouver Board of Trade. She is contracted to ECEBC to keep the spirit of learning flowing between the ECEBC Leadership Initiative participants, alumni and the community. Christine can be reached at 604-849-2252 or [christine\\_buttkus@telus.net](mailto:christine_buttkus@telus.net).*

*Join The Vancouver Board of Trade's Women's Leadership Circle for a night of networking at The Boathouse Kitsilano on Nov. 20. This lively reception will be a great opportunity to mix and mingle with members of the WLC's advisory council. Visit [www.boardoftrade.com/events](http://www.boardoftrade.com/events) to register.*

## Board submits comments regarding women in leadership roles

BY GREG HOEKSTRA

**The Vancouver Board of Trade** has submitted comments to the **Ontario Securities Commission** (OSC) in response to the OSC's consultation paper, *Disclosure Requirements Regarding Women on Boards and in Senior Management*.

The letter, submitted by The Vancouver Board of Trade's President and CEO **Iain Black** last month, strongly commends both the OSC and Government of Ontario for investigating ways to increase the involvement of women on boards and in senior management positions.

In order to arrive at informed recommendations, The Vancouver Board of Trade's

Women's Leadership Circle solicited input from local business leaders who have extensive corporate management and board experience and particular insight into how to address gender diversity issues in Canadian workplaces.

In brief, The Vancouver Board of Trade's key recommendations were as follows:

1. There are a number of effective policies that reporting issuers could adopt for increasing the number of women on boards and in senior management in areas such as recruitment, succession planning, leadership training, recognition and mentorship.

2. The Vancouver Board of Trade's board of directors and

members of the Women's Leadership Circle support the OSC's suggested model of disclosure requirements regarding women on boards and the accompanying "comply or explain" approach to such disclosure requirements.

3. Similar to Canada Labour requirements, each reporting issuer should be required to disclose on an annual basis their own performance regarding representation of women on their board and their senior management team.

4. Each reporting issuer should be required to develop and disclose the policies and procedures, appropriate to their organization and market, that it has implemented and

its planned steps in order to achieve greater representation of women at the board level and in senior leadership roles.

5. We must provide suggested policies and content to support Canadian businesses as they strive for greater gender diversity in their ranks, and support them to track their progress and performance; however, we must not be too prescriptive given each organization will be different depending on the nature of its business, its industry sector, the diversity of the pool of talent, and the diversity of its customer base and the communities in which it operates.

"The Vancouver Board of Trade is committed to helping

our member organizations grow their businesses and attract, develop and retain the best talent from a diverse pool of candidates," wrote Black.

"In fact, the vision of our Women's Leadership Circle is for an inclusive business community, which embraces diversity. We are achieving our vision by helping to elevate women through meaningful connections, leadership development and advocacy."

To read the full submission, visit the "News" section of The Vancouver Board of Trade's homepage at [www.boardoftrade.com](http://www.boardoftrade.com).

For more information on the Women's Leadership Circle, visit [boardoftrade.com/wlc](http://boardoftrade.com/wlc).

# IF YOU'VE GOT LIGHTS WE'VE GOT A BUSINESS OPPORTUNITY FOR YOU.

BC Hydro is offering substantial financial rebates to small businesses that invest in energy efficient upgrades. Upgrades that will lower your power bill and improve your bottom line. Our network of contractors can help you identify energy saving opportunities that will benefit you the most and guide you through the process.

To find out more call our Business Help Desk at **1 866 522 4713** or visit **[bchydro.com/upgrade](http://bchydro.com/upgrade)**.

BChydro   
powersmart