



NEWSLETTER

PROBUS CLUB VANCOUVER

5846 Angus Drive Vancouver, B.C. V6M 3N8, Vancouver, B.C. Phone and Fax 604-261-6818
Clubs for retired and semi-retired professional and business persons, former executives and others

www.probusvancouver.com

July 2012

President
Don Newman
604-263-5740
The_newmans@telus.net

Past President
Bill Sexsmith
604-261-8293
bpsexsmith@shaw.ca

Vice President
Wayne Audette
604-929-7586
wayneaudette@shaw.ca

Secretary
Brian Wasson
604-261-2140
Wasson2140@shaw.ca

Treasurer
Richard Carson
604-261-0974
acarson1@shaw.ca

Speakers Committee
Brian Maunder
604-222-2391
brianmaunder@shaw.ca

Membership Committee
Conrad Rademaker
604-733-3118
cifc@shaw.ca

Activities Committee
Bill Robertson
604-269-0745
robertson@hotmail.com

House Committee
Doug Lambert
604-266-2422

Newsletter Editor
Roy Williams
604-926-4727
roytwitch@shaw.ca

Members Services
Jon Collins
604-261-2468
jonkay@telus.net

Historian and Archivist
Gordon Thom
604-739-0714
thomga@telus.net

Next Meeting: July 10th, 2012

Time: 9:30 am

Location: H.R. MacMillian Planetarium and
Space Centre, Lower Level

Speaker: Jim Allworth

Topic: Where do we go from here: Global political/
economic events and what they mean for financial markets

UPCOMING EVENTS

Tuesday, August 21st

Walking Tour of
Strathcona
Hill Area

JIM ALLWORTH



Raised in Toronto, Jim has lived in Vancouver for the past thirty-seven years with his wife Ro-jeanne. He has been in the investment business for forty-four years, as both a research analyst and portfolio strategist. Through nearly four decades at RBC Dominion Securities and a predecessor firm (Pemberton Securities), Jim has developed investment policy for the firm and translated that into solutions for individual clients. He is the RBC Dominion Securities investment strategist and Co-Chair of the firm's Global Portfolio Advisory Committee.

MEMBERSHIP SERVICES TEAM

Greeters – Bud Fredrickson,
John Gemmil
Cashiers – Michael Alexander,
Bill McDonald
Past President Greeter – Ted
Daem

WELCOME NEW MEMBERS

Stewart Cunningham
Actuary/Life Insurance
Gundy McLeod
Chartered Accountant
Peter Scott
Hospitality Industry

Report of the June 12th Meeting

Attendance: 215 members and guests.

President Don Newman called the meeting to order at 10:00am, welcoming all attendees and the guest speaker. **Brian Wasson** acted as Secretary.

Membership Committee Chairman **Conrad Rademaker** then introduced three new members (see Welcome New Members).

Activities Chairman **Bill Robertson** indicated the next activity would be a Walking Tour of the Strathcona Hill Area of Vancouver on August 21ST (See details inside).

Mark Cullen introduced the speaker, Mr. John Carruthers (Biography in June Newsletter).

Mr. Carruthers opened his presentation by saying that it is critical for Canada to develop a second market or markets for its expanding oil industry. Canada's traditional customer for oil has been the US whose consumption of petroleum products has peaked as a result of reduced consumption and an expanding domestic production, thereby reducing its dependence on imports. In contrast the markets of China and India are robust and expanding. Oil sold in the US is sold at a discount to the international benchmark pricing, making sales elsewhere more attractive.

Enbridge transports oil, it does not sell it. Canada has the third largest oil reserves in the world, with the result that Enbridge has a wide network of pipelines all over North.

America is capable of delivering oil to the Gulf Coast and Ontario and Quebec. It is proposing to deliver oil from Brudenheim, north of Edmonton to the coastal port of Kitimat. It is a 5.5 Billion Dollar project comprised of 1,177 km of 36 inch pipe to transport 525, 000 barrels of oil a day in a westerly direction and 1,177 km of 20 inch pipe to transport condensate in an easterly direction. The proposed Kitimat terminal will have two berths with VLCC vessel capacity and a oil storage of 5

million barrels.

The projected national benefits of the pipelines are: 84 Billion Dollars of value added to industry; 270 Billion Dollars in GDP uplift over 30 years; 81 Billion Dollars in tax revenues; 48 Billion Dollars in labour income and 558,000 person years in employment.

The projected provincial benefits of the pipelines are: 35,000 person years employment for construction; 2.5 Billion Dollars in labour income and \$165 Million Dollars in annual tax revenues. In the ongoing operations of the pipelines there will be 560 full time employees of which 165 will be located at Kitimat.

The timeline for the Northern Gateway project: Aboriginal and public consultation-2008-17; Filed Regulatory Application-2010; Public and Government Review- up to 2013; Construction-2014-17; Commissioning and Startup-late 2017

The National Energy Board and the Canadian Environmental Assessment Agency lead a Joint Review Panel of the project. Other government agencies such as the Department of Fisheries and Oceans, Transportation Canada and Indian and Northern Affairs will also be involved in the review panel. Once built, the NEB will regulate the pipelines for their lifetime. Over 4000 interveners have filed applications to be heard by the Joint Panel. Enbridge has filed more than 20,000 pages in support of its application.

What is the basis of opposition to the pipelines?

There are a number of objections to transporting Alberta crude across Northern British-Columbia: the perception that heavy oil is dirty oil: as the first oil pipeline on the North Coast, the risk of damage to rivers and the coastline outweigh any economic benefit; Aboriginal concerns, especially in areas not covered by treaties; -Risk/Reward equation for British Columbia; Earlier tanker spills. Enbridge is active in countering all of these objections with consultation and the distribution of information. Pipeline construction is always improving with

higher steel specs for pipes, better coatings, more sophisticated monitoring, etc. A tanker route simulation has been developed incorporating beacons, buoys, radar and tug escorts on each sailing to verify navigational safety for public viewing. Consultation with aboriginal and non-aboriginal communities has been carried out with an average cost of \$150,000 each. Enbridge has offered equity ownership, procurement, employment and training, tax revenue on reserve lands and environmental stewardship along the pipelines route. Benefits estimated at one billion dollars are being offered. Mr. Carruthers stated that 60% of the aboriginal groups included in the process are on side.

Mr. Carruthers concluded that there will be an enormous loss of value to Canada without pipeline access to growing markets. His presentation was followed by a spirited question and answer session, a few of which follow.

Why are we not refining more oil in Canada? Is it not like exporting logs? The economics do not favour more refining capacity in Canada.

With Russian oil on its doorstep, is China a reliable customer? China is looking for diversification. With its investments in the Canadian tar sands it is not going to turn its back on Canadian oil.

What are the ages of pipelines in Canada? Many pipelines are 50-60 years old. The building standard is 30 years, after which it becomes a task of replacement of failing sections.

What are the alternatives to the Northern Gateway? There is capacity in the Kinder Morgan pipeline to Vancouver and there is capacity in the pipelines to the Gulf.

Vice President **Wayne Audette** thanked the speaker for his presentation.

PRESIDENT'S MESSAGE



As we move from a cold wet spring to a hopefully dry hot summer this message provides an update on Management decisions and forthcoming Speakers and Activities.

The 2012/2013 PRESIDENT'S LUNCHEON will be held on TUESDAY OCTOBER 9th 2012 at the Marine Drive Golf Club. Members are encouraged to bring their spouses or guests at a cost of \$45 per person. RESERVE THIS DATE ON YOUR CALENDER.

The Annual Dues for 2012/2013 will be \$70 a reduction of \$15 over last year!!

The Website Committee previously part of the Member Services Committee is now a separate committee with the Chairman Jack Zaleski to become a member of the Management Committee. As the website contains almost all of the Club's archives (Newsletters, minutes of meetings, etc), the Club Historian / Archivist, currently Gordon Thom, will be a member of the Website Committee.

Future speakers are Faye Whiteman, CEO of the Vancouver Foundation on "Philanthropy" in August and Ian Anderson, CEO of Kinder Morgan on "The Other Pipeline" in September

Future activities include a "Walking Tour of Strathcona Hill Area" by John Atkin on August 21st and a "Behind the Scenes Tour of the Vancouver Aquarium" on September 25th.

Have a fine summer with family and friends.



MEMBERSHIP COMMITTEE



The main function of the Membership Committee is to process and vet "nominations for membership" proposed by members. Qualifying "new members" are then introduced to the membership at large at a monthly meeting. The new members are listed in the news-

letter following their introduction. Typically our club can only accommodate around 30 new members a year (ceiling of 400 members) which means that new candidates usually wait about six month before being accepted.

The committee also initiates the "annual renewal" of membership process, and conducts the periodic membership survey soliciting ideas and suggestions, as well as measuring "satisfaction", which has fortunately been very high to date.

One of the committee members has the responsibility to maintain the essential and very extensive "member roster" information, club meetings, speakers, and attendance records.

In addition to the various committee member's monthly involvement (in rotation) in presenting new members to the general meetings, the committee as a whole meets periodically throughout the year.

Members of the Committee are; Norm Leach, Peter Lusztig, Jack Zaleski, Merv Hansen, Orrin Weber, and Colin Dobell.

Conrad Rademaker, Chairman

**NOTICE
NAME BADGES**

Any member who does not have a name badge, please notify the office (604-261-6818) so that it can be replaced.

**WALKING TOUR OF
STRATHCONA HILL AREA
Tuesday, August 21ST
9:30 AM to 12 PM**



John Atkin, noted author and city historian will lead us on a walking tour of the Strathcona Hill district of Vancouver. This residential area, now anchored by Vancouver City Hall, was once considered a competitor to the Shaughnessy district. It is a mixture of large homes, old farm houses and interesting renovations. The walk will

start and end at City Hall.

- Tour begins by the Captain George Vancouver Statue at Vancouver City Hall – 12th and Cambie.
- No host luncheon will follow at a restaurant on Broadway.
- Members Only–Limited to 30 members.
- \$15 Per Person.
- **You are not registered until payment is received.**

YOU MAY REGISTER:

- 1) At Probus monthly meeting at the Activity Desk
- 2) Pay on-line at Probus website using Pay Pal
- 3) Mail registration form and payment (\$15 per person) To: Bill Robertson 3711 Puget Drive, Vancouver, B.C.V6L 2T8

E-mail: robertsonwd@hotmail.com

Deadline for registration: August 14th

Cancellation Deadline August 14th

Make Cheque Payable to: Probus Club Vancouver
I Plan to attend:

Name: _____

Phone Number: _____

E-mail: _____