



# NEWSLETTER

## PROBUS CLUB OF VANCOUVER

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*Clubs for retired and semi-retired professional and business persons, former executives and others*

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April, 2014

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**Next Meeting: April 8th, 2014**  
**Time: 9:30 am**  
**Location: H.R. MacMillan Planetarium and Space Centre, Lower Level**  
**Speaker: Peter Armstrong**  
**Topic: NPA & Election 2014**

**Future Speakers**  
**May 13th: Dr. Max Cynader**  
**Topic: Maximizing the Brain's Potential**  
**June 10th: Jake Kerr & Jeff Mooney**  
**Topic: Vancouver Canadians**

### PETER ARMSTRONG



Peter Armstrong is the Founder and Executive Chairman of Armstrong Group, owner and operator of the award-winning Rocky Mountaineer luxury train company as well as numerous holdings in the travel and

tourism sector.

Since its inception in 1990, Armstrong Group has evolved from a small entrepreneurial dream into one of Canada's most admired and respected companies. Under Mr. Armstrong's leadership, the first acquisition was the federal government's fledgling tourist rail service through the Canadian Rockies. That first foray has now become the acclaimed **Rocky Mountaineer**, offering premium rail experiences connecting Seattle, WA and Vancouver, BC, to the majestic Canadian Rockies. Rocky Mountaineer has been recognized with numerous awards and accolades including the prestigious World Travel Awards' "World's Best Luxury Travel Product".

Mr. Armstrong serves on many industry and community boards including the Non-Partisan Association (NPA) Board of Vancouver where he is President and as a Trustee of the Vancouver Police Foundation. He is also Chairman of the Board of P3 Canada and AHIP Public REIT.

He has been inducted into the Canadian

Tourism Hall of Fame and the Canadian Railway Hall of Fame and has been awarded many other accolades for his vision and leadership in the tourism industry. He has received an Honourary Doctorate of Laws from the Justice Institute of British Columbia (2012), an Honourary Doctor of Technology from BCIT (2007), and a Doctor of Laws from Thompson Rivers University (2007). In 2013, he received the Queen's Diamond Jubilee Medal.

Mr. Armstrong was born in St. John, New Brunswick and has been a proud resident of Vancouver for over 50 years. He attended St. George's School, BCIT and the University of British Columbia. He lives in the West End of Vancouver with his spouse, Suvina.

#### Welcome New Members

**John Biasucci – Lawyer/ Financial Services**  
**Bill Weaver – Physician**

#### Upcoming Events

**May 7<sup>th</sup>—Guided Tour of Emily Carr University of Art & Design (see page 4)**

#### MEMBERSHIP SERVICES TEAM

**Greeters – Guy Dalcourt & Garry Kenwood**  
**Cashiers – Michael Lawrence & Gene Wrankmore**  
**Member Services Desk—Tony Weall**

## Report of the March 11th Meeting

**Attendance: 182 Members and Guests**

President Jon Collins called the meeting to order at 10:00 am, welcoming all members and in particular guest speaker Jock Finlayson, whose impressive biography appears in the March newsletter. John Gemmill acted as Secretary. Orrin Webber introduced new members Bill Weaver and John Biasucci. Doug Jones reminded members of the March 19 vintage car museum tour in Richmond, and the May 7 tour of the Emily Carr University on Granville Island with lunch to follow at the Pacific Institute of Culinary Arts. The cost is \$40.00 per person and guests are welcome. Other possible activities being considered are an afternoon Vancouver Canadians baseball game and a group booking for Cirque de Soleil, for which we would need at least 50 participants to get the group price. Further details to come later. Jack Zaleski expressed our appreciation to Norm Weitzel for his work on the history of our Club which is now posted on the website. Any additional information for inclusion in the history should be sent to Jack Zaleski at jack.zaleski@gmail.com. Colin Dobell introduced Jock Finlayson whose topic was:

“Ready for Liftoff? The Economy in 2014-2015.”

Mr. Finlayson indicated that there is some improvement in the global economic picture with the economic growth in the US picking up over the second half of last year. It is expected to accelerate in 2014. The Eurozone has emerged from recession, Japan is seeing modest positive GDP growth, and seems to be emerging from a long period of deflation. The UK economy has been gaining strength, and is the strongest of the industrial economies in 2014. However, the economic activity has slowed across the emerging markets and inflation in the most advanced economies is running below the levels targeted by central banks, which is very unusual. At the same time, commodity prices have weakened significantly since late 2011 which has dampened growth in Canada, and geopolitical risks and uncertainties persist, although some not important with the US economy accelerating into 2014.

In the US, the real GDP growth rate rose to 3.2% (annualized) in the second half of 2013 with decent job gains. 2.2 million jobs were added in 2013, with significant household balance sheet repair. Corporate America is in excellent financial shape with housing starts rebounding to more than 1 million in 2014, and “fiscal drag” diminishing. The US Federal Reserve is reducing Quantitative Easing, but its key policy interest rate will remain low.

America’s economic advantages were indicated, as a younger population than peer countries, with a median age of 37, (Canada has a median age of 41) and faster projected population growth, attributed to large Latino families and their immigration. A huge domestic market, with sophisticated and demanding consumers and a highly diversified economic/industrial base, creates 22% of the world GDP. The improving business competitiveness in the US may be attributed to a strong focus of corporate management on productivity, more cost conscious-

ness through cost management, relatively low labour, land and construction costs (by OECD standards), weak unions (just 7% of workers are unionized in the US, 17% in Canada, and as much as 40% in Europe). Energy prices are falling in many states due to cheap natural gas, growing domestic energy production, declining energy imports, powerful tech clusters, such as Silicon Valley, Boston, Seattle, Austin, San Diego, unmatched ability to finance innovation and entrepreneurial wealth creation. Canada’s Economic Growth Dynamic is “It’s Time to Shift Gears!” Consumer spending has been running above its long term average as a proportion of GDP. Household debt/disposable income ratio is at a record high, (although credit growth has slowed). Residential investment as a %age of GDP is also tracking above the long-term average (almost 6.8%, versus 5.8%) and ratios of housing prices to i) incomes and ii) rents, are near all time highs. So...future economic growth will have to rely more on net exports and business investment – and less on consumer and housing-related spending. Simply put, housing and consumer spending cannot continue to drive the growth of the Canadian economy.

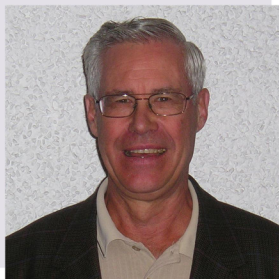
The Economic Setting for British Columbia indicates that overall, 2013 was a sluggish year. Domestic demand was hindered by stretched consumer finances, soft retail sales, lower business investment, and government fiscal drag. The conditions should improve over 2014-2015 with slightly stronger global growth, an improving US, and rising BC exports. Non-residential construction investment is expected to provide a major economic boost over the medium term. The LNG opportunity is significant, but will be relevant post -2015 and in the next decade. There are some concerns over eroding competitiveness.

There is a high level of project investment activity in BC at present, with the capital cost of “major projects” already underway, of \$83 billion. In addition, there is another more than \$150 billion of “proposed projects” identified on the Major Projects Inventory, including LNG, oil pipelines and Site C.

BC’s economic position in Canada indicates the real GDP per person in 2012 was \$45,993 (5<sup>th</sup> among provinces), behind Alberta with \$74,201. The average weekly earnings were \$882 (5<sup>th</sup> among provinces) and behind Alberta with \$1,062. The labour productivity in real output per hour worked in business sector in 2012 was \$43.62 (6<sup>th</sup> among the provinces) with Alberta at \$68.50.”

There are a number of policy issues for BC business including: eroding competitiveness, growing “social license” challenges, particularly around resource and infrastructure development, skills mismatches and talent shortages as well as municipal government-related costs and dysfunction, notably in the fragmented lower mainland.

Gerald McGavin thanked Mr. Finlayson for his most interesting presentation.



## THE PRESIDENT'S MESSAGE

March's very excellent speaker, Jock Finlayson, (arranged by Brian Maunder's Speakers Committee) brought us back to earth with his update on the BC Economy. By reviewing the global economy before homing in on BC, he painted a very realistic, fully integrated picture for us and still left us with hope for the future.

April will immerse us in an interactive local political experience when speaker Peter Armstrong presents an NPA perspective culminating in a Q & A Session that will include three sitting NPA caucus members. Hopefully we can all emerge from this session with a better understanding of what our local politics are all about. I fully expect to have to invoke our

normal time constraints on these folks!

Don't miss Dr. Max Cynader in May. He'll be trying to induce us to get more out of our brains. What a challenge!

How do you and your committee come up with these guys, Brian?

About 50 of us had the good fortune to experience the first activity of the year organized by Doug Jones' very capable Activities Committee. This wonderful



event in nearby Richmond, turned out to be a delightful stroll through Jim Ratsoy's huge car collection surrounded by all manner of memorabilia in excellent working condition. Jim, while showing us around the cars, encouraged everyone to keep the juke boxes, music boxes, mechanical organs, player pianos and nickelodeons going with their favourites. It was absolutely marvellous to enjoy the wave



of nostalgia washing over us with all the music, cars and memorabilia from the 50's and 60's and even earlier.

That was a fantastic way to start off the new season, Doug. But wait, it doesn't stop there!

Doug and his team have organized a guided tour of the Emily Carr University of Art and Design for May 7<sup>th</sup>. This could be your last chance to see Emily Carr on Granville Island before she moves to Great Northern Way. Culminating with lunch at the "Tripadvisor Recommended" Pacific Institute for Culinary Arts, this event which is also open to visitors,

promises to be a totally titillating experience. I can hardly wait.

For those interested in the early years of our Club, the "History of the Probus Club of Vancouver" is now posted on our website under "Membership Information". Kudos to Norm Weitzel, our Historian and Archivist, for quarterbacking this tour de force.



## ROTARIANS' INVESTMENT CLUB

**NEXT MEETING: Thursday, March 27th at RVYC-6PM with no-host bar.**

Topic for a Round Table discussion will be "The Financial Implications of Quebec Leaving Canada".

E-mail me at [johnsullivan@shaw.ca](mailto:johnsullivan@shaw.ca) if you would like to receive the eight questions to be proposed in advance of the meeting. Presentations will be made for four stocks to be considered for our portfolio.

Complete information about the Investment Club is available on the Probus Vancouver website. You are welcome to attend and participate in the discussions. Please bring a cheque for the excellent 3 course dinner (wine included).

Call or e-mail Terry Miller if you would like to attend (604-454-7477-rotary@ tmmiller.ca).

# GUIDED TOUR OF EMILY CARR UNIVERSITY ON GRANVILLE ISLAND FOLLOWED BY LUNCH AT THE PACIFIC INSTITUTE FOR THE CULINARY ARTS

Wednesday, May 7<sup>th</sup>, 2014

OPEN TO MEMBERS AND GUESTS



**Emily Carr University of Art + Design** is one of the oldest post-secondary institutions in British Columbia and the only one that is dedicated solely to professional education and learning in the arts, media and design. Emily Carr has degree-granting authority for degrees in Bachelor of Fine Arts in Visual Arts; General Fine Arts; Photography; and, Bachelor of Design in Communication Design or Industrial Design. Our visit to Emily Carr is coincident with the **end of year exhibition**. This exhibition is the culmination of the students' work for the year and displays many different art forms including painting, industrial design, sculpture, photography, commu-



**The Pacific Institute for the Culinary Arts (PICA)** opened its doors in 1997 and is Canada's oldest private culinary school which serves meals at the onsite restaurant and bakeshop. Currently the restaurant is ranked # 14 out of 2701 restaurants in Vancouver by "Tripadvisor" and has won numerous Consumer Choice Awards over the last 8 years.

**9.30 am:** meet at entrance to Emily Carr University where you will be directed to the coffee location.

**10.00 am:** introductory talk

**10.20 am:** tour of University and exhibits.

**12.00 pm:** meet at Pacific Institute of the Culinary Arts (PICA) for lunch. Restaurant is located at the entrance to Granville Island on the west side.

**Car pooling is recommended.** To get to the most convenient parking lot, drive onto Granville Island, take the first right (Cartwright) and then first left (Old Bridge) where the parking garage is on your right under the South Building of Emily Carr University. Parking will cost \$14 for 4 hours. Alternatively take the bus to the south end of Granville Bridge and walk 700 m to Emily Carr.

**Registration:** At the Activity Desk at the Probus Meetings on March 11<sup>th</sup> or April 8<sup>th</sup>

1. **Mail Registration form and payment (\$40 per person) to: Ian Paterson, 5749 Athlone Street, Vancouver, BC, V6M 3A1; E-Mail: ianpat@telus.net**
2. Make checks payable to the **Probus Club of Vancouver.**
3. Remember - **you will not be registered until payment is received.**
4. Deadline for registration is 30<sup>th</sup> April. Cancellation Deadline also 30<sup>th</sup> April.

I plan to attend: Name \_\_\_\_\_ E-Mail \_\_\_\_\_

Phone number \_\_\_\_\_

Number of Attendees \_\_\_\_\_ Check enclosed for \_\_\_\_\_

Guest Names \_\_\_\_\_



**Cell phones that go off during a presentation are annoying and embarrassing. Please remember to turn them to silent, or better still, to off before the start of every the meeting. The speaker and your fellow members will thank you!**