



OTTAWA/QUEBEC EDITION  
TUESDAY, APRIL 17, 2018 | GLOBEANDMAIL.COM

# Notley threatens to restrict oil exports to B.C.

Alberta Premier says province could use law to restrict fossil-fuel shipments if Kinder Morgan kills plans for Trans Mountain pipeline expansion

**KELLY CRYDERMAN** CALGARY  
**IAN BAILEY** VANCOUVER  
**JEFF LEWIS** CALGARY

Alberta is handing itself the power to restrict fossil-fuel shipments outside the province, a move designed to raise the spectre of soaring fuel prices in British Columbia in an escalating political showdown over the expansion of the Trans Mountain pipe-

line to bring oil sands bitumen to the Pacific coast.  
Premier Rachel Notley says her province might use the legislation if Kinder Morgan Inc. kills its plans for the \$7.4-billion pipeline expansion, a threat that looms larger since the company set a May 31 deadline earlier this month to be given legal and financial certainty for the project.  
"Every day that goes by without the expansion in place means less

revenue for schools, less revenue for hospitals and more dependence on one market for our products - the United States," she told reporters.  
On Monday, Alberta's NDP government introduced a bill that will give the Energy Minister the power to require companies to obtain licenses to ship oil and refined products such as gasoline and diesel if and when the government determines it necessary.  
■ PIPELINE, A6

## Mosque shooting victim describes how seven bullets destroyed his life

Man paralyzed in attack says he wakes up each morning thinking attack was a nightmare

**INGRID PERITZ** QUEBEC CITY

Aymen Derbali sat in a wheelchair and described how seven bullets destroyed his life - his words delivered with poignancy to a judge, to lawyers, to a hushed courtroom, and to the 28-year-old killer who sat only a few metres away.

Mr. Derbali addressed the court during a sentencing hearing for Alexandre Bissonnette, who pleaded guilty to first-degree murder in the deaths of six men at a Quebec City mosque last year. As Mr. Derbali spoke, his words detailing how he'd become paralyzed and unable to hold his own children, Mr. Bissonnette sat to his right, watching from a glassed-in enclosure.

Mr. Derbali says he wakes up in the morning thinking the entire shooting was a nightmare. "But it wasn't a nightmare," he told the court, "it was real."

It was a moment of emotion and drama in a day that offered a fuller portrait of the gunman in the mosque shooting, which shocked Canadians for its violence targeting a religious minority.

It is the picture of someone who not only deliberately opened fire in a mosque, wounding Mr. Derbali and several others.

For the first time, the court heard that Mr. Bissonnette fully recalled his actions the night of the shooting and confided to a social worker that he wished he had killed more people.

And in the year prior to the shooting, Mr. Bissonnette had relentlessly fed his obsessions about Islam, firearms, mass killers and feminism through the internet.

He followed the Twitter feed of U.S. President Donald Trump, reading news and screening videos about the President on a daily basis. He also followed news about the Muslim travel ban that Mr. Trump ordered two days before Mr. Bissonnette carried out his armed attack.

He visited news sites and Twitter feeds of right-wing commentators south of the border.

On the day of the attack, Mr. Bissonnette had been consulting Breitbart News, the conservative news website.

■ BISSONNETTE, A8

{ U.S. RUSSIA PROBE }

## In the eye of the storm

Donald Trump's personal counsel Michael Cohen leaves a New York courthouse after he and the U.S. President failed to delay prosecutors from immediately reviewing documents seized from the lawyer's office ■ A4



EDUARDO MUNOZ ALVAREZ/AFP/GETTY IMAGES

## With Chagall headed for auction, National Gallery vies against two Quebec museums to buy David painting

**CHRIS HANNAY** OTTAWA

A cultural tug-of-war has erupted over a 1779 French painting as two Quebec museums scramble to come up with the matching funds to keep it in the province, over the National Gallery of Canada's bid to keep the same painting in the country.

The National Gallery is selling a Marc Chagall painting at a New York auction for millions of dollars so it can buy the 239-year-old Jacques-

Louis David piece and prevent it from leaving Canada more than a century after it arrived.

But two Quebec art museums have right of first refusal and are still hoping to buy the David painting, which they believe belongs in their province - not in Ottawa.

The painting, *Saint Jerome Hears the Trumpet of the Last Judgment*, is owned by the parish of Notre-Dame de Québec. The church, which has had financial struggles in recent years, decided in 2016 to sell the

painting to fund its activities.

Monsignor Denis Bélanger, curé of the parish, said the church approached three institutions that each had a connection to the painting: the Musée de la civilisation in Quebec City, which has custodianship of the art; the Montreal Museum of Fine Arts, where the piece currently hangs; and the National Gallery of Canada, which displayed the canvas on its walls from 1995 to 2013.

■ GALLERY, A6



**PRIZE-WINNING RAPPER**  
Kendrick Lamar becomes the first pop artist to be awarded the Pulitzer for music for his album DAMN.

■ A8



**PRIZE-WINNING RUNNER**  
Canadian Krista DuChene credits her country's lousy weather for her third-place finish at the Boston Marathon

■ B17

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HUDSON'S BAY

A2

THE GLOBE AND MAIL | TUESDAY, APRIL 17, 2018

## MOMENT IN TIME

APRIL 17, 1964



PERFORMANCE IMAGE/ALAMY STOCK PHOTO

## FORD UNVEILS THE MUSTANG

It was a massive marketing blitz that captured America's heart. Splashed on the covers of both Newsweek and Time magazines, Ford Motor Co.'s hot new ride was also featured in television commercials that ran simultaneously on all three major networks the night before its launch. And so, when Ford took the wraps off the Mustang at the New York World's Fair – the same day that it debuted in showrooms – the buying frenzy began. The 1964½ (officially a 1965 model year) as it came to be known, was priced to start at US\$2,368 and almost

22,000 were purchased on that first day; 400,000 in the first year. Six generations later, its sales have surpassed nine million. The first of those nine-million buyers was 22-year-old Gail Wise, who walked into a Chicago dealership two days ahead of the launch. She wanted a convertible. There were none in the showroom, but a sly salesman took her to a back room and removed the tarp from a baby-blue beauty he wasn't supposed to sell yet. For Wise, it was love at first sight and she drove her new Mustang off the lot that night. She's still driving it today. DARREN MCGEE

### COLUMNISTS

MARGARET  
WENTE

OPINION



MARTHA  
HALL FINDLAY

OPINION

FIRST  
PERSON

What Doug Ford has going for him in the Ontario election is that the province is quite messed up already ■ A15

Federal government's offer of financial help to Kinder Morgan will not calm the fears of other potential investors ■ B4

Rhiannon Jones feels very alone as a parent to a child with ADHD and oppositional defiant disorder ■ A17

### CORRECTION

A caption in Monday's obituary of Dick Gamble said Bee Hive hockey cards were issued by Quaker Oats. In fact, they were issued by St. Lawrence Starch, makers of BeeHive Golden Corn Syrup.

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# Ecuador, Colombia plan joint manhunt

Operation is in response to journalists' deaths, but some say move is long overdue in the narco-trafficking region

STEPHANIE NOLEN  
RIO DE JANEIRO  
CAROLINA LOZA LEÓN BOGOTÁ



Colombian marines stand guard along the Mira river in Imbili, in the Colombian department of Narino near the Ecuador border on Sunday. Two journalists and their driver kidnapped on March 26 in Ecuador by dissident FARC rebels were killed on the Colombian side of the border. RAUL ARBOLEDA/AFP/GETTY IMAGES

Ecuador and Colombia are preparing a joint manhunt and military operation in the border region where two journalists and their driver were killed by a dissident faction of Colombian rebels last week. Ecuadoreans angry at their government for its failure to do more to save the team from national newspaper El Comercio say this is a long-overdue response in a region that has become a narco-trafficking corridor after decades of state neglect.

The deaths shocked Ecuador and led to sharp criticism of the government of President Lenin Moreno for its handling of the abduction. The killings also made clear that although Colombia signed a peace deal with the Revolutionary Armed Forces of Colombia, known as the FARC, in 2016, rebel activity in the country retains the potential to destabilize the region.

"The kidnapping and murder of the El Comercio press workers shows how the complex violence in Colombia is far from over," said Andrea Castro, a security expert in Quito.

Ecuador has sent 550 police officers to the town of Mataje, where the men were working when they were abducted, and the government said it would tar-

get the dissident rebels in a military operation. Ms. Castro said that it will be the first real joint engagement in border security, but must be well-planned and continuing, rather than just political window-dressing, given the multiple actors fighting for control of the coca-growing regions of southern Colombia and the transit routes around the border.

The El Comercio reporting team (reporter Javier Ortega, photographer Paul Rivas and driver Efraim Segarra) was investigating drug-related violence in the border region when they were abducted on March 26. A rebel group known as the Oliver Sinisterra Front released a "proof-of-life" video a few days later in which the men, shown chained together in the jungle, addressed Mr. Moreno and said he must secure the release of

three rebels who were jailed in Ecuador on charges of smuggling, and meet other demands, to save them.

On April 11, the Front said in a statement that it killed the men because the two governments were carrying out military operations near its base – something both governments deny. Two days later, Mr. Moreno confirmed the Ecuadoreans were dead. The killings did not follow the usual pattern for hostage-takings in the Colombian conflict – which typically involved lengthy negotiations – and there is speculation that the rebels were mainly seeking to raise their profile as influential actors in the conflict zone.

Top Colombian officials, including the Minister of Defence, immediately flew to Quito for meetings about a co-ordinated response. The International

Committee of the Red Cross is attempting to co-ordinate recovery of the men's bodies; the military offensive appears to be on hold until that is concluded.

The Sinisterra Front is led by Walter (Gaucho) Artizala, who was a mid-rank FARC commander and operated on both sides of the border; he is now believed to have about 80 troops under his leadership. He has no relationship with the leaders of the FARC who signed the peace accord, Ms. Castro noted. "It shows how violence is mutating in the region," she said.

The great majority of the FARC's 7,000 fighters demobilized after the signing of the peace deal, handing in their weapons and transitioning to civilian life. As part of the agreement, the FARC promised to end its involvement in narco-traffick-

ing, with which it once funded its guerrilla war. However, some of the small number of rebels who rejected the peace deal have formed alliances with coca-exporting organizations including Mexican cartels who have moved to occupy the vacuum created by the FARC pullback.

In their last article published before the kidnapping, the El Comercio team wrote about the presence of FARC dissidents in Ecuador's Pacific coast border with Colombia. The region has drawn little scrutiny from successive Ecuadorean governments, despite the fact that residents routinely reported FARC and then later dissident rebel activity, and that it is a well-known route for narco-trafficking. The densely forested border region has many wide rivers that lead to the coast, where drug shipments can be loaded on to speedboats for transport north to Mexico and North America.

The journalists were investigating two recent bombings, highly unusual events in an otherwise peaceful country. In late January, a car bomb behind a police station wounded 28 people in San Lorenzo, a town near the border; two months later a roadside bomb near the town killed three people and wounded 11. Ecuadorean authorities say Mr. Artizala ordered both attacks.

However, the journalist killings are seen as a sharp escalation of the conflict, one that will require a significant response from Quito. Protesters gathered outside the presidential palace the day after the deaths were confirmed, chanting "You did nothing!" and major news outlets staged blackouts as a sign of mourning for their colleagues.

## PM's national security adviser says briefing was his own idea

LAURA STONE  
MICHELLE ZILIO OTTAWA

Justin Trudeau's national security adviser said it was his idea to brief reporters about a controversy that took place during the Prime Minister's trip to India in an effort to counter what he called a co-ordinated misinformation campaign against three Canadian public institutions.

Daniel Jean told a Parliamentary committee on Monday that he worked with the Prime Minister's Office to organize the background briefing with select reporters after Jaspal Atwal, a B.C. Sikh convicted of trying to kill an Indian cabinet minister in 1986, attended official events in India. Liberal MP Randeep Sarai initially took responsibility for inviting Mr. Atwal. But Mr. Jean suggested in a background briefing that factions in India concerned about the threat of Sikh extremism might have orchestrated the presence of Mr. Atwal.

The two different accounts led Conservative MPs to press the government to explain who was responsible for Mr. Atwal's presence during the Prime Minister's trip, which was heavily criticized for everything from his elaborate outfits to the lack of substantial announcements.

Mr. Jean said he offered the briefing to counter false information that was circulating that CSIS, the RCMP and the Canadian High Commission in Delhi – "three respected institutions" – were aware of Mr. Atwal's presence in advance, and that the PMO did not stop it.

Mr. Jean said security agencies acted to have the invitation withdrawn as soon as they were notified that Mr. Atwal had attended an event during the trip.

"I never raised a conspiracy theory," Mr. Jean told the House of Commons' public safety and national security committee.

"What I said is that there was co-ordinated efforts to try to misinform, and I said that these were either private people – it was definitely not the government of India – and if it was people from India, they were acting in a rogue way."

Yet, later in his testimony he said: "What I [told] the media in the background briefing is that there was what seemed to be orchestrated misinformation...and I went out of my way to say, very clearly, this is not the government of India. They said well who [is it]? I said well it's either private citizens, or it's people that are from the government doing it and are not blessed."

After the meeting, Mr. Jean told reporters he did not know

who was behind the co-ordinated efforts.

Mr. Jean told the committee the Indian government removed Mr. Atwal from a blacklist in 2017 and allowed him to travel to the country last summer. He said Mr. Atwal is no longer considered a security threat, but is a potential embarrassment for the Prime Minister.

The Conservatives accused Mr. Jean of backing away from his original "conspiracy theory" during Monday's testimony.

"The Prime Minister clearly has to say this was a failure of the Liberal caucus and of his office to properly vet the list for this trip and he should apologize for that, and apologize to the Indian government," Tory foreign affairs critic Erin O'Toole said.

The Conservatives and NDP agreed it was inappropriate for Mr. Jean to brief reporters and that he caused more confusion by attempting to dispel so-called misinformation.

"Why someone who occupies an extremely important position such as that is basically engaging in communication exercises is a question that I have," NDP public safety critic Matthew Dubé said.

Last month, the Conservatives forced more than 20 hours of non-stop voting in the House to press the government to call Mr. Jean to testify. The Liberals offered a classified briefing to Conservative Leader Andrew Scheer. Mr. Jean then agreed to testify before MPs also.

"There is a narrative after the trip that developed that somehow I was either being used as a human shield, or somehow I had crossed my public service values to go and do this," Mr. Jean said.

"Canadians have the right to know when there are people trying to create a false narrative using three respected public institutions."

Mr. Jean called Mr. Atwal's presence a "faux pas" and agreed with Mr. O'Toole that the Liberals were responsible for issuing the invitation.

"If a Liberal MP had refused to invite Jaspal Atwal to the Prime Minister's events in India, there would be no scandal, it is fair to say?" Mr. O'Toole asked.

"You're correct, sir," Mr. Jean said.

The new national security committee of parliamentarians is also conducting a special review of the affair. The committee, comprised of MPs and senators with the highest level of security clearance, will study allegations relating to the India trip, including claims of foreign interference, security risks and inappropriate use of intelligence.



Daniel Jean, national security adviser to Prime Minister Justin Trudeau, is questioned by journalists as he prepares to testify before the House of Commons in Ottawa on Monday. CHRIS WATTIE/REUTERS

## If not for Daniel Jean's blunder, Atwal affair could have been over in days

CAMPBELL  
CLARK

OPINION

OTTAWA

As media-briefers go, Daniel Jean may be the world's most incompetent. At least, judging by what the Prime Minister's national security adviser told a Commons committee on Monday.

Mr. Jean told the committee that when he briefed reporters in February on Justin Trudeau's gaffe-filled trip to India, he was not alleging a conspiracy. He only wanted to refute incorrect reports that claimed security agencies knew in advance that failed assassin Jaspal Atwal was on the guest list for two of Mr. Trudeau's receptions and did nothing.

But headlines after his briefing were about something else. Several of the journalists Mr. Jean briefed wrote stories in which a senior official suggested Mr. Atwal got into India because of efforts by people, perhaps rogue factions in the Indian government, who were intent on embarrassing the Canadian government.

On Monday, Mr. Jean testified that the briefing was not aimed at protecting the Prime Minister, but defending the reputation of Canada's security institutions.

But if it was just an effort to correct the record, it spread a gob of confusion. His damage control left a crater. Yet, in his testimony, Mr. Jean did not seem to know what went wrong.

Mr. Jean insisted he never told reporters there was a conspiracy in the Atwal affair. Instead, he said, there was a co-ordinated misinformation campaign, possibly carried out by rogue elements of the Indian government – which, check your dictionary, is a conspiracy. The reporters he spoke to wrote about an entirely different conspiracy, anyway, so it seems the national adviser got on the phone to talk about plots in ways that a selection of journalists from major news outlets can't follow. That's a problem, too.

Let's go back to the basics of this tale. Jaspal Atwal, a former Sikh nationalist who was convicted of trying to kill an Indian cabinet minister on a visit to Canada in 1986, was invited to two of Mr. Trudeau's receptions in India, and

showed up at one. Mr. Trudeau said it was a mistake, and Liberal MP Randeep Sarai took the blame for inviting Mr. Atwal.

Naturally there were questions. Why wasn't the guest list vetted? It was embarrassing.

Then Mr. Jean briefed journalists, including those travelling with Mr. Trudeau and a few others. (This writer was not one of them.) The reports that followed sparked controversy because they cited a Canadian official suggesting the scandal might have been orchestrated in India.

Mr. Jean testified that he briefed journalists because he had seen reports that suggested key government agencies – CSIS, the RCMP, and the High Commission to India – knew about Mr. Atwal's invitation, and his past, but did nothing. He said it "appeared" to be a co-ordinated misinformation campaign and he just wanted to counter it.

Setting the record straight is good. Mr. Jean was right to tell reporters the government was not tipped in advance about Mr. Atwal, that the PMO didn't interfere so he could attend, and that the Canadian government did not help Mr. Atwal get into India.

It's when he started speculating about who might be out to discredit Canada that he veered off course, particularly because, as he admitted, he didn't know. His testimony suggests there might not be any evidence of a co-ordinated campaign – he'd seen stories that blamed three Canadian institutions, so it looked that way. It was very unwise to suggest it was a coordinated campaign that could be the work of rogue elements of the Indian government – even if he said it might not be.

The reporters he briefed didn't write about a misinformation campaign, anyway. Several cited a Canadian official suggesting factions in India orchestrated Atwal's presence in India. The Canadian Press did, and the CBC. The National Post's John Ivison wrote a piece asking why India removed Mr. Atwal from a travel blacklist, quoting an official saying, "This was not an accident," and that the Indian intelligence service might want to embarrass the Canadian government.

That's a big difference. If it was a misunderstanding, Mr. Trudeau should have put this straight weeks ago. The PM should have also made it clear there was no conspiracy to get Mr. Atwal to his reception. And the Atwal affair could have been over in a few days.



A man and a boy ride a motorcycle in Douma, Syria, on Monday, where earlier this month a chemical attack took place. Western countries say the attack was carried out by Syria's Assad regime. OMAR SANADIKI/REUTERS

## French President leads West's push for peace in Syria following air strikes

PAUL WALDIE PARIS

After firing more than 100 missiles at Syria, Western allies are now trying to coordinate a peace process that would end the seven-year long conflict but could still leave Bashar al-Assad in power.

French President Emmanuel Macron has been leading the effort and on Monday he said Western allies have a responsibility to the Syrian people to help them build a free society once the civil war has ended.

During a press conference after meeting Prime Minister Justin Trudeau at the Élysée Palace, Mr. Macron offered to act as a mediator between the West and Mr. al-Assad's main backers, Russia and Iran, as well as Turkey, which has been fighting Kurdish forces in northern Syria who have been aligned to the United States. "Peace won't happen in Syria until we have certainty that all minorities are represented," he said.

This will be the latest in many attempts at ending the war. The United Nations has been pursuing a peace process for two years that would include constitutional reform and elections, but talks have broken down. The European Union is hoping to revive the UN process when EU foreign ministers meet next week to discuss Syria and put pressure on Russia to involve the Syrian government in the talks. Russian President Vladimir Putin has held meetings with Mr. al-Assad, Iran and Turkey in the hopes of structuring a power-sharing arrangement, but that, too, has failed.

The West had for years been calling for Mr. al-Assad's removal and used that as a pretext to back rebels battling the regime. But that has been quietly dropped as Syrian forces, with Russian and Iranian help, have gained the upper hand. Now Mr. al-

Assad looks stronger than ever and Mr. Macron is suggesting working with Russia and Iran on a solution. That, too, seems difficult given the growing mistrust between Russia and the West, compounded by the military strikes which Russia has insisted were illegal.

During Monday's press conference, Mr. Macron defended Friday's missile strikes, saying it was a legitimate action against the Syrian regime's use of chemical weapons. And he said the West will continue to fight the Islamic State in the country until that battle is won. But, he added, the West will continue to have a responsibility to the Syrian people after the civil conflict ends. That responsibility includes helping develop a constitutional and political framework that will allow Syrians living in the country, as well as those forced into exile around the world, to "decide freely their future political regime and assure a constitutional structure that permits an inclusive solution."

Mr. Macron made no mention of the removal of Mr. al-Assad and he joined British Prime Minister Theresa May in insisting that Friday's military action was not "about regime change." U.S. President Donald Trump has also been lukewarm about removing Mr. al-Assad as a priority and Mr. Trump recently indicated he wanted to pull U.S. forces out of the area.

The French President appears to be treading a careful line on Syria. He led the call for the missile strikes and he has harshly condemned the Assad regime, saying it was an enemy of the Syrian people.

Mr. Macron was also the first Western leader to speak with Mr. Putin after the missile attacks and he urged the Russian leader to engage in more dialogue "to bring peace and stability back to Syria." On Monday, Mr. Macron also offered to

work with Russia and Turkey on humanitarian relief efforts in Syria.

It's unclear how far his appeals will go. Russia has long backed Mr. al-Assad, and securing his position — and protecting Russia's military presence in the country — will be key.

While Mr. Macron was outlining a peaceful way forward, Ms. May was defending the air strikes in the British Parliament, where she accused the Assad regime of committing a horrifying act with its alleged use of chemical weapons in the Syrian city of Douma earlier this month. "Innocent families — seeking shelter in underground bunkers — found dead with foam in their mouths, burns to their eyes and their bodies surrounded by a chlorine-like odour," Ms. May told MPs.

She said it was clear that only the Assad regime could have carried out the attack with Russia's help. And she blamed both Syria and Russia for preventing UN chemical-weapons inspectors from reaching the site of the attack. That delay was one reason the Western allies had to act quickly with the military strikes, she said. "We cannot wait to alleviate further humanitarian suffering caused by chemical weapons attacks."

U.S. officials have also expressed concern that Russians may have visited the site and removed evidence. Russian and Syrian forces have denied holding up the inspectors or tampering with evidence and both have said the chemical attack never took place.

The head of the international Organization for the Prohibition of Chemical Weapons said on Monday that Syrian and Russian forces had cited security issues for delays in allowing inspectors to reach the site of the alleged gas attack. Russian officials have said the inspectors will be permitted entry on Wednesday.

## Judge delays deciding on materials collected in Cohen raids

BENJAMIN WEISER  
ALAN FEUER

A federal judge on Monday held off on deciding who should get the first look at a trove of materials seized in the FBI raids last week on U.S. President Donald Trump's personal lawyer's office, home, hotel room and safe-deposit box.

Feeling her way toward a resolution of the high-stakes clash involving Mr. Trump and the federal prosecutors investigating the lawyer, Michael Cohen, the judge did not grant requests by Mr. Trump and Mr. Cohen for an exclusive first glimpse at the materials before the prosecution. But she also decided that prosecutors would not immediately have access to materials, either.

U.S. District Court Judge said she was considering appointing a special master to assist in the review, and that Mr. Trump would ultimately receive copies of the documents that pertain to him.

The courtroom battle over what to do with the seized material came one week after federal agents, in an extraordinary move, descended on Mr. Cohen's properties and walked away with 10 boxes of documents and as many as a dozen electronic devices, including cellphones and computer hard drives.

Lawyers for the President and Mr. Cohen, and prosecutors with the U.S. Attorney's office for the Southern District of New York, had asked Judge Wood for the right to look at the documents in order to determine which among them might be protected by attorney-client privilege. That step is important because it could affect which documents prosecutors can ultimately use in the investigation.

In the aftermath of the raid, people in the Trump administration said they saw the Cohen inquiry as a more serious threat to the President than the investigation by special counsel, Robert Mueller.

While Judge Wood did not formally rule on which side should get the initial look and said that discussions would continue, she added that she trusted the prosecutors. "I have faith in the Southern District U.S. Attorney's office that their integrity is unimpeachable," Judge Wood said.

The seized documents could shed light on the President's relationship with a lawyer who has helped navigate some of Mr. Trump's thorniest personal and business problems.

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[ INDIA ]



## Refugees left homeless

Rohingya refugees look for their belongings in New Delhi on Monday after a fire broke out at their camp early on Sunday that left around 200 people homeless. No casualties were reported.

MONEY SHARMA/AFP/GETTY IMAGES

# Drawing on personal struggles to serve veterans

After entering rehab for alcoholism in 2016, Veteran Affairs Minister Seamus O'Regan says he is 'grateful for this job and for this work'

**LAURA STONE**  
PARLIAMENTARY REPORTER  
OTTAWA

Seamus O'Regan grew up by the 5 Wing Goose Bay airbase in Newfoundland, has a brother in the navy, and a great-granduncle who fought and died at Beaumont Hamel in France during the First World War.

Those were reasons Prime Minister Justin Trudeau gave when he named Mr. O'Regan, a good friend of 16 years, as Minister of Veterans Affairs last summer.

But there was something else, too: an ability to empathize with those who served, as they return to civilian life.

"The other thing he knew too was, having just gone through a period of depression and anxiety, that I would be sensitive to transition. Because I did not transition well," Mr. O'Regan said in a recent interview. "To be kind of left on my own to figure

things out, it broke me."

Mr. O'Regan, a boyish-looking 47, left CTV's *Canada AM* morning show in 2011 to pursue other opportunities. He went to New York, got an agent, even auditioned for *60 Minutes*. But the work never came. "You don't make the cut. You aim high ... but there wasn't much of a soft landing," Mr. O'Regan said.

After a decade of structure, he didn't know how to handle the change. He started drinking too much to cope.

"I thrived on chaos at one point. I loved it. I don't any more, I definitely don't," Mr. O'Regan said.

He ended up running for the Liberals in the 2015 election. A few months after winning his St. John's-area seat, Mr. O'Regan entered a rehabilitation facility for alcoholism, at the urging of family and friends including the Prime Minister.

"You're not running 100 per cent," he said Mr. Trudeau told him. "And I need you 100 per cent."

Sitting with a Diet Coke on the table of his office beside Parliament Hill, Mr. O'Regan, looking relaxed in a grey tailored vest, said he hasn't relapsed since completing his 40-day treatment in early 2016.

Now, Mr. O'Regan said he draws on his own personal strug-



Seamus O'Regan

gles to relate to the 130,000 or so clients of Veterans Affairs, who are returning to a life they may not recognize.

"I am just so grateful for this job and for this work," Mr. O'Regan said. "As daunting as it is, it has purpose."

But many outspoken veterans feel they're not being heard — and that the Liberal government is failing to deliver on its pledge of better services.

"There's been a lot of deception, disappointment and a very clear failure to follow through on a campaign promise," said Sean Bruyeva, a veterans' advocate.

During the election campaign,

Mr. Trudeau said the government would cover the cost of four years of postsecondary education for veterans. But it turns out that it will only be available to veterans who served after April, 2006, and those with less than six years of service will not qualify.

Mr. O'Regan blames the New Veterans Charter, which came into effect in 2006, for the cutoff — a timeline Mr. Bruyeva describes as "arbitrary."

Mr. O'Regan also defends the government's coming "pensions for life" plan, which is set to take effect next April. The plan includes a tax-free monthly pension payment, and a top-up for pain and suffering. The government is also amalgamating six pre-existing benefits for veterans, whose service-related health problems make it difficult to find work, into one taxable income-replacement benefit.

Veterans groups say the lifetime pensions will pay much less than what was offered under the old Pension Act to military personnel who retired before 2006.

As part of the government's pitch, Mr. O'Regan has been attending town halls across the country with veterans and their families. "I have work to do. I'm out there. I believe in this," he said.

Mr. O'Regan may also be fac-

ing an investigation by the federal ethics commissioner for failing to disclose as a gift his December, 2016, trip to the Aga Khan's private island in the Bahamas. In a statement, Mr. O'Regan said he received a request from the ethics office for information for a preliminary review, and will co-operate fully. He called the trip a "personal vacation" and said he reported it to the commissioner's office when he returned.

In an interview, Mr. O'Regan brushed off concerns about the trip. "He came, he went, he came back ... that's it."

Mr. O'Regan took the trip with the Prime Minister and his family, along with restaurateur Steve Doussis, whom Mr. O'Regan married eight years ago. He said that before he met his husband, he struggled with his sexuality "more than I knew."

"I realized in my time in therapy, that all of those years of hiding it or coming to terms with it, had also built up with me," he said. "I was relieved to meet him, and then realize, right, it's okay."

Mr. O'Regan said he's often approached by people who are experiencing anxiety and depression in their own lives.

"My advice to them is, it doesn't always have to be catastrophic. You're not broken. It's a bump and you'll get through it."

## Ottawa nixes rules that deny immigrants with disabilities permanent residence

**TERESA WRIGHT** OTTAWA

After four decades, the federal government is getting rid of rules that turned away would-be immigrants with intellectual or physical disabilities, Immigration Minister Ahmed Hussen said on Monday.

The government will no longer be allowed to reject permanent resident applications from those with serious health conditions or disabilities.

Most of those impacted by the policy have been economic immigrants already working and creating jobs in Canada, but whose children or spouses may have a disability, Mr. Hussen said. "The current provisions on medical inadmissibility are over 40 years old and are clearly not in line with Canadian values or our government's vision of inclusion."

He cited the case of a tenured professor at York University who was denied permanent residence because his son had Down syndrome, and another case of a family that came to Canada and started a business, but were rejected because of a child with

epilepsy. "These newcomers can contribute and are not a burden to Canada," the minister said.

"These newcomers have the ability to help grow our economy and enrich our social fabric."

The changes will amend the definition of social services by removing references to special education, social and vocational rehabilitation services and personal-support services.

Ottawa is also tripling the cost threshold at which an application for permanent residency can be denied on medical grounds.

That will allow immigrants with minor health conditions that have relatively low health and social-services costs to be approved for permanent residency, such as those with hearing or visual impairments.

Of the 177,000 economic immigrants admitted to Canada every year, about 1,000 are affected by the medical inadmissibility policy. The changes are expected to dispense with a majority of those cases.

There have been calls to repeal the policy entirely, including from the House of Commons citizenship and immigration committee, which studied the issue

last year.

Liberal MP and committee chair Rob Oliphant said he had hoped government would announce a full repeal. But more work must be done to determine the full cost implications to the provinces, he said.



The current provisions on medical inadmissibility are over 40 years old and are clearly not in line with Canadian values or our government's vision of inclusion.

**AHMED HUSSEN**  
IMMIGRATION MINISTER

"We at [the] committee could not get good cost data," Mr. Oliphant said.

"Right now [Mr. Hussen] is going to have to look at this, the Minister of Health will have to look at this, the provinces and territories are going to have to look at this and hopefully in a

year or two they are going to recognize that this is not a significant cost."

But Conservative immigration critic Michelle Rempel says she believes the costs could indeed be high. She was critical of government's decision to move ahead with changes before any concrete data have been developed to determine the costs to the provinces and territories.

"My concern is that the federal government is downloading costs to the provinces without a real plan to deal with that and that seems like something they should have done and considered before they made this announcement."

Mr. Hussen said Ottawa will pay the costs of the changes announced on Monday, but remained unclear about whether that would mean additional money in health or social-services transfers.

"We will reflect on these changes to see the impact that they will have. We have to wait and see what the numbers will be before I can answer that question," Mr. Hussen said.

Meanwhile, groups that have been advocating for a full repeal

of the policy are expressing disappointment over the changes, which they say don't go far enough.

James Hicks, national director of the Canadian Council of Canadians with Disabilities, called the changes mere "tweaks." His organization wanted a full repeal of the medical inadmissibility provisions.

"While today's announcement should make it easier for some persons with disabilities to come to Canada, it falls far short of legislative reform that we had expected."

Felipe Montoya, the university professor whose case was cited by Mr. Hussen, welcomed the changes, but added he feels they fall short of what many advocates and individuals have pushed for.

"We recognize this timid move in the right direction, but will be relentless in calling for what should have been done today and not in some indefinite future — full elimination of this discriminatory policy."

The changes are expected to come into effect June 1.

THE CANADIAN PRESS

# PM's political future hinges on pipeline plan

If Trans Mountain expansion goes forward, Trudeau is likely to win the 2019 federal election

JOHN  
IBBITSON

OPINION



Justin Trudeau's handling of the Trans Mountain pipeline issue will decide the fate of his government. Nothing else is this important – not deficits-for-infrastructure, not legalizing cannabis, not the refugee situation, not even trade and NAFTA.

If Trans Mountain pipeline expansion is under construction 18 months from now, Mr. Trudeau is likely to win the October, 2019, election. If the project is frustrated by legal and illegal resistance, he is likely to lose.

Federal governments are expected to manage the national economy in the public interest.

Those that fail are punished.

Nine out of 10 Canadians could not explain the Liberal Grand Bargain on energy and the environment. In essence, that bargain involves a very Liberal sort of compromise.

Because the government is committed to fighting climate change, it has imposed a national carbon tax, which takes effect next year. Most provinces already have one in place. Each province may implement the tax as it sees fits, with revenues remaining in the province.

But the Liberals are also committed to protecting the Alberta economy and so, in exchange for the carbon tax, Ottawa is backing the Trans Mountain expansion, which by twinning an existing line will greatly increase the amount of bitumen Alberta can sell to the world.

Saskatchewan opposes the carbon tax, and Ontario and Alberta may as well, depending on the outcome of provincial elections. But the biggest challenge to the Grand Bargain comes from Brit-

ish Columbia's NDP government and Indigenous and environmental protesters.

To his great credit, Mr. Trudeau is staring them down. On Sunday, he promised financial support for the pipeline, in concert with the Alberta government. As well, new legislation will explicitly affirm the constitutional right of the federal government to approve such projects.

He is showing the steel of his father – which is ironic, because this Prime Minister is protecting the rights of Albertans to extract and profit from their oil, the very opposite of Pierre Trudeau's National Energy Program.

But the Liberal Grand Bargain may fail. Apart from the challenges to the carbon tax, the government faces substantial headwinds in completing the pipeline. For one thing, Kinder Morgan, which owns it, might find the guarantees insufficient.

Even if Kinder Morgan does agree to go ahead, B.C. Premier John Horgan is offering a legal challenge to the federal govern-

ment's authority to build the pipeline, although the Supreme Court is unlikely to adjudicate that challenge until after the general election.

The biggest problem involves the protesters. Dozens of Indigenous communities in B.C. and Alberta have signed agreements with Kinder Morgan approving the Trans Mountain expansion. Many are First Nations who already have the pipeline going through their lands, and who will benefit from the expansion.

But other First Nations are adamantly opposed, fearing an oil spill that could contaminate British Columbia's lands and waters. And they are joined by environmentalists who are willing to engage in civil disobedience to block construction.

Will the B.C. government criminally charge those who have already been arrested for blocking the pipeline? It seems unlikely that, in the long term, the Horgan government will commit much political capital to protecting a pipeline it opposes.

If B.C. balks at arresting protesters, will Ottawa send in troops? The answer is almost certainly no. Deploying the army in a province without first being asked by the provincial government is a bridge too far.

Central Canadians are bystanders in this dispute, but they are interested bystanders. The Quebec government has already criticized Ottawa for interfering in B.C.'s jurisdiction, and it's hard to believe the Liberals' uncompromising defence of pipelines will win them many votes in Quebec.

But millions of middle-class suburban voters in Ontario determine the outcome of elections. How will they react? Will they quietly applaud a Liberal government that is going to the wall in defence of Canada's economic interests? Or will they shake their heads at Liberal mismanagement of the pipeline issue?

The answer will lie in whether Mr. Trudeau succeeds or fails in getting the pipeline built. His political future hinges on that answer.



William George, a member of the Tsleil-Waututh First Nation, speaks during a news conference with Indigenous leaders and politicians opposed to Trans Mountain in Vancouver on Monday. DARRYL DYCK/THE CANADIAN PRESS

## Pipeline: B.C. could sue Alberta over new bill

FROM A1

The bill – likely to be passed in the weeks ahead – received immediate pushback. B.C. Attorney-General David Eby said if his province determines the bill is unconstitutional, his government could sue Alberta. “If there is anything in this legislation that even suggests the possibility of discrimination against British Columbians, we will take every step necessary to protect the interests of British Columbians because it will be completely illegal,” he said.

Chris Bloomer, president and chief executive of the Canadian Energy Pipeline Association, said “we are concerned that the measures being considered in Bill 12 could have longer-term, unintended consequences for industry and the public at large. We hope that the measures will not need to be implemented and that we are able to find a prompt resolution to the current impasse.”

Ottawa and Alberta see the project to twin the existing Trans Mountain pipeline to make room for more diluted bitumen as key to reaching new overseas markets, but environmentalists and some First Nations view it as an unacceptable increase in the risk of oil spills. The Alberta bill comes one day after Prime Minister Justin Trudeau interrupted an international trip to meet with Ms. Notley and British Columbia Premier John Horgan – with Ottawa promising to give financial backing to the project and to introduce legislation to ensure it is completed.

The Alberta government first floated the idea of restrictions on oil shipments last month in its Throne Speech as a means to push back against “extreme and illegal actions on the part of the B.C. government” in efforts to block the expansion. But on Monday, Ms. Notley tried to frame her government's bill as about giving Alberta more strategic control over the shipping of its resources to maximize profits. She said her province is rapidly running out of pipeline space to ship its heavy oil.

She said under the legislation, the province might determine at one point that pipelines do not have enough capacity for bitumen, and therefore more of the 80,000 barrels of refined fuels

that go to B.C. every day will need to be shipped by rail. According to the National Energy Board, most of the gasoline consumed in B.C. comes from Alberta, delivered primarily via Trans Mountain.

“And it is true that it going on rail may inadvertently impact the price that people pay for it on the other end of the train track,” Ms. Notley told reporters.

Kinder Morgan suspended all “non-essential” spending on Trans Mountain a week ago. On Monday, Ms. Notley said if on May 31 her province is seeing significant investor uncertainty about the prospects of increased pipeline capacity being built, “then that might be the point at which we're going to have to be a lot more strategic around what products get shipped to what markets, by what means.”

The new bill would give the province authority to require that companies exporting energy products from Alberta get a licence – including for products such as crude oil and refined fuels, such as gasoline, diesel and jet fuel – which previously were not needed. The province's Energy Minister could set parameters for how products are transported, be it by pipeline, rail or truck. The province will also be able to take other, broader actions such as setting maximum daily quantities of products that can be exported.

Fines for companies in breach of the orders will go to as high as \$10-million a day – and for individuals, up to \$1-million a day. The issue of compensation for energy, pipeline or other companies that could lose revenues as a result of the legislation is not addressed in the bill, provincial officials said. Ms. Notley has said in the past there might be short-term pain for the industry, but insisted on Monday there will be no surprises for energy companies.

But the threat to throttle the province's energy shipments could stoke more uncertainty in an industry already struggling with choppy prices and investor apathy. Companies that ship oil and other products on Trans Mountain today include some of the world's largest energy groups, such as BP PLC and PetroChina Co. Ltd. Oil-sands giants Suncor Energy Inc. and Imperial Oil Ltd. also deliver gasoline and diesel on

the line from big refineries in the Edmonton region.

The Alberta legislation could be followed quickly by similar action in neighbouring Saskatchewan. Late Monday, Premier Scott Moe told reporters his government will, within days, introduce a bill that will restrict oil shipments to B.C.

“We'd like to pass it as quickly as possible so that in the event that Alberta moves on their legislation, and does turn off the taps – if you will – to British Columbia,” Mr. Moe said. “The province of Saskatchewan would be the next logical place for B.C. to look for fuel products.” Mr. Moe said Saskatchewan hopes the legislation never has to be used.

On Monday, a spokeswoman for Kinder Morgan Canada had no comment, even though the legislation could directly affect the company's biggest asset and a major source of revenue. However, company president Ian Anderson said earlier this year “it's not feasible” for Alberta to curtail shipments of energy products on its existing pipeline to the West Coast.

The Alberta Premier said Section 92 of Canada's constitution allows the province to regulate exports. Ms. Notley acknowledges the legislation is likely to attract a legal challenge but will withstand objections.

But Mr. Eby said the B.C. government will be assessing the bill carefully to ensure it is not designed to punish British Columbians. “The constitution forbids discrimination around energy, between provinces,” he said in Victoria.

Several First Nations challenged Ottawa's approval of the project in federal court, and a decision on whether the Liberal government met its constitutional obligations is expected soon.

Grand Chief Stewart Phillip, president of the Union of BC Indian Chiefs, said the Alberta legislation would not deter protesters in opposing the expansion of the Trans Mountain pipeline.

Mr. Phillip described the legislation as an “absolute act of desperation” by the Alberta government.

With a report from Shawn McCarthy in Ottawa

## Gallery: Quebec, Montreal galleries raising money to buy David painting

FROM A1

The federal institution said it was immediately interested in owning the piece.

“The National Gallery has the most comprehensive collection of French art in Canada with major works from the 17th, 18th, 19th, 20th and 21st centuries; a glaring exception is an important picture by David, a key figure in French art,” Marc Mayer, director of the National Gallery, said in a statement on Monday.

“Acquiring the Saint Jerome painting would enhance our collection in very important ways.”

The National Gallery said the French neoclassical painting would have drained its annual \$8-million acquisition budget and it could not find support from its network of private donors. The gallery said it learned in 2017 that the church had approached two foreign museums about buying the David, and that one expressed interest and “had the funds” to buy it.

The National Gallery said its board decided to sell a valuable painting to raise the funds for *Saint Jerome*, which the gallery considered to be of greater significance to its collection. The process of a museum getting rid of a piece is known as deaccessioning.

In December of 2017, the board of trustees voted to sell Chagall's 1929 canvas *The Eiffel Tower*. The National Gallery says it offered the piece at fair market value to more than 150 domestic art museums, before going to Christie's auction house for a sale on the international market.

Christie's estimates the painting will fetch between US\$6-million and US\$9-million at an auction in New York on May 15.

The Quebec and Montreal galleries are currently raising money for a joint bid to buy the David painting. They have until mid-June to match an offer made by the National Gallery that is conditional on selling the Chagall.

“Our goal is to maintain the *Saint Jerome* in Quebec and thus to keep the links with the community where the artwork was known to the public,” said Agnès Dufour, a spokeswoman for the Musée de la civilisation.

The Musée and the Montreal Museum of Fine Arts said they are also open to working together with the National Gallery on a “common” solution.

The sale of the Chagall painting, one of only two in the National Gallery's collections, drew fierce debate from the arts community when it became public earlier this month.

Gail Lord, a Toronto-based international museum consultant, said it was inappropriate for the National Gallery to sell such a valuable part of its collection.

“It's treading a very fine line on the policy of deaccessioning,” Ms. Lord said. “Museums are specifically not in the business of selling in order to buy and buying in order to sell. That's what a commercial dealer is doing.”

The National Gallery said it will proceed with the sale of the Chagall – which has already left the country under an export permit – even if the David gets snapped up in the meantime.

“The proceeds from the sale will be used to improve the national collection and, especially, to strengthen Canada's ability to protect its patrimony from exportation, a challenge it will surely face again,” Mr. Mayer said in a statement.

With a report from Robert Everett-Green

## Gerald Stanley pleads guilty to firearm charge

NORTH BATTLEFORD, SASK.

A Saskatchewan farmer acquitted in the fatal shooting of a young Indigenous man is giving up his guns and has been ordered to pay a \$3,000 fine after pleading guilty to unsafe storage of an unrestricted firearm.

Gerald Stanley pleaded guilty on Monday in North Battleford provincial court to the charge that involved six rifles and shotguns. The Crown said none of them had trigger locks. The Crown dropped a second count of unsafe storage of a restricted handgun.

Mr. Stanley was acquitted in the death of 22-year-old Colten Boushie, who was shot and killed on Mr. Stanley's farm in August, 2016.

With members and supporters of the Boushie family looking on, the judge accepted a joint recommendation for the fine and a 10-year ban on possessing a firearm. Mr. Stanley is also forfeiting all of his guns, which the defence said are pretty common in many rural homes.

Family and supporters of the Boushie family shouted “murderer” as Mr. Stanley walked into the courthouse to enter a plea.

Mr. Boushie's brother, Jace Baptiste, said on Monday it hurt to see Mr. Stanley walking freely into court.

THE CANADIAN PRESS

# Bronco remembered as 'one of a kind'

About 3,000 people attended the funeral service in Saskatoon for Humboldt player

RYAN MCKENNA SASKATOON

Evan Thomas ate Froot Loops for breakfast, went to the rink for a skate, then had a nap before boarding the Humboldt Broncos bus for a playoff game.

During the April 6 highway drive to Nipawin, Sask., the 18-year-old exchanged messages on Snapchat with friends.

The messages stopped about 5 p.m.

Scott Thomas recounted his son's last moments at a memorial service on Monday in the family's hometown of Saskatoon.

"His friend and teammate Brayden Camrud has told us one of the last things he remembers is looking at the front of the bus, seeing Evan pull his dress shirt on, tie on, flip his fingers through his hair and the lights went out," Thomas said.

He told the crowd that his son died of multiple skull fractures.

"We've been told that he died instantly. He did not suffer. There is some peace in that."

Evan Thomas was one of 16 killed when the bus and a semi truck hauling peat moss collided at a rural intersection north of Tisdale. Thirteen others were injured, including Camrud, and several remain in hospital.

Thomas said that his son's cellphone was recovered after the crash and there wasn't a scratch on it. And his body, except for his head, was in near perfect condition.

"My opinion is it was because Evan was standing - simply standing, putting his suit on. He was struck by the upper cabinets of the bus and killed instantly," he said.



Survivors Graysen Cameron and Derek Patter watch a tribute during the funeral of Broncos player Evan Thomas in Saskatoon on Monday. Attendees donned jerseys with 'Thomas' on the back and raised hockey sticks over the heads of his family members. KAYLE NEIS/THE CANADIAN PRESS

"That's how random this was. Sitting, standing, front, back. Completely random. And vicious."

Thomas said he has given up asking himself why the accident happened.

An outpouring of grief and support from people around the world has helped ease some of the pain, he said.

"It could have happened on any bus on any stretch on any road in any part of Canada to any hockey team," he said. "I think that is why it has ripped through everybody so hard."

About 3,000 people attended the service at SaskTel Centre, where friends and former teammates donned jerseys with the

name Thomas on the back and raised hockey sticks over the heads of his family members as they walked by.

Dozens of audio and video tributes described a humble and respectful young man who wanted a career in medicine because he wanted to help others. He could pull 95 per cent in almost any subject, with little effort. And he won a top science award in Grade 11.

Some said Evan, also known as E.T., had a wicked sense of humour. He perfected making Kraft Dinner, which he usually ate out of a pot. And he was addicted to Tim Hortons iced cappuccinos.

He loved hockey, but also played baseball and, no matter

the sport, was a dedicated teammate.

"My grandson was one of a kind," Marg Ellard said.

Evan lived with Ellard for two seasons when he played hockey in Moose Jaw. He snuck his girlfriend in through a basement window, unplugged the home's security camera and hosted parties, she said.

He also passed his driver's licence on his first try, she added. And she would give anything to have him back again.

Camrud, 19, received minor injuries in the crash and has attended the funerals of his teammates in between visiting those still in hospital.

He plans to play hockey again

once he's fully healed.

"I'm sure that's what they would want," Camrud said after the memorial.

"I'm going to play for them and I'm going to think about each and every one of them when I step out onto the ice."

Also Monday, Humboldt Broncos officials announced the GoFundMe page dedicated to the team will remain open until midnight Wednesday before being transferred to a newly created memorial fund. The online campaign, which has raised more than \$12-million, is believed to be the largest of its kind in Canadian history.

THE CANADIAN PRESS

# Andrea Constand denies framing Cosby, knowing key witness in trial

MICHAEL R. SISAK NORRISTOWN, PA.

Bill Cosby's chief accuser at his sexual-assault trial on Monday denied framing him and said she doesn't know a key witness who plans to testify she spoke of levelling false accusations against a celebrity.

Canadian Andrea Constand told jurors she doesn't "recall ever having a conversation with" Marguerite Jackson. Both women worked at Temple University around the time Ms. Constand says Mr. Cosby drugged and molested her at the comedian's suburban Philadelphia home in 2004.

The defence plans to call Ms. Jackson as a witness and says she will testify that before Ms. Constand lodged her allegations against Mr. Cosby in 2005, Ms. Constand had mused to her about setting up a "high-profile person" and filing suit. Ms. Jackson has said that she and Ms. Constand worked closely together, had been friends and had shared hotel rooms several times.

A judge blocked Ms. Jackson from testifying at last year's trial, which ended in a hung jury, after Ms. Constand took the stand and denied knowing her. At the time, Justice Steven O'Neill ruled Ms. Jackson's testimony would be hearsay. Since then, prosecutors have told Mr. Cosby's lawyers that Ms. Constand had modified her statement to acknowledge she "recalls a Margo."

The judge has ruled that Ms. Jackson can take the stand at the retrial, but indicated he could revisit the issue after Ms. Constand was finished testifying.

Ms. Jackson's availability as a witness for Mr. Cosby could be crucial to a defence plan to attack Ms. Constand's credibility and get jurors to believe she set Mr. Cosby up. Cosby lawyer Tom Mesereau, who has called Ms. Constand a "con artist" who framed Mr. Cosby and then collected a US\$3.4-million settlement, asked her about Ms. Jackson during cross-examination on Monday. She again denied knowing her.

The defence lawyer then asked, "Did you ever fabricate a scheme to falsely accuse him for money?"

"No, sir," Ms. Constand replied. Ms. Constand, a 45-year-old Toronto native, left the witness stand on Monday after testifying for seven hours over two days.

She told jurors last week that



Bill Cosby, left, returns to the courtroom on Monday during his sexual-assault retrial in Norristown, Pa. Andrea Constand denies claims she planned to set Mr. Cosby up. DOMINICK REUTER/GETTY IMAGES

Mr. Cosby knocked her out with pills and then sexually assaulted her. Mr. Cosby, 80, says Ms. Constand consented to a sexual encounter.

Ms. Constand's mother followed her on the witness stand and bolstered her account, testifying about a phone conversation she said she had with the comedian about a year after the alleged assault in which he described in graphic detail their sexual account and then apologized.

[Marguerite Jackson] will testify that before Ms. Constand lodged her allegations against Mr. Cosby in 2005, Ms. Constand had mused to her about setting up a 'high-profile person' and filing suit.

Gianna Constand told jurors that she was concerned because her daughter hadn't been the same since leaving Temple in March, 2004, and moving back to Canada, screaming in her sleep and waking up in a sweat.

She said she was "very combative" with Mr. Cosby, demanding he tell her the medication he'd given her daughter and what he'd done to her.

Gianna Constand said Mr. Cosby told her he'd given Andrea Constand a prescription drug - not the cold and allergy medicine Benadryl as he has claimed - but didn't provide the name. She said he described how he'd touched

Andrea Constand's breasts and vagina and guided her hand to his penis.

If convicted, Mr. Cosby could get up to 10 years in prison on each of three charges of aggravated indecent assault.

On Monday, the defence tried to cast Ms. Constand as an opportunist who baited Mr. Cosby by feigning romantic interest in him. The defence said she spent late nights at the comedian's home, drove four hours to see him at a casino and called him twice on Valentine's Day, about a month after the alleged assault.

Ms. Constand has testified that she saw the former TV star as a mentor and had previously rejected his advances. And she said her phone calls to Mr. Cosby were about basketball and had nothing to do with romance.

Phone records show Ms. Constand, the former director of women's basketball operations at Temple University, made brief calls to Mr. Cosby around the time of a Temple home game on Feb. 14, 2004, the month after the alleged assault. Ms. Constand testified that she felt a duty to answer Mr. Cosby's inquiries because he was a powerful alumnus and trustee.

Picking up where he left off on Friday, Mr. Mesereau questioned Ms. Constand about inconsistencies in her police statements and prior testimony.

Prosecutors have called to the stand five other women who said Mr. Cosby drugged and assaulted them, too. The defence has called the other accusers irrelevant to the case.

Associated Press

# Ethics committee urged to broaden privacy study

BILL CURRY PARLIAMENTARY REPORTER OTTAWA

Members of Parliament are facing pressure to expand the scope of a Facebook study to include a closer look at Google, which collects massive amounts of data on individuals and is a vital link between businesses and their customers.

On Tuesday, a House of Commons committee will launch a two-week review of the misuse of Facebook data, and MPs say they will then determine whether a broader study of internet privacy is required.

"If there's a need to go beyond that based on the evidence that we hear, then we'll go beyond that," Liberal MP and committee vice-chair Nathaniel Erskine-Smith said. "The idea right now is to focus on the specific issue as much as possible."

Federal Privacy Commissioner Daniel Therrien will be the committee's first witness. On Thursday, MPs will hear directly from Facebook Canada's head of public policy, Kevin Chan, and the company's California-based deputy chief privacy officer, Robert Sherman, will appear via a video link.

Sydney Eatz, who voluntarily photographs and reviews businesses for Google's official "Local Guides" program, has written in a brief to the committee that the internet giant is not doing enough to police malicious edits to web addresses, locations and phone numbers on Google Maps. Such edits could give potential customers an incorrect phone number for a company or say it has closed.

She said this is an escalating issue that is creating major headaches for businesses and can put government services at risk.

"This is about to become the most significant problem for businesses in Canada," Ms. Eatz wrote in her brief.

Ms. Eatz has the support of Tony Elenis, president and CEO of the Ontario Restaurant, Hotel and Motel Association, which is also calling on MPs to use the hearings as an opportunity to press Google to improve the security of its online listings.

Google spokesperson Alexandra Hunning Klein said businesses should use the company's "Google My Business" program, an online listing that appears prominently in a web search, to ensure accuracy.

"We use manual and automated systems to detect for spam and fraud, but we tend not to share details behind our processes so as not to tip off spammers or others with bad intent," she said.

The committee, which examines issues involving access to information, privacy and ethics, approved a motion proposing the study late last month, after reports that a research firm called Cambridge Analytica improperly obtained the Facebook data of millions of people, including more than 600,000 Canadians. The stories quoted Christopher Wylie, a Canadian data specialist who had worked in a senior role at Cambridge Analytica.

The motion states that, in light of those reports, the MPs will study the privacy implications of platform monopolies - listing Facebook, Google and Amazon - and possible national and international regulatory and legislative remedies to assure the privacy of citizens' data and the integrity of democratic and electoral processes around the globe."

In interviews, committee members said the goal is to have four meetings over the next two weeks focused primarily on Facebook and Cambridge Analytica. After that, the MPs will discuss whether to launch a broader study. The committee has invited Mr. Wylie, representatives of Google and others to appear, but has not announced the full list. Ms. Hunning Klein told The Globe the company will send someone.

“ This is about to become the most significant problem for businesses in Canada.

SYDNEY EATZ REVIEWER AND PHOTOGRAPHER FOR GOOGLE'S "LOCAL GUIDES" PROGRAM, ON MALICIOUS EDITS

# Kendrick Lamar wins the Pulitzer Prize for music

Rapper is the first non-classical or jazz artist to win the award

BRAD WHEELER

Kendrick Lamar has been awarded the Pulitzer Prize for music, the first pop artist to win the august honour. Mr. Lamar won for his 2017 album *DAMN*, an eloquent, artful and fiercely soulful album of hip hop and modern R&B.

With its 2018 prize, Pulitzer is telling the rest of world what many already know to be true: That Mr. Lamar, at 30 years old, is the greatest rapper alive, with a lyrical wizardry that is at turns poignant and knife-blade sharp – always fearless and often socially relevant.

Moreover, in honouring Mr. Lamar, the first non-classical or jazz artist to win the award, Pulitzer places hip hop on par with works by the greatest composers of the world. The other finalists for the prize were *Quartet*, by Michael Gilbertson and *Sound from the Bench*, by Ted Hearne.

The win for Mr. Lamar, an-



Kendrick Lamar performs during the Festival d'été de Québec in Quebec City in July, 2017. AMY HARRIS/INVISION VIA AP

nounced Monday, follows three days which saw the dramatic soprano Jessye Norman win the \$100,000 Glenn Gould Prize, rock-music pioneer Sister Rosetta Tharpe enshrined into the Rock and Roll Hall of Fame and singer Beyoncé dominate the Coachella Music and Arts Festival

with a history-making performance.

These are significant African-American accomplishments in the worlds where podiums and backrooms are dominated by white people. It is glaring that they all happened around the same time the most viral online

video involved two black men getting arrested for being black in a Starbucks coffee shop in Philadelphia.

In giving its prize, the Pulitzer jury praised *DAMN* – which was nominated but did not win the best-album Grammy earlier this year – as a “virtuosic song collection unified by its vernacular authenticity and rhythmic dynamism that offers affecting vignettes capturing the complexity of modern African-American life.”

Granted, that is not the snazziest pop review ever written. Better is Pitchfork’s assessment, in which Matthew Trammell wrote that *DAMN* was a “wide-screen masterpiece of rap, full of expensive beats, furious rhymes, and peerless storytelling about Kendrick’s destiny in America.”

Awards, however, are like destinies, in that they are often delayed. Mr. Lamar’s epochal 2015 album *To Pimp a Butterfly* is probably as Pulitzer-worthy as *DAMN*. Then again, it was Mr. Lamar’s excellent exploits after the release of *To Pimp a Butterfly* that may have put the hip-hop visionary in the minds of the Pulitzer people in the first place. One of *Butterfly*’s songs, *Al-*

right, was embraced by the Black Lives Matter movement as an unofficial anthem. “We been hurt, been down before,” Mr. Lamar rapped, echoing the promises and struggles of the civil-rights era and Martin Luther King Jr. “We gon’ be alright.” At the 2016 Grammys, Mr. Lamar began his dramatic presentation of *Alright* and *The Blacker the Berry* dressed as part of a chain gang.

In addition to Ms. Tharpe (and Dire Straits, Moody Blues, Bon Jovi and the Cars) gaining entry into the Rock and Roll Hall of Fame this past weekend, the civil-rights era soul-jazz siren Nina Simone also made it past the gatekeepers. The late Ms. Simone is known for her recordings of *Strange Fruit* (about the lynching of African Americans), *Mississippi Goddam* and *Young, Gifted and Black*.

“Oh but my joy of today, is that we can all be proud to say,” sang Ms. Simone, “To be young, gifted and black, is where it’s at.”

In the desert at Coachella – where Beyoncé integrated vocal snippets of Malcolm X and referenced Ms. Simone’s *Lilac Wine* – and among the chin-scratching Pulitzer crowd, heads nod in agreement.

## Supreme Court to hear arguments on constitutionality of victim surcharge

SEAN FINE  
JUSTICE WRITER

A rare judicial rebellion against a criminal law passed by Parliament will receive unusual backing at the Supreme Court this week – from the prosecution.

The question for the court is whether the “victim surcharge,” a mandatory financial penalty for convicted offenders, is an unconstitutional form of cruel and unusual punishment against the poor.

The surcharge is \$100 for each minor offence, and \$200 for each serious one; for multiple offences, the penalty can amount to hundreds of dollars. The Conservative government of Stephen Harper made the charge mandatory in late 2013. The money is supposed to go to victim services, and is aimed at holding offenders accountable, the government said.

A group of offenders is challenging the law.

Denied the discretion to waive the penalty for impoverished offenders such as a homeless Ottawa man with a monthly income of \$250, judges refused to impose it as written. One judge said it was “embarrassing” to be part of a system with such laws.

Some judges gave offenders 25, 50, even 99 years to pay. The law allows judges to use a fine as an alternative to the fixed penalties, and some have given fines as low as \$1, which would include a surcharge of 30 cents.

In two days of hearings at the Supreme Court beginning on Tuesday, the Ontario Attorney-General’s department, which prosecuted some of the cases, will argue that the availability of those methods to evade the surcharge demonstrates why the law

should be upheld: Because the judges retain their discretion to fit the penalties to the offender.

“A lengthy extension – years or even decades where reasonable on the facts – can be given to account for the actual anticipated income and expenses of an offender,” the province says in a filing at the Supreme Court.

As for the minuscule fines, it said judges cannot set out to “neutralize the surcharge.” But “that said, in a case where a small fine that the offender can afford is fit, having regard to relevant principles of sentencing, the surcharge would be 30 per cent of that fine.”

A lawyer for some of the offenders, however, argues that the judges’ evasive tactics show why the law should be struck down as unconstitutional.

“It’s not appropriate to have to do an end-run around the law to avoid unconstitutional consequences,” Delmar Doucette said in an interview. At the Supreme Court, he will represent four convicted offenders ordered to pay surcharges of hundreds of dollars.

“The law is requiring trial judges to do something that they know is unjust, and they bristle at that. They should have the discretion to do what is just.”

The surcharge was a central part of the former Conservative government’s plan to rebalance the justice system in favour of victims. A surcharge created in 1989 had allowed judges to exempt the poor. Last month, the Liberal government introduced a bill that would restore that discretion. However, a similar law the Liberals introduced earlier was not passed.

Mr. Doucette and intervenors that include the Criminal Lawyers’ Association and Aboriginal

Legal Services of Toronto, argue in written briefs that the surcharge does not help victims or hold offenders accountable because some people cannot pay. Some offenders are jailed because they cannot pay, which the Supreme Court has said should not be allowed. The Indigenous services group says the surcharge violates the equality rights protected by the Charter because it disproportionately affects impoverished Indigenous people.

The hearings at the Supreme Court involve four offenders from Ontario and one from Quebec. In separate challenges in the appeal courts of Quebec and Ontario, all said the surcharge is unconstitutional, either because it is cruel and unusual punishment or a violation of their right to liberty and security of the person. Both courts of appeal upheld the constitutionality of the law, essentially because those subject to it may apply for extensions.

In a chart of 24 surcharge cases Mr. Doucette and his co-counsel Daniel Santoro have put together for the Supreme Court, 12 of the offenders have mental illness, six are Aboriginal, five suffered neglect and serious abuse as children, 18 have addictions and seven are homeless. Their income ranges from \$100 to \$1,200 a month.

Whether the case settles the question of the judges continuing to evade the law as written will depend on how the Supreme Court writes its ruling. But judges have not been punished for rebelling. Two lower-court judges who wrote detailed rulings, one striking the law down and the other setting out why \$5 fines make sense, have been promoted by the Liberal government to the top courts of Ontario and Quebec.

## Bissonnette: Suspect says he remembers ‘everything’

■ FROM A1

The contents of Mr. Bissonnette’s laptop, analyzed by an RCMP officer, were presented by the Crown as the court weighs when, if ever, the killer would be eligible for parole.

The analysis reveals a man dwelling compulsively on themes of weapons and mass shootings. Notorious killers appear on his online history hundreds of times, including searches on Justin Bourque, who killed three Mounties in Moncton, and Dylann Roof, the white supremacist who slaughtered nine black worshippers at a church in Charleston, S.C., in 2015.

He also did searches related to Marc Lépine, who shot and killed 14 women at a Montreal engineering school in 1989.

Police delving Mr. Bissonnette’s online activity found searches on two women’s groups at Laval University, where Mr. Bissonnette had been a student. The groups are *Féministes en Mouvement de l’Université Laval* and *Comité Femmes de l’Université Laval*.

There were other surprising disclosures on Monday, as Mr. Bissonnette’s sentencing hearing entered its second week. In contrast to his confession to police in which he expressed concern about his victims, Mr. Bissonnette told a social worker in jail last year that he fully remembered the attack and wished he’d killed more people.

“It’s not true that I don’t remember, I remember everything,” he confided to the social worker, Guylaine Cayouette. He said that he heard people in the mosque shouting “Allah” as he unloaded his pistol, and he remembered shooting a victim in the head.

He recalled how a man, presumably Azzeddine Soufiane, grabbed his arm to try to stop him. He killed him.

“I regret not having killed more people. The victims are in heaven, and I’m living through hell,” he said to the social worker.

He told Ms. Cayouette that he had idolized mass killers since adolescence, and had wanted to carry out a shocking gesture himself. Ms. Cayouette described Mr. Bissonnette as calm, coherent and articulate during the exchange.

Mr. Bissonnette’s father, for his part, couldn’t believe his son was a suspect in the shooting and believed there had been a misunderstanding. In an interview with police the day after the Jan. 29 attack, Raymond Bissonnette said his son had behaved normally the day of the crime.

Asked about whether his son had a girlfriend, Mr. Bissonnette replied that he didn’t, and this was tough for his son. He had trouble meeting women and suffered from “lack of self-esteem,” his father said.

The day ended, however, with Mr. Derbali, the first person to deliver a victim-impact statement to the court. He was shot at the mosque as he deliberately stood in the line of fire to distract Mr. Bissonnette, actions that Superior Court Justice François Huot described from the bench as an “incredible demonstration of courage.”

Crown prosecutor Thomas Jacques said that in video taken from one of the cameras inside the mosque, Mr. Derbali can be seen “very courageously and heroically” trying to stop the shooter. He was one of the first worshippers to try to do so, Mr. Jacques said.

After rolling up in his wheelchair and taking his place before the judge, Mr. Derbali struggled to move his weakened hand to swear on the Koran. He said he regrets he will never be able to play soccer with his son again, and has to cope with “intolerable pain” from his injuries. He thinks of the men who were killed and the children who will never see their fathers.

“I thought of all my brothers who left 17 orphans behind,” he said. “They didn’t have this chance that I did to see my children again.”

The sentence hearing continues.



Aymen Derbali, a Quebec City mosque shooting victim, seen in a rehabilitation facility in January, 2017, told court on Monday he regrets he will never be able to play soccer with his son again. DARIO AYALA/THE GLOBE AND MAIL

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Ontario NDP Leader Andrea Horwath addresses supporters at a rally in Toronto on Monday, as she unveils her party's platform for the coming provincial election. She received the loudest cheering for her promises related to child care. CHRIS YOUNG/THE CANADIAN PRESS

## Ontario NDP vows to tackle child care, health care

Party's electoral platform promises big spending targeted at lower-income households as it looks to make gains against Doug Ford's PC Party

JUSTIN GIOVANNETTI

Ontario's New Democrats would invest billions in schools and hospitals while spending billions more expanding social programs, paid for by increasing taxes on higher incomes, Leader Andrea Horwath promised if her party forms government.

Looking to win a June election to the left of a Liberal Party that has moved steadily toward the NDP's brand of politics, Ms. Horwath unveiled her party's electoral platform on Monday. The New Democrats are also looking to make gains against a Progressive Conservative Party under Doug Ford that looks poised to win power, helped by blue-collar voters who were once the NDP's base.

The party's blueprint for the election promises big spending targeted at Ontarians who make less than \$40,000 annually, with expanded access to inexpensive drugs and dental care, as well as child care that would cost lower-income families at most \$12 a day.

"We've been told to switch back and forth, from the Liberals to the Conservatives, and back again. As though the only choice is between bad and worse," Ms. Horwath told supporters at a Toronto hospital as she prepares to lead the party for the third time into an election. "It abso-

lutely does not have to be this way. I am here today because there is hope."

The 100-page platform, dubbed Change for the Better, is Ms. Horwath's plan to defeat Premier Kathleen Wynne and her Liberals. Promising five years of deficits, the plan includes programs similar to those already announced by Ms. Wynne in a budget tabled last month, but expands them to more people.

Ms. Horwath received the loudest cheering on Monday for her child-care promise, which would create free spaces for families that earn less than \$40,000. The party says 70 per cent of families would pay between zero and \$12 daily. The amount a family would pay increases with their income and richer Ontarians would need to pay the full price for child care, currently about \$20,000 annually in certain areas of the province.

The Liberals have promised free child care for all children from the ages of 2½ until they are eligible for kindergarten, regardless of a family's income.

Ms. Horwath defended her party's plan to require higher-income families to pay more. "That's pretty much the theme of our plan," she said. "We'll ask those very top income earners, like Doug Ford, and those very profitable corporations, like Doug Ford's corporation, to pay a little bit more so that the rest of us can build a good life."

Under the NDP's plan, people earning more than \$220,000 would pay an extra

percentage point in income tax, while those above \$300,000 would pay two percentage points more in income tax. The party would also impose a 3-per-cent surcharge on vehicles that cost more than \$90,000.

To cool the housing market further after the Liberals introduced a foreign-buyer's tax last year, the NDP would create a new speculation tax on homes. The tax would require foreigners and Canadians who don't pay taxes in Ontario to pay \$5 for every \$1,000 of the assessed value of their property annually.

The New Democrats also said they would cancel a 25-per-cent cut to hydro bills made by the Liberals and would instead find savings in the electricity system to cut bills by 30 per cent. They promised the 30-per-cent cut wouldn't cost taxpayers anything. The Liberals said the plan would increase hydro rates.

"Ontario Liberals welcome many of the policies in the NDP platform as we are either already implementing them or because they reinforce our view that this election provides a stark choice between care and Conservative cuts," the party said in a statement.

The New Democrats' fiscal plan was assessed by the Institute of Fiscal Studies and Democracy, run by former parliamentary budget officer Kevin Page. The "costing of individual measures appears reasonable," Mr. Page concluded.

**“**We'll ask those very top income earners, like Doug Ford, and those very profitable corporations, like Doug Ford's corporation, to pay a little bit more so that the rest of us can build a good life.**”**

ANDREA HORWATH  
NDP LEADER

## McArthur charged with eighth count of murder

TU THANH HA  
JUSTIN LING

Kirushna Kumar Kanagaratnam, the latest man named as a victim of alleged serial killer Bruce McArthur, came to Toronto as a refugee claimant and, after his bid to remain in Canada was rejected, his family in Sri Lanka thought that he might have gone into hiding.

Instead, a few days ago, just during the celebrations of the Tamil New Year, his relatives got the news that Mr. Kanagaratnam was the eighth man to be named as a murder victim of Mr. McArthur.

"During this auspicious time of New Year, if this sad news makes you feel bad, please forgive me," Mr. Kanagaratnam's uncle, Haran Thanigai, wrote on Facebook Saturday.

In recent years, the family had turned to Facebook in an attempt to re-establish contact with Mr. Kanagaratnam. In their posts, they said they lost contact with him during a period when he tried unsuccessfully to get permanent asylum in Canada.

Eventually, on Dec. 9 of last year, one of Mr. Kanagaratnam's brothers, Kiso Kumar, wrote a public appeal for help on Facebook because the family had failed to locate him after a year.

A month later, Toronto police announced that they had arrested Mr. McArthur, a 66-year-old landscaper. He was charged with the first-degree murders of seven men with connections to the city's Gay Village. Investigators made the exceptional decision to release the photo believed to have been taken after the death of another man.

Last Thursday, police were able to identify the man in the photo: Mr. Kanagaratnam. The family was notified during the weekend and, by Monday morning, Mr. McArthur was charged with an eighth count of first-degree murder.

Police say Mr. Kanagaratnam was killed some time between Sept. 3 and Dec. 14 of 2015.

According to a death notice published in a Tamil newspaper and posted by relatives on Saturday, Mr. Kanagaratnam was born in Nainativu, a small island off the



Kirushna Kumar Kanagaratnam, above, has been identified as a victim linked to the case against Bruce McArthur.

northern tip of Sri Lanka.

Although there are relatives also living in Britain and France, the family home is on a narrow palm-lined street in the northern Sri Lankan city of Jaffna.

The death notice said Mr. Kanagaratnam studied at St. John's College, a private school in Jaffna.

At a news conference on Monday, Detective Sergeant Hank Idsinga credited diligent follow-up work by investigators in establishing Mr. Kanagaratnam's identity.

Mr. Kanagaratnam was 37 and living in Scarborough when he is believed to have been killed. He did not have direct family in Canada and had not been reported missing here.

Thus far, there is no clear indication that Mr. Kanagaratnam was himself gay or had any ties to the Gay Village.

Det.-Sgt. Idsinga told reporters that Mr. Kanagaratnam's case, because he had no obvious ties or connection to the Village,

poses the possibility that there could be more victims they've yet to come across, adding that "he doesn't quite fit the profile."

"This does create basically a wide open net," Det. Sgt. Idsinga said. "We've had lots of calls, international calls, since our pleas began, from people who just haven't seen family members for years."

The investigator did stress that police had missed signs of connections to the Gay Village before. When investigators first identified Dean Lisowick as an alleged victim of Mr. McArthur, they had not yet realized that he was well-known in the heart of the Village.

"Whether that comes true with Mr. Kanagaratnam or not, I don't know," Det. Sgt. Idsinga said.

Mr. McArthur is also charged with the murders of Skandaraj Navaratnam, Abdulbasir Faizi, Majeed Kayhan, Soroush Mahmudi, Selim Esen and Andrew Kinsman.

## Canada recalls the families of diplomats in Cuba as 10 face brain symptoms

MIKE BLANCHFIELD OTTAWA

The families of Canadian diplomats serving in Cuba are being recalled as a response to mysterious incidents that have plagued some staff and dependents.

The move comes after 10 Canadians continue to show unexplained brain symptoms, officials say.

That number includes an unknown number of children and non-diplomat family members, but government officials are giving no further breakdown, citing privacy concerns.

Government officials, who briefed journalists on the condition of anonymity, say the continuing problems are raising concerns about a new type of acquired brain injury, the cause of which remains a mystery. Officials say the cause could be human-made.

Spouses, children or even parents of Canadian diplomats currently accompanying them in Havana will begin leaving the Cuban capital immediately.

Havana has now been declared an "unaccompanied post" in the Canadian foreign service — a designation Cuba now shares with Afghanistan, Iraq, Libya and South Sudan.

Cuba is a favourite tourist destination for Canadians, with more than one million visiting the Caribbean island annually, but Global Affairs Canada says there is no evidence of any related ailments among Canadian travellers.

Canada is working with the United States — many of whose staff in Havana also took ill — and Cuban authorities to try to solve the mystery.

Cuba says it is not responsible for the unexplained incidents, but the fallout has led the United States to recall many of its diplomats and expel Cuban representatives from Washington.

Canada is working with the United States ... and Cuban authorities to try to solve the mystery.

Global Affairs Canada said the new status of the Havana mission is the result of an environmental assessment of its staff housing completed in March that failed to turn up a cause. The decision is also being taken after the troubling findings of a University of Pennsylvania study of U.S. diplomatic staff.

"According to these specialists, medical information raised concerns for a new type of acquired brain injury. Additional research is needed to better understand this," Global Affairs Canada said in a statement on Monday.

"The cause remains unknown, but could be human-made."

Government officials declined to give further details of the new medical findings and referred reporters to the study itself, which was published in February by the Journal of the American Medical Association.

Canada and Cuba continue to have "a positive and constructive relationship" and have been co-operating to find a cause since problems first surfaced about a year ago, the statement said.

But officials said on Monday it remains a mystery that has no apparent precedent in diplomatic affairs.

About 27 people from 10 diplomatic families underwent testing when some complained of dizziness, headaches and difficulty concentrating.

The symptoms developed amid concern about possible acoustic attacks in 2016 and 2017, but officials said on Monday that the theory of an acoustic or sonic attack has been ruled out.

Canadian diplomats in Havana were told on Monday of the changes, and officials said they would be given time to evaluate any future career decisions, given the effect on their families.

Many of the embassy staff were due to rotate out and be replaced this coming August, but now all those involved will be given time to re-evaluate their next moves, officials said.

The Cuban embassy in Ottawa did not respond to a request for comment on Monday.

THE CANADIAN PRESS

# Brexit thrusts Commonwealth summit out of the shadows and into the spotlight

Much of the focus of the two-day leaders' meeting is expected to be on Britain's departure from the EU, **Paul Waldie** reports

LONDON

As the leaders of the 53 Commonwealth countries prepare to gather this week in London for their biennial summit, there's a growing sense of revival within the organization.

Once seen by many as a relic of the colonial era, the Commonwealth has suddenly become relevant, thanks largely to Brexit and the increasing isolationism in the United States. And, with 2.4 billion people and nearly US\$10-trillion in total economic output, the organization is hard to ignore.

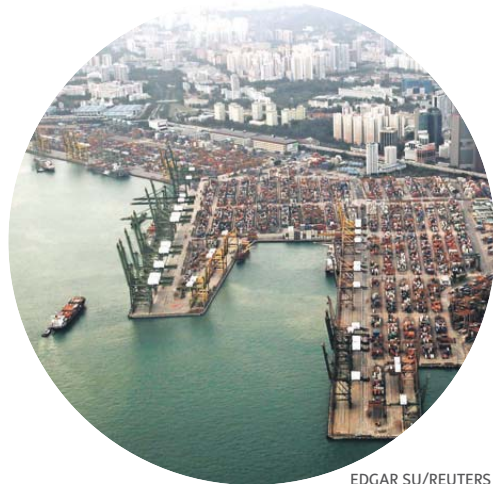
Trade will be a major topic of discussion during the two-day leaders' meeting, which starts on Thursday with much of the focus on Britain's departure from the European Union in March, 2019. But it won't be the only topic. There will also be a discussion about a new charter on ocean governance to promote environmental protection and sustainable development of maritime industries, as well as a declaration on cybercrime and new guidelines for election observation.

The leaders will also have to wrestle with human rights and the treatment of LGBT communities in 37 member countries. Prime Minister Justin Trudeau, who

heads to London for the summit after visiting France, has made LGBT rights a major concern at the Commonwealth, but leaders have controversially taken that off the agenda for this meeting.

And then there's the issue of leadership. The Queen is turning 92 and the leaders will attend a special birthday concert. There's also speculation they will privately discuss who should succeed her as head of the Commonwealth. It's not a hereditary position and her successor won't automatically assume the title. So who will it be?

Here's a look at what to expect from the meeting.



EDGAR SU/REUTERS

## Trade

Commonwealth leaders have talked about increasing trade among member states for decades with little to show for it. Brexit has given the debate some new momentum. Britain will be out of the EU next March and the country is eager to find new trading partners. Many British lawmakers see the Commonwealth as a natural place to start. They argue that the common ties among the 53 member countries make it an ideal trading bloc. Indeed, some studies have shown that the commonalities among Commonwealth members – such as similar legal systems and the same language – mean that the costs of trading within the group are 19 per cent less than trading among non-member states.

Currently, intra-Commonwealth trade stands at around US\$560-billion annually. That's expected to rise to US\$1-trillion by 2020 and could go higher if Brexit leads to more trade. Canada, too, should look toward the Commonwealth for greater trade diversity, especially if the United States pulls back from the North American free-trade Agreement, says Imran Abdool, an economics professor at the University of Windsor. He believes that in the next 10 years or so, Canada should increase its trade among its Commonwealth brethren. "If there is the political will, I think it's something that could very well happen," he said. "A lot of these countries, they are kind of becoming mistrustful of traditional trading partners. And I think there's going to have to be a restart to international trade."

There is also a growing move toward free trade and free movement of people, among four key Commonwealth members: Canada, Britain, Australia and New Zealand. "What we're saying is that especially between Canada, Australia, New Zealand and the United Kingdom, there's definitely no harm in having free trade and there's certainly a great benefit," said James Skinner, who heads the Vancouver-based Commonwealth Freedom of Movement Organization. "Brexit is going to be a great opportunity for the U.K. to negotiate its own trade agreements. What we would like to see is for the United Kingdom to join the trade agreement that exists between Australia and New Zealand and also for Canada to join that as well. That's not only for trade in goods, but also mutual recognition of skills such as doctors and architects, to work in each country."

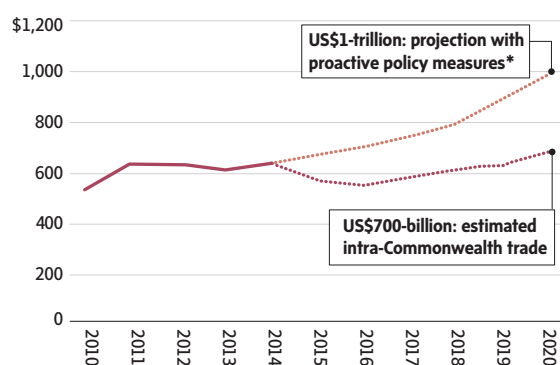
In another signal of the importance of the trade issues within the Commonwealth, India's Prime Minister is attending the leaders' summit for the first time in nine years. India has been lacklustre about the Commonwealth, but Prime Minister Narendra Modi has been keen to develop new trading relationships. There have also been suggestions that India could take on more of a leadership role within the organization.

Many others question the likelihood of the Commonwealth becoming an effective trading bloc, or even much of an alternative for Britain after Brexit. They point to the huge economic disparity among Commonwealth members, which range from dozens of tiny countries such as Nauru, with a population of about 13,000, to India with around 1.3 billion people. The far-flung nature of the association also makes trade difficult and Britain's current trade with Commonwealth countries makes up about one-tenth of its total exports.

Canada has also shown little interest in boosting trade among its Commonwealth partners. In an interview last month, Finance Minister Bill Morneau said although Canada has historic ties to the Commonwealth, the government's trade priorities lie elsewhere. "Our approach around expanding trading relationships has been to be focused on places where we have current and future opportunities," he said, referring to the EU and China. "So we are thinking about the size of the economies that we're trying to expand trade with."

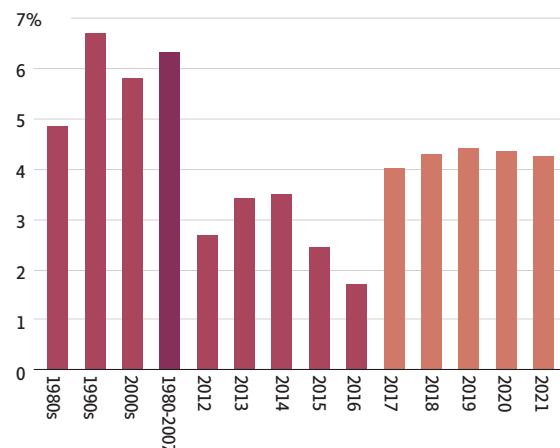
### INTRA-COMMONWEALTH TRADE PROSPECTS BY 2020

The impact of global trade slowdown, 2010-20, in US\$Billion



\*projection in 2015 Commonwealth Trade Review

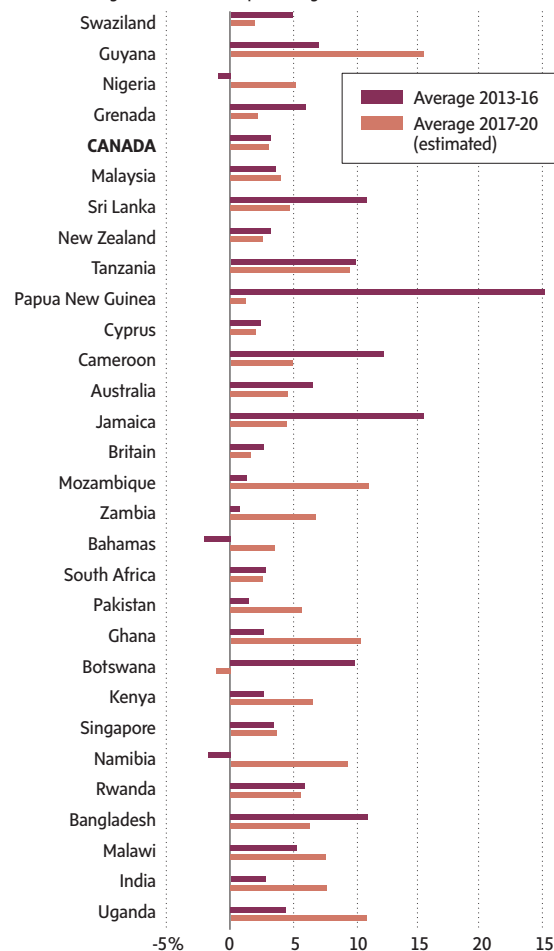
### WORLD TRADE GROWTH



Note: growth rates for 2017-21 are IMF projections

### GROWTH IN EXPORTS OF GOODS AND SERVICES OF SELECTED COMMONWEALTH COUNTRIES, %

Percent change in volume of exports of goods and services



THE GLOBE AND MAIL, SOURCES: COMMONWEALTH SECRETARIAT'S PROJECTION EXERCISE BASED ON WTO TRADE GROWTH ESTIMATES; COMMONWEALTH TRADE REVIEW 2018; IMF; WTO; BREXIT AND COMMONWEALTH TRADE; COMMONWEALTH SECRETARIAT (CALCULATED FROM IMF WORLD ECONOMIC OUTLOOK DATA, OCTOBER 2017)



Pedestrians walk underneath flags of Commonwealth countries hanging in central London on Sunday. BEN STANSALL/AFP/GETTY IMAGES



FRED LUM/  
THE GLOBE AND MAIL

## Human rights

The Commonwealth likes to pride itself on its charter of values, which stresses democracy, human rights and gender equality. But the organization is voluntary and works on the basis of consensus, which rules out taking a stand on many issues. LGBT rights have been a particular sore point and last week the Commonwealth secretariat received a petition signed by 104,000 people calling on the organization to push for LGBT rights in 37 member countries where same-sex relationships are criminal offences and, in some cases, punishable by death. Leaders have opted not to discuss the issue during this summit, but that isn't likely to stop protesters who have already been gathering in London.

British diver Tom Daley joined the call to action last week during the Commonwealth Games in Australia. After winning a gold medal in the 10-metre synchronized dive, he lashed out at member countries that deny gay rights. "There are 37 countries in the Commonwealth where it is illegal to be who I am. And hopefully we can reduce that number," Mr. Daley said. "You want to feel comfortable in who you are when you are standing on that diving board and for 37 Commonwealth countries that are here participating that is not the case."

The Commonwealth is also facing calls to take action against Cameroon over violence and human-rights abuses in that country's English-speaking region. The Cameroon government has faced international condemnation for its heavy-handed tactics in putting down protests. President Paul Biya will be at the summit and he could come under pressure from other leaders.

Some politicians in Britain also want the British government to apologize during the meeting for the many wrongs the country has committed against its former colonies over the decades, including not joining the Commonwealth in sanctions against South Africa during the apartheid era. "This week would be an appropriate moment to correct that historic mistake, and would send a wider signal to our Commonwealth cousins that we in the U.K. truly recognize that the days are gone when our union was described - in colonial terms - as the 'British Commonwealth,'" British member of Parliament Emily Thornberry said.

There are some encouraging signs for the Commonwealth. Gambia has rejoined the association after the democratic election of President Adama Barrow last year, which ended 22 years of iron-fisted rule by Yahya Jammeh. He pulled the country out of the organization in 2013.

There's also talk of Zimbabwe rejoining, too, now that Emmerson Mnangagwa has replaced Robert Mugabe, who had ruled the country since 1980. Zimbabwe was suspended from the Commonwealth in 2002, and Mr. Mugabe later withdrew its membership.



JACK HILL/REUTERS

## Leadership

The Queen was named head of the Commonwealth at her coronation in 1953, taking over the title from her father, King George VI. But the ceremonial role is not hereditary and it's up to Commonwealth leaders to decide who will replace her. That's become a critical issue since it's unlikely the Queen will be able to attend another leaders' summit, given that she no longer travels outside Britain.

It is widely expected that Prince Charles will take over as head of the Commonwealth when, as expected, he becomes King, but the leaders could opt for a non-royal to better reflect member countries. Of the 53 Commonwealth members, only 16 have the British monarch as their head of state.

Kate Osamor, a British MP, has urged Commonwealth leaders to select someone other than Prince Charles. Ms. Osamor said someone more "level-headed" who "thinks outside the box" would be a better choice. "I just don't think it should be him [Prince Charles]. I don't really know what he's been up to of late. He's not been that vocal on issues," she added.



Prince Charles and Camilla, Duchess of Cornwall, shake hands with onlookers in Wellington, Ont., in 2017. ADRIAN WYLD/THE CANADIAN PRESS



Protesters wave Ambazonian flags in Bamenda, Cameroon, in 2017. The Commonwealth is facing calls to take action over violence and human-rights abuses in Cameroon's English-speaking region. REUTERS TV/REUTERS



British diver Tom Daley holds up his gold medal on April 13. Last week during the Commonwealth Games in Australia he joined the call to action for LGBT rights. ATHIT PERAWONGMETHA/REUTERS



Federal Green Party Leader Elizabeth May, right, and NDP MP Kennedy Stewart, second right, stand with protesters before they were arrested outside Kinder Morgan's facility in Burnaby, B.C., on March 23. Ms. May and Mr. Stewart are two of dozens now facing charges. DARRYL DYCK/THE CANADIAN PRESS

## Special prosecutors appointed for MPs charged in pipeline protest

BC Protection Service says criminal proceedings warranted for those arrested

ANDREA WOO

Special prosecutors have been appointed to handle criminal contempt proceedings against two British Columbia MPs arrested alongside dozens of others during protests against Kinder Morgan's Trans Mountain pipeline expansion.

Michael Klein and Greg DelBigio, both senior Vancouver lawyers in private practice, will handle the cases involving Burnaby South MP Kennedy Stewart and Federal Green Party Leader and Saanich-Gulf Islands MP Elizabeth May respectively, B.C. Supreme Court heard on Monday.

The appointments were neces-

sary "to avoid any significant potential for real or perceived improper influence in the administration of criminal justice," according to a statement from the BC Prosecution Service (BCPS).

The BCPS also announced on Monday that criminal – not civil – proceedings are warranted for those who were arrested at Kinder Morgan's Burnaby facilities in breach of a court injunction. B.C. Supreme Court Justice Kenneth Afleck had said one week earlier that he is of the view that the public nature of the breaches warranted criminal sanctions.

As well, the BCPS will take over the prosecution from Trans Mountain lawyers. Justice Afleck had said a private litigant should not shoulder responsibility for the prosecution.

The proceedings against Ms. May and Mr. Stewart have been adjourned for two weeks. Trials for dozens of other protesters arrested in recent weeks will begin

May 7, in groups of 10.

Mr. Stewart, who appeared in court on Monday alongside 18 others who had been arrested, said he had reviewed the possibilities and is prepared for what may happen. Ms. May was in Ottawa and had her lawyer attend on her behalf.

"I'm here today respecting the process and I will continue to be," Mr. Stewart said. "And I'll go back to parliament tomorrow to make my political case for why this pipeline is not a good idea."

Nearly 170 people have been arrested since mid-March during protests at Kinder Morgan's Burnaby Mountain facilities. Of those, 124 people have either been served personally with contempt motions or received materials and been in contact. As of Monday, there were 78 people on the trial schedule.

Opposition to the contentious pipeline expansion project has taken the form of court challenges, interprovincial trade disputes,

petitions and protests that have drawn thousands of people to the Burnaby site with regularity.

On April 8, Kinder Morgan announced it would suspend all non-essential activities and related spending on the project, with chairman and chief executive officer Steve Kean saying the company "cannot litigate its way to an in-service pipeline amidst jurisdictional differences between governments."

The pipeline company said it would consult with stakeholders in an effort to reach agreements by May 31 that could allow the project to still go ahead.

Before entering the courtroom on Monday, Mr. Stewart noted that the National Energy Board (NEB) must still approve one-third of the final route, and that Kinder Morgan has so far met less than half of the NEB's 157 conditions. "For the Prime Minister to say he's going to override British Columbia, he's going to override

court challenges and just push this pipeline ahead, he's not meeting the rule of law," he said.

Ms. May did not comment on her own case but spoke generally on Prime Minister Justin Trudeau's pledge that he would introduce "legislative and financial measures" to push the project forward.

"If Trudeau's Liberals want to bring in legislation to confirm the status quo, which is to say there is federal jurisdiction over interprovincial pipelines, fine. It accomplishes nothing," Ms. May told reporters in Ottawa on Monday.

"It does not for one minute take away the other reality: There are constitutionally enshrined rights of Indigenous peoples in this country. They are embedded in the constitution. No legislation can say that federal jurisdiction over interprovincial pipelines is paramount to the extent that it dissolves the rights of Indigenous peoples."

## Eight men go on trial in India for rape, murder of young girl

FAYAZ BUKHARI SRINAGAR, INDIA

Eight men accused of involvement in the rape and murder of an eight-year-old Muslim girl in India's Jammu and Kashmir state appeared in court on Monday for the first hearing in a case that sparked nationwide outrage and criticism of the ruling party.

The girl, from a nomadic community that roams the forests of Kashmir, was drugged, held captive in a temple and sexually assaulted for a week before being strangled and battered to death with a stone in January, police said.

Public anger at the crime led to protests in cities across India over the past few days, with outrage fuelled by support for the accused initially shown by state government ministers from Prime Minister Narendra Modi's Bharatiya Janata Party (BJP).

The protests have also focused on another rape allegedly involving a BJP lawmaker in the crime-ridden, most populous, poor northern state of Uttar Pradesh.

The outrage has drawn parallels with massive protests that followed the gang rape and murder of a woman on a Delhi bus in 2012, which forced the then Congress-led government to enact tough new rape laws including the death penalty.

Yet India has long been plagued by violence against women and children – reported rapes climbed 60 per cent from 2012 to 40,000 in 2016, and many more go unreported, especially in rural areas.

Reports of torture, rape and murder of another child have emerged from Mr. Modi's western home state of Gujarat.



Indian Muslim women hold placards and shout slogans in Chennai on Monday during a protest against the recent rape and murder of an eight-year-old girl. ARUN SANKAR/AFP/GETTY IMAGES

In that case, the corpse of a girl was found near a cricket ground in the city of Surat a week ago.

The postmortem showed she had been tortured and sexually assaulted before being strangled. The body had 86 injury marks, including some inflicted to her genitalia with hard, blunt objects, while more minor injuries suggest she had been beaten with a stick or slapped.

Doctors estimate that the unidentified girl was about 12, police said.

As the groundswell of revulsion grew, Mr. Modi assured the country on Friday that the guilty would not be shielded, but he has been criticized for failing to speak out sooner.

Before leaving for an official visit to Europe this week, Mr. Modi received a letter from 50 former police chiefs, ambassadors and senior civil servants upbraiding the political leadership over its weak response.

"The bestiality and the barbarity involved in the rape and murder of an eight-year-old child shows the depths of depravity that we have sunk into," the former officials said.

The letter went further by blaming the BJP and likeminded right-wing Hindu groups for promoting a culture of "majoritarian belligerence and aggression" in Jammu, and in the Uttar Pradesh case, it blasted the party for using feudal strongmen, who behave

like gangsters, to shore up its rule.

The former officials said they held no political affiliation other than to uphold the values of India's secular constitution that guarantees equal rights to all citizens. Some of the signatories have spoken out in the past also against Mr. Modi's Hindu nationalist party, accusing it of whipping up hostility toward India's 172 million Muslims.

In 2012, voters ousted the Congress chief minister of Delhi because of the fallout from the rape case. This time, Congress was quick to realize the mood of the country, with party leader Rahul Gandhi leading the first major protest in the capital last week.

On Monday, Mr. Gandhi tweeted there had been nearly 20,000 child rapes in India in 2016, and urged Mr. Modi to fast-track prosecutions "if he is serious about providing 'justice for our daughters.'"

Although the rape and killing of the girl in Kashmir had been known about for months, the backlash erupted after the charge sheet giving gruesome details of the crime was filed last week.

It alleged that the attack was part of a plan to drive the nomads out of Kathua district in Jammu, the mostly Hindu portion of India's only Muslim-majority state.

The alleged ringleader of the campaign, retired bureaucrat Sanji Ram, looked after a small Hindu temple where the girl had been held and assaulted. Two of the eight on trial are police officers who stand accused of being bribed to stifle the investigation.

After Monday's initial hearing in Srinagar, the judge adjourned the case until April 28 while the Supreme Court heard a petition from the lawyer representing the victim's family to have the trial held elsewhere owing to fears for her safety.

Ahead of the trial, the lawyer said she had been threatened with rape and death for taking up the case. "I was threatened yesterday that 'we will not forgive you.' I am going to tell Supreme Court that I am in danger," said the lawyer, Deepika Singh Rawat, who has fought for a proper investigation since the girl's body was found in January.

The Supreme Court also ordered security for the victim's family after her father said he, too, feared for their safety.

REUTERS

# Calgary City Council votes to continue Olympic bid

Organizers have estimated the process will cost \$4.6-billion and run a deficit

ALLAN MAKI CALGARY

Calgary City Council voted on Monday to keep a potential Olympic bid alive as the city prepares for a fall plebiscite on the issue.

Two council votes kept alive the city's bid for the 2026 Winter Olympics and Paralympics, which bid organizers have estimated will cost \$4.6-billion and run a deficit, while forming a committee to give councillors a direct role overseeing the process.

The city plans to hold a plebiscite sometime between October and January to gauge public support for the Games.

Had Monday's votes failed, Calgary's pursuit would have ended. Instead, many on council argued more transparency and public acceptance was needed before a final vote can be held.

"It would be a vast waste of taxpayer money [to stop now]," Councillor Evan Woolley said of nixing the Olympics before all the information was gathered. Previous reports have indicated a plebiscite will cost \$196-million and require several months to organize.

City administration said the next key date for a potential Calgary bid is in September, when the International Olympic Committee determines the shortlist of potential hosts for the 2026 Games. Calgary would have to present its bid book to the IOC by January, 2019. Between now and then, more fully costed financial numbers will give council a clearer picture of what hosting the Olympics will cost.

The one absolute in this story, now in its second year, has been how emotional Calgarians are about staging another Olympics 38 years after it first hosted the Games.

Ward Sutherland told his fel-



Former Olympic bobsledder Helen Upperton shows a poster that she made as a child for the 1988 Calgary Winter Games, as athletes held a news conference in Calgary on Friday to encourage the city to continue a bid for the 2026 Winter Games. LARRY MACDOUGAL/THE CANADIAN PRESS

low councillors Monday that he had received death threats "from all sides." He added, "It's really easy to say no, but to kill [the bid] right now, I think it's not really a good business decision."

Last Friday, a series of events turned up the heat on council. Several Olympic athletes, including retired gold medal-winning Olympians Catriona Le May Doan and Mark Tewksbury, outlined how hosting the 2026 Games was a necessary endeavour. For one thing, it would upgrade the facilities built for 1988 – and that, in turn, would benefit the next generation of Canadian athletes in their pursuit of Olympic glory.

"I'm a product of the '88 Games, as is pretty much every single Canadian that is on the

Olympic team now," said Kaillie Humphries, a three-time Olympic medalist in women's bobsleigh.

Following the athletes' show of support, the Canadian Olympic Committee issued a statement from president Tricia Smith and CEO Chris Overholt saying Calgary has an opportunity "to shape a vision for Calgary, Alberta and Canada for generations." What city council had to do was give Calgarians the chance to vote on a 2026 bid.

The Calgary Chamber of Commerce then issued a statement that said the Olympics "have the potential to be a catalyzing transformational project." It called for council to glean all the information it could, and that included

asking Calgarians for their opinion in a plebiscite.

Both the provincial and federal governments are willing to fund Calgary's bid with a combined \$20.5-million, providing a plebiscite approves it. The city would add another \$9.5-million.

Sport Calgary issued a statement applauding council's decision to carry on with work on the Olympic bid.

"Sport Calgary is confident the exploration process could lead to a winning bid, broadly supported by an informed and engaged public," said Sport Canada CEO Murray Sigler. "Today's decision ensures Calgarians will have the opportunity to receive all the facts before making a critically important decision for our city."

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# EDITORIAL

**PHILLIP CRAWLEY**  
PUBLISHER AND CEO  
**DAVID WALMSLEY**  
EDITOR-IN-CHIEF

The subject who is truly loyal to the chief magistrate will neither advise nor submit to arbitrary measures - Junius

## Quebec's hijab madness

Quebec's provincial election campaign doesn't launch officially for another five months, but last week provided a glimpse of the terrain on which it will be fought.

It is murky and ugly. With polls suggesting the right-of-centre Coalition Avenir Québec's lead has narrowed, both the CAQ and the sovereigntist Parti Québécois are once again a-froth about identity.

The latest manufactured outrage centres on Sondos Lamrhari, a 17-year-old Montreal-born student who wants to be a police officer when she graduates, and who happens to wear a hijab. She appears to be the only such student in Quebec but hey, there are political points to be scored.

PQ MNA Agnès Maltais coyly imagined a scenario where a Muslim woman calls police to report a beating after refusing to wear her hijab, and opens the door to find an officer wearing one. Her dog-whistle hypothetical relied entirely on de-meaning and false stereotypes about Muslim men.

Not to be outdone, the CAQ's Nathalie Roy intoned "a patrol car is not a place of worship." Someone should inform Ms. Roy that in 1996 multiple courts upheld a federal government decision allowing Sikh RCMP officers to wear turbans. Several Canadian police services now also permit hijabs, as do dozens in the United States, Scotland and Australia.

And while the argument is cast as a principled stand for the separation of church and state, the CAQ and PQ seem a lot more eager to target Muslim women than the crucifix hanging in the National Assembly. That gets to stay because it's a "historical artifact." Presumably the same applies to the Roman collar worn by some police chaplains in Quebec.

The Liberal government says it supports Ms. Lamrhari's aspirations, as do others in the province. That's the only non-hypocritical stance to take on the issue. It is also the only one that demonstrates any self-awareness.

The partisan attacks on Ms. Lamrhari were launched the day after a Quebec City courtroom heard gripping accounts of genuine heroism on the part of the Muslim victims in last year's racially motivated attack on a mosque.

If only the PQ and the CAQ had half their courage.

## Macron-mania

Greeting each other outside the Élysée Palace, that most pompous of Parisian venues, Justin Trudeau and Emmanuel Macron skipped the formalities and went in for a hug.

Why not? Young, energetic, techy and liberal, our PM and the French President seem cut from the same bespoke fabric.

The two leaders' global reputations have been diverging, though. Increasingly, Mr. Macron is seen as the heavyweight, Mr. Trudeau as the lightweight.

Some of this is unfair, down to the Prime Minister's flamboyant choice of socks and the like. Mr. Trudeau has led a busy and in many ways successful government, steering the country left as promised with a tax hike on the rich, a big influx of refugees and a bill to legalize pot, plus a national standard and federal backstop on carbon pricing.

Still, it's not hard to see why Mr. Macron has earned a reputation for gravitas that his Canadian counterpart might envy.

The French President's first term has been a flurry of initiatives aimed at the country's many structural problems. He cut a wealth tax to spur investment and pushed through labour-code reforms opposed by France's powerful unions. He has taken on the reform of national shibboleths, from the state train monopoly to the baccalauréat exam.

And he has been on the vanguard of global issues, from the power of Silicon Valley to climate change.

Granted, France has a stronger executive and more radical political culture than Canada does, which lends itself to Mr. Macron's activist stance.

But Canada has serious structural problems, too, from a lag in worker productivity and a shortfall in business investment to a backlog of asylum seekers and a generational crisis of opioid addiction.

Mr. Trudeau has quietly worked to address some of these issues. But he has also burned through too much political capital on petty fights, like the summer job attestation, and ill-judged distractions, like his recent India trip. While he and Mr. Macron are both balls of energy, the French President seems to expend his more purposefully.

Here's hoping that, as they brush shoulders at the Élysée, some of that discipline rubs off.

## THE FIRST ROBIN OF SPRING



## LETTERS TO THE EDITOR

### PIPELINE SOLUTIONS

Under no circumstances should Prime Minister Justin Trudeau or Finance Minister Bill Morneau permit our federal government to be pushed around and held hostage by British Columbia more than they already have (Pipe Dreams, April 14).

All this sets a horrible precedent. Hats off to Kinder Morgan for drawing a line in the sand and forcing a decision. Otherwise it would have just drifted. This pipeline is a viable commercial project in the national interest with all kinds of financing available once the jurisdictional question is settled. Under no circumstances should the federal government or Alberta have an equity interest. Nor is there room or need for any scarce federal infrastructure equity money. Unfortunately, this situation has been allowed to deteriorate so far that the federal government may have to provide some interim backstop debt financing.

This is not a time for our federal government to worry about votes in British Columbia. Paving the way for Kinder Morgan to build this pipeline, already approved, is now a matter of principle, and when it comes to principles, you either have them or you don't. If our federal government had dealt decisively with this issue six months or a year ago instead of showing continuing weakness and hoping against hope this problem would just go away, we would not be in the present pickle. With the passage of time the issue has festered into a homemade crisis and a national embarrassment. True leaders sometimes have to ruffle some feathers, break some glass and make some people unhappy to do the right thing.

Fortunately, the way forward is clear. Immediately, put the interim backstop debt financing in place, petition the Supreme Court for a formal ruling on interprovincial pipeline jurisdiction for this and future projects, and then enforce the law. I know what former prime minister Pierre Elliott Trudeau would do if a premier tried to hold him hostage on such an urgent matter.

■ A.S. Fell  
Toronto

This issue has played out very poorly to the detriment of all. It is time to simmer down, put the negotiator's hat on and come up with a solution that, while not satisfying everyone, will be practical, workable and a benefit to all (except hard-core environmentalists).

How about proposing that the bitumen shipped through the new pipeline be taxed at say, US\$5, a barrel. This money goes to the B.C. government (about US\$4-million a day). It costs nothing to Kinder Morgan (the oil pro-

ducers pay it), and it serves as an incentive for producers in Alberta to upgrade this product. Other hydrocarbons (diesel, fuel oil, gasoline, jet fuel) will not be affected by this new.

If anyone has a better idea, please show it to us.

■ Ken Neros  
Coquitlam, B.C.

Our current pipeline conflict points to a major problem in the world's approach to reducing greenhouse gas (GHG) emissions. Most people take the need to reduce emissions seriously and support international efforts to control them. Today these efforts are being made on the demand-side of the market for fossil fuels, under a global agreement. Unfortunately there is no corresponding agreement on the supply side.

As argued by German economist Hans-Werner Sinn in his 2012 book, *The Green Paradox*, the lack of an agreement to reduce fossil fuel production is probably the main reason the world has been unable to control its GHG emissions. Understandably, without such an agreement, no country, Canada included, feels it is its responsibility to restrict production. We should work with other countries to achieve a fair and rational system for controlling global production of fossil fuels. Until that is done, we can expect that the constant effort to produce more hydrocarbons and bring them to market will continue everywhere. So also will our march toward irreversible climate change.

■ Jim Davies, professor, department of economics, University of Western Ontario  
London, Ont.

### GROWING PAINS

Thank you John Doyle for your fine piece on CBC's new *The National* (The National Now: Confusing, Well-Meaning And Maddening, April 14).

Instead of a comprehensive, thoughtful roundup of the day's news, I now feel like I'm getting the *Coles Notes* version — quick, easy to digest with just enough content to pass the teacher's test. While I'm sure the news team members do their best given the format in which they're constrained, it's as if they think viewers don't have the attention span to grasp the full story.

Irritating and disjointed. Pick an anchor and give us news for grown-ups.

■ Joni MacFarlane  
Hillcrest, Alta.

Mr. Doyle's piece certainly struck a chord. I thought perhaps it was just me that found the new format scattered and incoherent. Maybe it appeals to the infamous shortened attention span that we're all supposed to be suffering

from today, but to this baby boomer, it just comes across as breathless and irritating.

My suggestion would be to concentrate on the big news stories of the day in the first half hour, relayed to viewers by a trusted anchor, say Ian Hanomansing, and present in-depth interviews and mini-documentaries in the second half hour, presented by a well-respected and experienced interviewer, like Rosemary Barton. They could dispense with the other two "anchors." Perhaps they could call the first half *The National* and the second half *The Journal*. I think it has potential.

■ Kevin Bishop  
Saainch B.C.

As for the numbers, the drop may simply reflect the departure of the fan base that former anchor Peter Mansbridge built up over 28 years in the job (As CBC's New The National Rises, Ratings Fall, April 13).

Give the new kids a chance. They'll attract their own supporters.

■ Michael Fox  
Stratford, Ont.

### TOUCHING TRIBUTES

When I turned to the two-page spread on the Humbolt story, I didn't want to read it all over again, but I'm glad I did (Healing Humboldt, April 14).

I must admit, in my 63 years on this planet, I've never cried while reading the paper. But when it came to the therapy dogs in the emergency room, something just let go. At that moment, I think all of us with children (or not) could see ourselves in that position, and feel the emotion of the crippled parents, and anyone whose lives have been suddenly changed in the blink of an eye.

■ Steven H. Brown  
Toronto

On heaven's glittering sheet of ice,  
With golden sticks and silver pucks

The Broncos fly from end to end

With flashing blades of steel  
Their bright blonde hair  
The colour of the sun  
And Gordie's skating with them

To show them all the moves  
The great ones know  
That they have missed  
The laughter of the young men fills the rink

And time is left behind

■ Roger More  
London, Ont.

Letters to the Editor should be exclusive to The Globe and Mail. Include name, address and daytime phone number. Keep letters under 150 words. Letters may be edited for length and clarity. E-mail: letters@globeandmail.com


**OPINION**

# The life-saving silver lining after Humboldt

One player's choice to be an organ donor directly saved six lives – and sparked a national conversation

ANDRÉ PICARD

OPINION



The impact has been so profound that they are calling it the Logan Effect.

Logan Boulet, a Humboldt Broncos' defenceman, suffered traumatic brain injuries in the April 6 bus crash that left 16 dead and 13 injured.

Because he had registered as an organ donor on his 21st birthday, just weeks before his death, his heart, lungs, liver and kidneys were all donated and transplanted into others, with his grieving family's blessing.

Mr. Boulet's gesture was one of the small glimmers of hope that emerged in the grim story

that left the country grief-stricken.

The junior hockey player was hailed as a hero.

He has also inspired action. In the past 10 days, thousands upon thousands of Canadians have registered as organ donors.

The uptick has been greatest in Saskatchewan (the site of the crash) and Alberta (Mr. Boulet was a native of Lethbridge), and the influx of new donors has been especially strong among young people aged 16 to 24 (the age group of most of those who died in the crash).

The challenge now is to keep that momentum going. Canada has a pretty dismal rate of organ donation and, as a result, long wait lists for transplants.

Polls consistently show that close to 90 per cent of Canadians support organ donation but only about 20 per cent have actually registered as organ donors.

Why is there such a disconnect between intentions and action?

There are many potential reasons – or perhaps excuses is the more appropriate term.

We tend to be a bit squeamish

about death, even thinking about it. There's a generalized "it won't happen to me" attitude that often leads to people not bothering to register as donors.

The horrific Humboldt crash shocked many out of that complacency.

There are about 280,000 deaths in Canada annually. A 2014 study found that there just more than 3,000 potential donors – only about 1 per cent of deaths.

That makes it all the more important that everyone sign a donor card – we can't afford to miss any potential donors, because each one is an opportunity to save lives.

Yet, miss them we do.

In 2016, the most recent year for which detailed data are available, there were 758 deceased donors. That's not a great conversion rate; three in four potential donors are lost.

The main reason is because people don't register as donors. While the rules are slightly different in every province and territory, the process only takes about three minutes. The Canadian

Transplant Society has compiled information from all the jurisdictions on its website.

The laws in Canada are such that next of kin can veto organ donation, even for those who have registered. That happens surprisingly often: In about one in five cases where family members are approached, they refuse.

Making these decisions in a time of grief is difficult. Mr. Boulet and his family had "the talk" where he informed his parents of his wishes, and they did him, and the country, a great honour by following through.

The public discussion of organ donation that has resulted has also revived the notion of presumed consent – assuming that everyone will be an organ donor unless they opt out.

Countries with presumed-consent laws have higher transplant rates, but they also have better organized transplant systems.

This issue is not going to be resolved by legislation alone; it's going to require culture change, within hospitals and in society more generally.

That change is happening. The

number of organ donors has increased by 56 per cent in the past decade – to 758 in 2016, up from 485 in 2007.

But the need is also growing.

There were 2,906 solid organs transplanted in 2016 – 1,731 kidneys, 579 livers, 302 lungs, 202 hearts and 92 pancreases – according to the Canadian Organ Replacement Registry. (Donors can also donate bones, tendons, cornea, skin and veins, but there are no precise data for those donations.)

There were also 4,469 people waiting for transplants – 3,421 for kidneys, 433 for a liver, 261 for a lung, 189 for a heart and 165 for a pancreas.

Many of the kidney patients require dialysis, which can mean visits to the hospital several times a week. For the end-stage liver, lung and heart patients, a transplant is the only treatment; they often die on the wait list.

Mr. Boulet's gesture means six fewer people will die as a direct result of his donation and, in the future, countless others will have better lives due to the Logan effect.

## It's fear and loathing time in Ontario

MARGARET WENTE

OPINION



If you want to bring a dinner party in Toronto to a crashing halt, just mention the Ontario election coming up in June. It's not a pleasant subject.

The first reaction is likely to be a heavy silence. The second reaction is likely to be: "Under no circumstances will I vote for Kathleen Wynne."

Who, then, is the alternative? Nobody will say. The alternatives are too dismal to contemplate. Andrea Horwath, the NDP leader, seems like a nice person but she doesn't count. No one I have yet met, not even conservatives, will admit out loud that she or he may actually vote for Doug Ford. That's because they know their friends will think worse of them (even though their friends may be harbouring exactly the same transgressive thought). You might as well admit that you like Donald Trump.

In some ways this feels like 2010 all over again, the year Doug's younger brother Rob won the Toronto mayoralty by a shocking majority – shocking, because so many people voted for him secretly. Rob was a populist buffoon. His opponent, George Smitherman, was an entitled, big-spending, wind-tower-loving liberal. He deserved a spanking and he got it.

But there are differences, too. Doug is in many ways a more respectable figure than bad-boy Rob was. No drugs, no prostitutes, no domestic disputes. Also, the stakes are higher. Rob only got a city to mess up. Doug will get a third of Canada.



A lot of Ontarians figured that Doug Ford's PC Party leadership victory would be a disaster for the party's chances – but it isn't turning out that way. CHRIS YOUNG/THE CANADIAN PRESS

What Mr. Ford has going for him is that the province is quite messed up already. Cynics might say it could scarcely get worse. Fifteen years of Liberal rule have given us sky-high hydro prices, put-upon small businesses, aggrieved doctors and a steaming pile of debt that's costing taxpayers a billion dollars a month in interest. According to an IPSOS poll released last week, 77 per cent of Ontarians want a change. How bad is that? "About

as bad as I've seen it," tweeted IPSOS chief executive of public affairs Darrell Bricker.

Mr. Ford won the Progressive Conservative leadership after the previous leader, Patrick Brown, was felled by rumours of a sex scandal. Mr. Brown was not a universal favourite. Still, a lot of people figured that Mr. Ford's victory would be a disaster for the party's chances – the latest instance of its uncanny ability to snatch defeat from the jaws of

victory. But it isn't turning out that way. Right now, Mr. Ford is cruising toward a majority. He goes on all the talk shows, insults the hosts (if he's on the CBC) and repeats his standard line about the elites – people who "look down on the common folk drinking Champagne ... with their pinkies in the air." People eat it up.

During the leadership campaign, Mr. Ford drew wide condemnation from people who

pointed out that he doesn't know a thing about how the province works. This is true. Like Mr. Trump, he wears his ignorance like a badge of honour. After all, you don't have to understand the swamp to drain it. The other day he announced that the moment he's elected he'll fire the head of Hydro One. Why? Not because the hydro guy raised the hydro rates. (Someone else did that.) The reason is because he makes \$6-million a year and you don't. Experts pointed out how stupid and pointless that would be, but Mr. Ford knows something they do not. He knows exactly how to please a crowd.

Champagne socialists with their pinkies in the air are horrified by Mr. Ford. But a surprising number of new immigrants and minorities – as well as women – are fans. This drives the folks at the Toronto Star absolutely nuts. Ford fans are supposed to be ignorant white male deplorables. The immigrants and minorities and women are supposed to vote for progressive parties. But these days things are all mixed up. It's so bad that you don't know who to deplore any more.

To set the masses straight, the Liberals are launching a million-dollar advertising war this week. Their message is predictable: Mr. Ford is a deranged lunatic who will gut social programs and rob women of their reproductive rights. Demonizing their opponent has worked before. Will it work again? Don't bet on it. Mr. Ford's negatives are high (40 per cent) but Ms. Wynne's are much higher (62 per cent).

Here in Ontario, it's a contest between fear and loathing. No wonder people don't want to discuss it at the dinner table. They just get indigestion.

## Resource jobs are sustaining Canada's middle class. Period.

KEVIN MILLIGAN

OPINION

Professor of economics, UBC Vancouver School of Economics.

Opinions on pipelines are flowing around Canada more quickly than the oil. The ultimate decisions on natural-resource projects, however, ought to derive from facts. As an economist studying income inequality over the past 15 years, I can offer a key fact to the debate. In my view, nothing has contributed more than natural resources to buttressing the Canadian middle class against the rapidly changing global economy of the 21st century.

The importance of resources to middle-class incomes is most clearly seen by looking at a simple measure: the earnings of the middle worker in the economy (the median). Between 2000 and 2015, Canadian median earnings rose by just 6 per cent after inflation, or less than half a per cent a year. However, underneath this national number lie

vast differences across provinces. While Alberta saw earnings growth of 27 per cent and Saskatchewan topped 44 per cent, Quebec only saw growth of 6 per cent and Ontario suffered a loss of 4 per cent. When researchers have pushed beyond these basic comparisons, the same essential fact holds up: Without income derived from the resource boom, Canadian inequality and the well-being of the Canadian middle class would be much worse than we've experienced.

The impact of natural resources is not just on those who work directly for natural-resource companies. There are large wage-spillovers to others working in resource communities in construction, transportation and services.

Moreover, resource-derived tax dollars fill up government coffers to support strong compensation in middle-class public sector jobs in nursing, education and transit. And what's more, these benefits don't only help provinces with plentiful resources, since our equalization formula uses the federal purse to top up provinces without compa-

nable resource-revenue streams.

We also must count the Canadians living in First Nations communities near resource developments. In British Columbia since 2009, we have developed a system of Economic and Community Development Agreements that share resource revenue with nearby First Nations.

This structure allows the legal certainty that resource companies need to proceed with long-term investments and the sharing of economic benefits that First Nations deserve for the future of their communities. This kind of agreement is another way natural-resource revenues are dispersed across our economy.

Around the world, the relentless pressures of technology are hollowing out middle-class employment, leading to stagnating middle-class incomes and exacerbating social tensions. These same pressures appear in Canada, too, but resource development has allowed the Canadian middle class to push back on these pressures better than almost any other advanced economy on Earth.

The stakes we face are high. To maintain public support for pro-growth initiatives such as trade agreements and for doing Canada's part in limiting climate change, we need to ensure that economic growth is felt by everybody in society. Economic growth that brings everyone along gives all families a stake in Canadian economic success. This increased economic security energizes social forces that pull us together.

The polarizing alternatives to our social model can be seen in other countries, and Canada should fight hard to avoid that fate. While other policy tools such as progressive taxation or the minimum wage can moderate unequal incomes to some extent, the overall prosperity of the Canadian middle class depends much more on good jobs than small policy shifts around the edges.

The resource sector has contributed substantially to the good jobs that underpin that middle-class resilience.

Of course, economic concerns should never be the only factor considered in resource develop-

ment. Credible and complete plans for environmental safety, climate-change mitigation and appropriate First Nations participation must be given full weight in any decision.

But the economics matter, too. As Canadians contemplate the current pipeline debate, we need to take full account of the consequences of erecting barriers to efficient transportation of resources to market. The main consequence is less resource development and fewer good jobs supported by that development. The Canadian economic evidence of the 21st century indicates that depriving Canadians of resource revenues means diminishing the income source that has best shielded the Canadian middle class from the harsh economic forces that are increasing inequality in other countries. For Canadians concerned with inequality, the equalizing effect of resource development on our economy is too strong to ignore.

Disclosure: the author has occasionally advised the federal government on tax policy and economic matters.

# LIFE & ARTS

PARENTING & RELATIONSHIPS | OPINION | PUZZLES | WEATHER



On March 18, John Oliver announced his Last Week Tonight team had written a children's book, parodying one written by Mike Pence's daughter. ERIC LIEBOWITZ/HBO VIA AP

## Political satire doubling as a children's book

Parody book *A Day in the Life of Marlon Bundo*, written by a John Oliver staffer, is a genuinely funny and charming story

ANNA FITZPATRICK

BOOK REVIEW

**A Day in the Life of Marlon Bundo**

WRITTEN BY: JILL TWISS  
ILLUSTRATED BY EG KELLER

Genre: Children  
Publisher: Chronicle Books  
Pages: 40  
Price: \$26.50

In a literary moment that could have only happened in today's political climate, two picture books about an identical rabbit are currently battling it out on the bestseller list.

On March 19, Regnery Kids published *Marlon Bundo's A Day in the Life of the Vice President*. Penned by Charlotte Pence and illustrated by Karen Pence, the respective daughter and wife of notoriously conservative American vice-president Mike Pence, the book is a simple, dry story narrated by the Pence family's pet rabbit.

Mike Pence's anti-LGBT attitudes were the subject of the March 18th episode of HBO's *Last Week Tonight*, a satirical, left-leaning current events show hosted by

comedian John Oliver. Oliver's style oscillates between self-deprecation and self-righteousness and although one imagines his audience is composed strictly of people who already agree with him, his rants are backed up by meticulous research. His show is frequently described as cathartic, especially in Donald Trump's America. His episode on the vice-president concluded with a description of the Pences' coming kids' book – and then Oliver made an announcement of his own.

"It turns out in a complete coincidence, we also wrote a book about Mike Pence's rabbit that has also been published," he said to an audience that predictably drowned him out in applause. He held up a copy of *A Day in the Life of Marlon Bundo*, which was written by Emmy Award-winning comedy writer (and *Last Week Tonight* staffer) Jill Twiss and illustrated by EG Keller (Chronicle Books, 40 pp, \$26.50).

In this parody version, Marlon Bundo falls in love with another boy rabbit, only to have a stink bug that resembles the current vice-president announce that "boy bunnies can only marry girl bunnies." The stink bug is described as "In Charge and Important," but the other animals decide to challenge his authority and vote him out.

On his show, Oliver announced that the book would be available for sale right away through Amazon (beating the release date of Pence's book by half a day). It immediately became a No. 1 bestseller on Amazon and has been on

the New York Times Children's Picture Books Bestsellers List for three weeks, recently coming up at No. 1 (the original *Bundo* book comes in at No. 7). It has finally become available for sale at Canadian bookstores on April 13.

"It's kind of a funny thing. None of the bookstores knew what was happening," says Liz Johnston, manager of children's bookstore Mabel's Fables in Toronto, on the surprise announcement of the book. "We were watching the show and got excited. We're really happy whenever there is a children's book that everybody is talking about."

They had customers coming in and calling the store for weeks asking about it, and immediately put in a large order with the Canadian distributor. When I ask Johnston if there was any interest in the original book, she says, "We did have one customer ask about 'the Pence book,' but then she followed it up by saying 'The one about the bunny that falls in love.'"

*Bundo* isn't the only recent children's book release that serves as a response to the Trump administration. Chelsea Clinton has published two books with Penguin Random House illustrated by Alexandra Boiger.

Last year's *She Persisted* focuses on "13 American Women Who Changed the World" and was followed up by with the recent *She Persisted Around the World*. (The title, of course, is a reference to Senate Majority Leader Mitch McConnell shutting down a speech given by Democratic Senator Elizabeth



In *A Day in the Life of Marlon Bundo*, the title character, a rabbit, falls in love with another boy rabbit, only to have a stink bug that resembles current U.S. Vice-President Mike Pence announce that 'boy bunnies can only marry girl bunnies.'

Warren by stating, "She was warned. She was given an explanation. Nevertheless, she persisted." Clinton's books are perfectly fine, joining a rush of anthologies of varying quality about inspiring women aimed at children. Hers will appeal to Democratic parents and similarly liberal women who will proudly announce their continued support of Hillary Clinton, although the significance of the title might be lost on the books' intended young audience. There was also *The Pink Hat*, a shallow book about the Women's March (a movement originated by American women) that was questionably penned by Australian author Andrew Joyner.

What makes *A Day in the Life of Marlon Bundo* particularly strong

is that, while an unabashed political parody, it also stands on its own as a children's book. It would have been easy for John Oliver's team to lean heavily on the gimmick of satirizing a loathed figure in American politics, but they instead focused on developing a charming story with genuinely funny jokes, making a story for kids who have little interest in keeping up with the news (which would be most kids). Proceeds from the book sales will also going to noble causes The Trevor Project and AIDS United. There have been worse gimmicks.

Anna Fitzpatrick is a freelance writer based in Toronto. She reviews picture books for The Globe and Mail.

## The Nightingale proves the power of live theatre

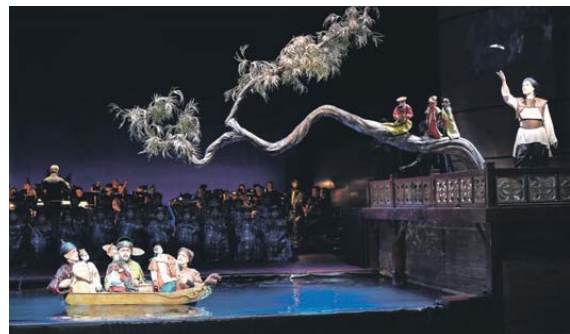
JENNA SIMEONOV

THEATRE REVIEW

Robert Lepage's visually enticing production of *The Nightingale and Other Short Fables* has returned to the Four Seasons Centre for the first time since 2009, boasting a unique theatrical experience in its own right and serving as a perfect foil for its spring counterpart of the Canadian Opera Company's 2017-18 season, *Anna Bolena*.

Packed into two acts, *The Nightingale* is a collection of short works by Igor Stravinsky, all written between 1911-19. The production is an ensemble piece in the truest sense of the word; Singers, orchestra, designers and puppeteers are all equal players and Lepage finds ingenious ways of letting the audience see both the story being told and the moving parts in place to tell it.

The evening is full of novelty. The players of the orchestra are moved up onstage and the orchestra pit is filled to the brim with water. Carl Fillion's set extends over the pit, bringing a sense of excited claustrophobia



The Canadian Opera Company's *The Nightingale and Other Short Fables* is a collection of short works by Igor Stravinsky. MICHAEL COOPER

to the first few rows of seats. We're regaled with stories of rabbits, cats and foxes, all narrated by singers downstage while six acrobat/puppeteers play with light and bodies in brilliant puppet choreography by Martin Genest.

The first half, in which we hear every story except the titular fable of the Nightingale, is charged with the responsibility of introducing us to this production's world. Our eyes and ears learn the delineation between narration

and action and our fascination is split between watching the puppets and the puppeteers themselves, their technique fully visible and their performance of its own.

The act's piecemeal structure seems to warm into its pacing. Amid all the production's creation of magic onstage, the shuffling of bodies and even the respectful applause between short numbers inevitably pulled me out of the storytelling. Yet, by the time we heard the juicy, vaguely sexual story of *The Fox*, Lepage's

complex aesthetic feels fully established.

And just in time. In hindsight, everything before the Nightingale fable serves as preparation for the rich imagination in this story. Minds are open to marvel at the puppet fishermen and water dragons floating across the orchestra pit – some of the more memorable designs by Michael Curry – and we feel free to treat the puppeteers as organic extensions of their puppet characters. Our ears are ready for the sound of Jane Archibald, the COC's first Artist-in-Residence who, after singing in this season's *Arabella* and *The Abduction from the Seraglio*, lends her agile voice to the Nightingale itself.

There's a neat paradox in *The Nightingale*. It's a busy sight, a giant machine of intricate details that add up to something very rare to see in live theatre. And, at its most essential, the production tells children's stories with simple tools, such as light and voices. In his director's notes for *Nightingale*, Lepage writes of spotting a similar paradox in Stravinsky's score, which sets fables for young people to complex music, his staging has a purity to it that

comes from a clear goal to visualize that duality. "In a way," Lepage writes, "I think it's exactly how, each time, we should go to theatre: with the open mind of a child."

The COC's coming production of *Anna Bolena*, with star soprano Sondra Radvanovska in the title role, is undoubtedly set to make a strong case for the power of the human voice. There is certainly impressive singing to hear in *The Nightingale*, but the production makes perhaps a broader statement, proving the power of live theatre. The design and choreography of the production are so arresting because they are done with simple tools and no video or electronic element would be an improvement. Against an intimidating backdrop of sophisticated visual effects in film and television, it is important – and thrilling – to find evidence of live theatre that is an irreplaceable genre of its own.

Special to The Globe and Mail

*The Nightingale and Other Short Fables* plays at the Four Seasons Centre for the Performing Arts until May 19.



FIRST PERSON

# UNDER THE VOLCANO



ILLUSTRATION BY KAREN SHANGGUAN

Have a little sympathy please, parenting a kid with ADHD isn't easy, **Rhiannon Jones** writes

I have been asked countless times when I first knew my son had attention deficit hyperactivity disorder (ADHD). I always laugh, a hard edge creeping onto the end and say: "I've known it was ADHD before I knew I was pregnant." He came out of me in a burst, my pregnancy marred by anxiety and anger, his feet boring into my ribs in staccato thrusts, more movement than his twin sisters combined. He was walking by 10 months, angry the entire time as if trying to escape the impatience in his soul.

I shouldn't be surprised. Our family has a deep well of anguish in its past. He combines his restlessness with anger and sadness. At eight years old, he still does not have the words for the dissonance in his soul. I struggle with him and for him, but sometimes feel that I have been depleted past the point of replenishment. I let my relationships fail because he consumes me and I am driven to exhaust myself supporting him. I listen as I am told that my life is too complicated to be a part of and potential partners tell me that love should be easy and seamless, but my love for him proves otherwise. His sisters come to me as I crumble in the mornings, tired of the fight, to let me know that they love me, while he sits stolidly by, watching my tears.

A shopping trip never fails to bring on tears either, from him or me. Recently, we went to buy a new video game. He stood in front of the collection and I could see the anxiety welling up in him as he took each case down carefully, turned it over and scanned the back for more information. He hopped from foot to foot as I stood to the side waiting for him to tumble to the ground, bringing the display down with him. He began to get upset, knowing that once he made a choice, he would be wedded to it. Minutes passed and he finished perusing the selection. So he started again, this time with a high-pitched whine creeping into his voice. We left that day with a game, but he spent the whole car ride home agonizing over his decision. Although impulsivity usually marks those with ADHD, his has begun to turn into anxiety.

As a parent to a child with ADHD and oppositional defiant disorder, I feel very alone. I am envious of those who slide through parenting, those who are not afraid to take their child into public. I make light of the frequent e-mails from the teachers who use words such as angry, defiant, depressed, anxious and oppositional. I laugh in hysteria as I am called into the school once again, as I make countless appointments with pediatricians and therapists. I read the books on parenting, try to limit the screen time, watch his sugar intake. He is on medication No. 2 and we are waiting to see if that is the mythical magic cure that I have been looking for. I have listened in stunned silence as he casually mentions suicide in conversation.

Some days, I have nothing left. I imagine parking

my car in front of a forest and just walking away. As a mother, I receive the brunt of the anger. This is well documented in the academic research on ADHD and its comorbidities. I often wonder if he would be better off with his father full-time who, although more rigid, is loving nonetheless. Then I dig deep into my core of strength, shake my head and try again.

ADHD is one of those invisible disorders that can cause the sufferer so much pain. Children with ADHD are often labelled as troublemakers, despite the expanding awareness and increases in diagnoses. People who have never seen a child or adult with ADHD can be quick to judge it as a made-up illness caused by bad parenting or boredom. ADHD is often diagnosed in conjunction with other disorders such as oppositional defiant disorder and conduct disorder, and various learning disabilities. As children get older, they can turn to drugs or alcohol to self-medicate or get in trouble with the law. As an adult, if you have ADHD, you have an increased risk of car accidents, reduced work performance and difficulties with relationships. Although some children outgrow the symptoms or learn to manage them, approximately 60 per cent of those diagnosed carry their symptoms into adulthood, according to the Centre for ADHD Awareness, Canada.

Some days, he makes his disorder known by dressing up the cat, using the furniture as an obstacle course or by dancing and singing for me.

Those days give me hope. They let me know there is a child in him still. Other days he sits sullenly, angry at noise, angry at chores and angry at the burning inside his body. This can't be easy, the constant movement of his mind and limbs.

Maybe it is my empathy that causes the struggle, as if I can feel his lonely, sad discomfort and give it a voice, when that voice should remain silent. Under his volcano is a great child who wakes me with a kiss every day, who looks for opportunities to form connections with his peers, who has a scientific mind and seeks to understand the universe. He struggles with building empathy and is unable to understand how his actions make others feel.

The other day I went to his school to pick him up for another appointment with a specialist. He joined me in the office, bundled in his snowsuit, pants swish-swishing as we walked outside. He looked at me, the sun reflecting off of his scratched glasses and said, "Today is a good day, Mommy."

My pact to him is that no matter how worn out I feel, I will never stop trying to be his voice until he learns how to manage his own. I will not stop until he can look up and find something good in every day, no matter how small that goodness might seem at the time.

Rhiannon Jones lives in Calgary.

I will never stop trying to be his voice until he learns how to manage his own.

First Person is a daily personal piece submitted by readers

Have a story to tell? Please see the guidelines on our website [tgam.ca/essayguide](http://tgam.ca/essayguide), and e-mail it to [firstperson@globeandmail.com](mailto:firstperson@globeandmail.com)

## He's engaged to me, but pregnant with her

DAVID EDDIE

OPINION



DAMAGE CONTROL

### The question

I met my boyfriend to months ago and now we are planning on getting married. Problem is, he got his girlfriend before me pregnant. She is keeping the baby. He told his mom about it but was scared to tell me. However, I found out later myself through WhatsApp on his phone. He truly does love me and I know it. But now his mother has told me to stay away from her son and that he already has someone he will marry. I called my boyfriend and told him about this and he said, "I'll handle it." Please help me. I am lost.

### The answer

There are so many red flags here I can barely see the (metaphorical) field.

Red flag #1: Him acting like getting his ex-girlfriend pregnant is no big deal and doesn't really have a lot to do with him, something that can be quickly and easily handled.

I've said before I hate it when the verb "to father" is used as a synonym for "to inseminate."

As in: "Celebrity X fathered a child with his nanny!"

Not yet he hasn't. After Celebrity X changes a thousand diapers; tries to spoon goo into the kid's screaming, tomato-red face; teaches the child to ride a bike; rushes the kid to the hospital; spends endless, sleepless nights worrying about its future – then, maybe, just maybe, at his funeral, when the sweet release of death has finally relieved him of parental anxiety, can we say Celebrity X "fathered" the child.

And, if he has a shred of decency and a moral compass at all, your fiancé is on the hook to "father" this child in similar fashion for the rest of his life – at least part-time. It'll be constant and never stop. Can you handle that?

But for me, perhaps the biggest red flag is he avoided telling you about it. That's a pretty big matzo ball to keep up his sleeve. "Oh, by the way, forgot to mention, another woman is having my baby."

If he could seriously attempt to keep that as a secret, it doesn't bode well for the future. What else will he hide/lie about?

If you are truly soulmates, you should be transparent to one another. If I impregnated another woman, my wife would know, not only the instant I walked in the door, I think she'd be able to sense it through the door.

Honestly, all things considered, my first instinct is to tell you to moonwalk away from this whole mess pronto and posthaste.

However, having said all that ...

You mentioned "love" and I'm a sucker for that word. (Columnist's face assumes a dreamy, faraway, "poetic" look.) I do believe true love can surmount a lot of obstacles, maybe even including this one.

So, if you truly believe, down to your toes, in your bones, in the bones of your toes, this dude loves you and will be good to you the rest of your life, here's what I'd do:

Talk to the mom. Explain to her that her son loves you and you love him – to the point you are even willing to surmount this terrible obstacle. I wouldn't expect her blessing, but maybe in time, she'll soften. Time softens all.

Then, call the ex-girlfriend. Maybe have a drink (well, for her maybe a club soda since she's pregnant). If you're really going to marry this guy, you're going to have to figure out a way to deal with her. Might as well start now.

And then turn to Mr. Arnold Schwarzschild. "No more secrets, bub. I want you to open your vault, be an open book, and ... whatever else is a metaphor for being open and transparent. Otherwise, I will drop you like a bag of dirt and find someone who can be honest with me. Got that?"

If he agrees to your terms and you believe him, well, let the festivities begin. Plan ceremonies. Hire caterers, etc.

From there, to (slightly) paraphrase Bette Davis in the movie *All About Eve* (just before an incandescent cameo from a young Marilyn Monroe): "Fasten your seat belts. It's gonna be a bumpy ride."

Are you in a sticky situation? Send your dilemmas to [damage@globeandmail.com](mailto:damage@globeandmail.com). Please keep your submissions to 150 words and include a daytime contact number so we can follow up with any queries.

### TODAY'S SUDOKU SOLUTION

5	6	9	7	2	4	8	3	1
4	8	7	3	9	1	6	2	5
3	1	2	5	8	6	7	4	9
7	9	1	2	5	3	4	6	8
8	5	3	6	4	9	2	1	7
6	2	4	8	1	7	9	5	3
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### TODAY'S KENKEN SOLUTION

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3±	6	3±	1-		
2	6	1	4	3	5
6	4	3	5	2±	6x
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**NATIONAL FORECAST**

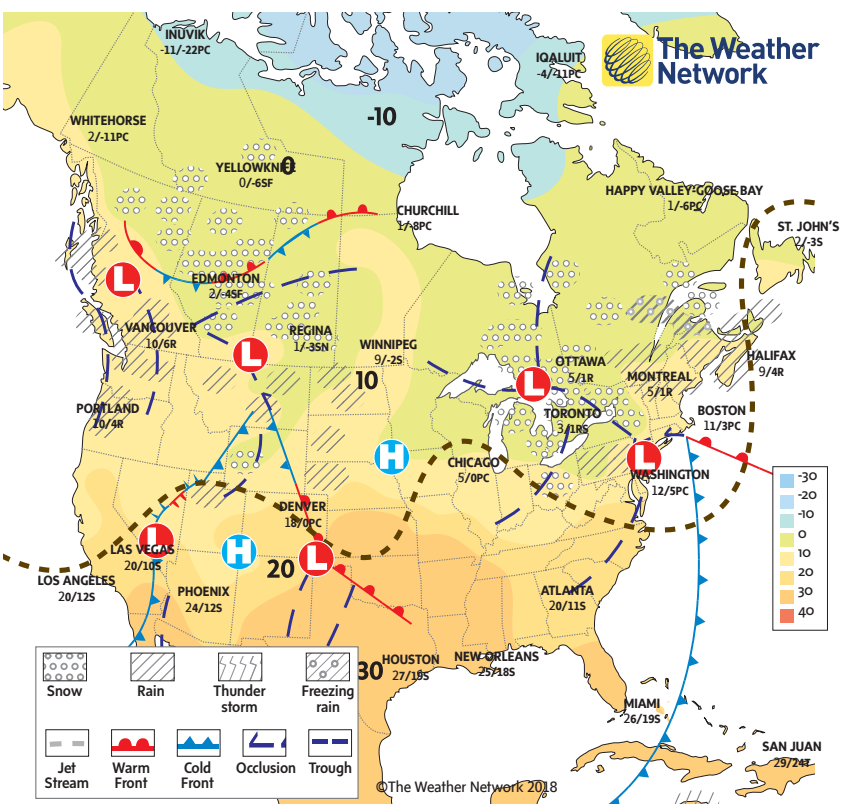
Daytime high, overnight low, and conditions	
C CLOUDY	RS RAIN/SNOW
FG FOG	S SUN
FR FREEZING RAIN	SN SNOW
HZ HAZE	SF SNOW FLURRIES
NA NOT AVAILABLE	SH SHOWERS
PC PARTLY CLOUDY	T THUNDERSTORMS
R RAIN	W WINDY

**WORLD FORECAST**

	TODAY	WED.	THUR.
AMSTERDAM	19/9PC	22/11S	24/12S
ATHENS	21/15S	22/15PC	23/14R
BANGKOK	32/26T	33/27T	34/28T
BEIJING	25/12PC	29/15S	29/14PC
BERLIN	19/7PC	21/8S	23/10S
BRUSSELS	19/9PC	23/12S	25/12S
COPENHAGEN	12/7PC	15/7S	13/8PC
FRANKFURT	18/7PC	21/9S	23/9S
HONG KONG	23/22PC	23/22PC	24/23PC
JERUSALEM	26/17PC	28/19S	28/14S
LAS VEGAS	20/10S	26/12S	19/12R
LONDON	17/11PC	20/12S	23/13S
LOS ANGELES	20/12S	22/11S	21/11S
MADRID	20/9PC	23/10PC	22/9S
MIAMI BEACH	23/21S	26/24S	27/23PC
MOSCOW	18/11C	11/4R	14/3PC
NEW DELHI	37/24R	38/25S	38/24S
NEW YORK	9/3PC	12/6PC	10/4R
NICE	20/14S	22/14PC	21/14S
ORLANDO	26/13S	31/17S	31/18S
PARIS	20/9PC	24/11S	25/13S
PHOENIX	24/12S	30/15S	27/14PC
ROME	20/11PC	22/13PC	24/11R
SAN FRANCISCO	14/9S	13/9PC	14/11S
SEOUL	18/7PC	17/6PC	18/8S
SINGAPORE	30/25T	29/25T	29/25T
SYDNEY	21/17R	22/18PC	29/19PC
TOKYO	16/13R	15/10R	19/13S
WASHINGTON	12/5PC	20/13S	19/8PC

**CANADA FORECAST**

	TODAY	WED.	THUR.
BANFF	3/-6SN	3/-7PC	6/-6PC
BARRIE	2/0SF	4/-1PC	4/-2RS
BRANDON	5/-1PC	4/-3C	7/-3PC
CALGARY	3/-3SF	4/4PC	9/-5S
CHARLOTTETOWN	4/2R	6/0R	4/0PC
CHICOUTIMI	3/-1FR	4/-1SF	4/-1RS
CHURCHILL	1/-8PC	2/-4S	3/-4PC
CORNER BROOK	5/0PC	4/-1R	3/-2RS
CORNWALL	4/1R	7/0R	7/1RS
EDMONTON	2/4SF	4/5PC	8/-2PC
HALIFAX	9/4R	8/2R	9/2R
HAMILTON	2/-1SF	8/2PC	5/-1RS
HUNTSVILLE	2/0SF	5/-2PC	4/-2SF
IQALUIT	-4/-11PC	-10/-19S	-7/-15S
JASPER	5/-6SN	6/-5PC	7/-3PC
KELOWNA	10/-2R	9/0PC	14/-1PC
KINGSTON	3/1RS	6/1R	6/1RS
LONDON	2/-1SF	7/2R	5/-1RS
MONTREAL	5/1R	8/1RS	7/1R
NIAGARA FALLS	2/0SF	6/2PC	5/0RS
NORTH BAY	3/-1RS	3/-2PC	3/-3SF
OTTAWA	5/1R	8/0R	7/0RS
PRINCE GEORGE	7/-2PC	8/1PC	10/1PC
PETERBOROUGH	3/0RS	6/0PC	5/-1RS
QUEBEC	4/0RS	5/-1RS	5/0RS
REGINA	1/-3SN	3/4PC	6/-3S
SASKATOON	1/-1SN	3/4PC	6/-2S
SAULT S. M.	2/-3SF	5/1PC	5/-3PC
SAINT JOHN	8/3R	6/1R	6/1R
SEPT ILLES	0/-1SN	2/0SN	3/-1RS
ST. JOHN'S	2/-3S	3/1FR	5/-1RS
SUDBURY	4/-1RS	5/-2PC	5/-3SF
THUNDER BAY	1/-2C	6/5PC	8/4S
THOMPSON	7/-6S	7/4S	6/-2PC
TORONTO	3/1RS	7/2PC	6/0RS
VAL D'OR	3/-1RS	3/-2SF	3/-3SF
VANCOUVER	10/6R	10/4R	12/6PC
VICTORIA	10/6PC	10/6PC	12/7PC
WHISTLER	8/1R	7/-1PC	9/1PC
WHITEHORSE	2/-11PC	4/4PC	4/-5PC
WINNIPEG	9/2S	6/1PC	8/-1RS
YELLOWKNIFE	0/-6SF	4/-12SF	2/-2SF



**BRIDGE**  
BY STEVE BECKER  
TUESDAY, APRIL 17, 2018

South dealer.  
Neither side vulnerable.

**The bidding:**

South	West	North	East
1[S]	Pass	2[S]	Pass
4[S]			

Opening Lead – queen of diamonds.

**NORTH**  
♠ J 9 7  
♥ A Q 10  
♦ 8 5 2  
♣ 9 7 4 3

**WEST**  
♠ 6 3  
♥ J 7 6 2  
♦ Q J 10 4  
♣ A J 5

**EAST**  
♠ A 4  
♥ K 9 5 4  
♦ 9 7 3  
♣ 10 8 6 2

**SOUTH**  
♠ K Q 10 8 5 2  
♥ 8 3  
♦ A K 6  
♣ K Q

Although it is not essential for a competent bridge player to be able to compute various probabilities precisely, it is nevertheless helpful in many hands to be generally familiar with the fundamental principles of chance.

Bridge is, after all, a game of probabilities, and the player who consistently adheres to the percentages will come out well ahead in the long run.

Consider this deal where South was in four spades. He won the diamond lead and led a spade to the jack, losing to the ace. East returned a diamond to

declarer's king. After drawing another round of trumps, South led a heart to the queen, losing to the king. He then lost a diamond and a club to go down one.

Declarer erred by staking the outcome strictly on a simple heart finesse. In effect, he gave himself only a 50 per cent chance to make the contract, since it was even money whether East or West had the king of hearts.

But he would have had a 3-to-1 chance in his favour if he had taken the queen-of-hearts finesse at trick two, instead of later on. If it won, 10 tricks would have been assured.

Suppose, however, the queen lost to the king, as in the actual deal. South could then win the diamond return, lead another heart to dummy and finesse the 10. If West held the jack, the finesse would succeed, and South could then dispose of his diamond loser on the ace of hearts to make the contract.

By adopting this method of play, declarer gives himself two chances to get home safely instead of just one. He combines two even-money shots, which, as in the case of the coins, make him a 3-to-1 favourite.

**CHALLENGE CROSSWORD**

1		2		3		4		5		6		7
8												
9						10						
11						12	13					
15				16				17				18
19												
20						21						

**CRYPTIC CLUES**

- ACROSS**
- Accepts an invitation to have a drink (5, 2)
  - Highest tree by the way (5)
  - Is it used for playing currently popular tunes? (8, 5)
  - A grain seen only in oak (5)
  - An old Empire sofa (7)
  - Form of decoration in the forces, perhaps (6)
  - One boy about to finish backing another (6)
  - Monks and nuns may dwell this way (7)
  - Groups of mates (5)
  - Demolition of homes is a crime (13)
  - Spot and point to how birds eat corn (5)
  - Signs I'd put out for track runners needing a rest (7)
- DOWN**
- The task is halved with a letter from Greece (5)
  - Offer hospitality to all, though it would be cold in winter (4, 4, 5)
  - Like hell cats in a melee (7)
  - I snoop around and discover a cause of death (6)
  - Negotiate loan for fishing tackle (5)
  - Possibly get into and remain in a disciplined organisation (13)
  - A temporary occupation (7)
  - Steps taken by travellers (7)
  - Evident, but not in treatment room (7)
  - Supplies rushed on board (6)
  - Chance of a rest (5)
  - Expresses regret for glue that's weak, we hear (5)

**QUICK CLUES**

- ACROSS**
- Cry out (7)
  - Juncture (5)
  - Be logical (5, 2, 6)
  - Big bird of prey (5)
  - Dishonourable (7)
  - Highly polished (6)
  - Scamper (6)
  - Moral (7)
  - Damp (5)
  - Repeatedly (5, 3, 5)
  - Vestibule (5)
  - Impetuous person (7)
- DOWN**
- Follow as result (5)
  - Transformation in attitude (6, 2, 5)
  - Speak to (7)
  - Short-sighted (6)
  - Primp (5)
  - Disobedient (13)
  - Leather factory (7)
  - Type of small bomb (7)
  - A mutual agreement (7)
  - Settle decisively (6)
  - Shrewd (5)
  - Adjusted to correct pitch (5)

**SUDOKU**

DIFFICULTY RATING: ★★☆☆☆

5	6		2			3	1	
			3	9	1	6	2	
		2	5	8				
7			2				8	
	5		6		9		1	
6					7		3	
				3	8	5		
	4	5	1	7	2			
2	3			6			7	4

**INSTRUCTIONS** Fill in the grid so that each row of nine squares, each column of nine and each section of nine (three squares by three) contains the numbers 1 through 9 in any order. There is only one solution to each puzzle.

1-	3+	24x		3÷	
		8+	6	3-	
3÷	6	3÷	1-		
		12+	5	2÷	6x
		3+			
2-		13+		4	

**KENKEN INSTRUCTIONS**

- Each row and each column must contain the numbers 1 through 6 without repeating.
- The numbers within the heavily outlined boxes, called cages, must combine using the given operation (in any order) to produce the target numbers in the top-left corners.

Freebies: Fill in single-box cages with the numbers in the top-left corner.

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## Inside the Messy Transformation of Tim Hortons by Marina Strauss

# WINNER

Society of American Business Editors and Writers

---

Congratulations to Report on Business magazine's Marina Strauss on her SABEW Award. This prestigious honour is part of the Best in Business competition, which recognizes outstanding business journalism from around the globe.

Over months of relentless reporting, Strauss pieced together what was happening inside Tim Hortons in the wake of its takeover by the private-equity firm 3G Capital. Her investigation was instrumental in the iconic chain's franchisees launching a class-action lawsuit against the parent company, which used details from Strauss's article in its complaint. A few months after the story was published, the president of Tim Hortons stepped down to take on a new role. Strauss's tenacious work ensures Globe and Mail readers are always in the know on important stories and their impact.

Get the full award-winning article at [tgam.ca/sabew](https://tgam.ca/sabew)



JOURNALISM MATTERS.

— THE ACURA —

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SKATING

Patrick Chan announces retirement, says he's 'feeling good and light' ■ B17



HOCKEY

Penalties and power-play goals up sharply in NHL playoffs ■ B14

BASKETBALL

This is the Serge Ibaka the Toronto Raptors had envisioned ■ B13



TUESDAY, APRIL 17, 2018 | GLOBEANDMAIL.COM

STREETWISE

# Vermilion boosts Saskatchewan oil production with deal for Spartan

JEFFREY JONES  
MERGERS AND ACQUISITIONS REPORTER

ANALYSIS

Vermilion Energy Inc. is buying Spartan Energy Corp. for \$1.2-billion in stock to boost production of light oil as the industry struggles with share-price weakness despite improving crude markets.

In the friendly deal, Vermilion gets output of 23,000 barrels of oil equivalent a day in southeastern Saskatchewan from the mid-size company at a price that analysts view as a bargain.

It is offering 0.1476 of its shares for each Spartan share, representing a small premium of 5 per cent from the target's closing price on Friday. Vermilion will also assume \$175-million in Spartan debt.

The announcement arrived as the industry struggles for numerous reasons to woo investors.

Investors were less than ecstatic with the deal, which consolidates a large portion of the province's crude oil production under Vermilion. Shares in Spartan closed down 2 cents at \$6.17 on the Toronto

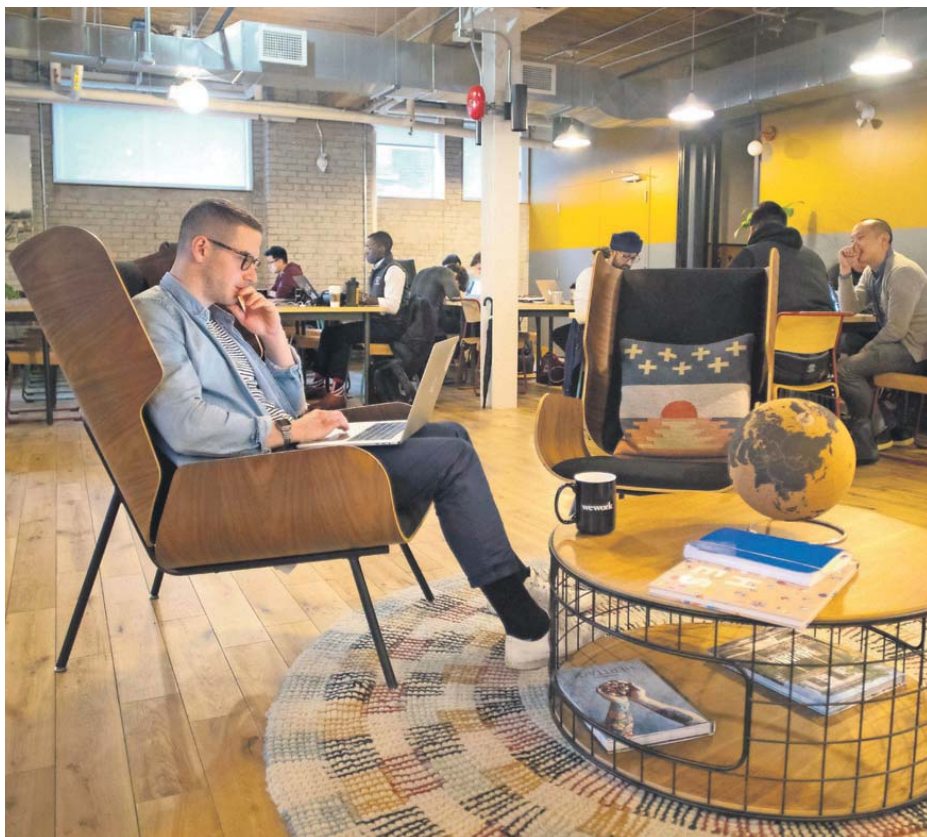
Stock Exchange. Vermilion, which also has operations in Europe and Australia, fell 3 per cent to \$42.75.

With the industry in its fourth year of downturn, this may not be the last such deal, said Travis Wood, analyst at National Bank Financial. "Vermilion has kicked off what could continue to be a theme for the remainder of the year, given cyclically low valuations across a fragmented basin," Mr. Wood said.

Indeed, it says a lot about how investors view the riches available in the Canadian oil patch these days, and little of it is positive.

Normally, a big takeover deal lights a fire under a slow sector as the market places bets that more merger-and-acquisition activity is on tap. In the case of Spartan, the announcement arrived as the industry struggles for numerous reasons to woo investors.

■ VERMILION, B6



A communal work space at the WeWork building on Toronto's Richmond Street West. The company, which also has two locations each in Montreal and Vancouver, wants to have 20 spots in Toronto by 2020. CHRIS YOUNG/THE GLOBE AND MAIL

# Office-space race: WeWork seeks to keep up with Toronto demand

U.S. firm that subleases office space to businesses, entrepreneurs plans two more locations in city by next year

RACHELLE YOUNGLAI

WeWork has turned an old office-sharing idea into a hot commodity.

The young U.S. company leases office space and then subleases it at a premium to tech startups, big firms, entrepreneurs — anyone who needs space for anywhere from a few hours to a few months or longer.

So far, the strategy has worked wonders. Valued at US\$20-billion, the privately held company is now one of the largest corporate occupants in Manhattan and London.

In eight years, WeWork has expanded from one co-working office in New York to more than 300 in more than 20 countries. It plans to

reach 400 locations by year end.

Toronto is one of WeWork's fastest-growing cities; it opened its first space in Toronto last summer and its second in December. Both locations quickly filled up and have a waiting list, the company said.

Inside its first Toronto location just west of the financial district, people work elbow to elbow in rooms with glass walls. There are spotless desks, soft couches, coffee tables and bars stocked with fruit water, beer, coffee and tea.

WeWork plans to open a third location in Toronto this fall and a fourth early next year.

"We look in Toronto and we go 'Wow,' this is just extraordinary by any measure in terms of the reception for the business," said Dave McLaughlin, a WeWork general manager in charge of Toronto, Montreal and the northeastern United States.

The company currently has two locations each in Montreal and Vancouver; it wants to have 20 spots in Toronto by 2020.

Demand for office space in Toronto has been insatiable, with financial-services firms widening their

footprint and tech firms clamoring for space. The city's office vacancy rate is the lowest in Canada and the United States. It is expected to fall further this year, well below Manhattan and San Francisco.

That has made it hard for any businesses to find office space, including WeWork.

"It's not a market conducive for WeWork to find space," said Aly Damji, senior vice-president with Hullmark, which was the first Toronto property owner to lease to WeWork.

Mr. Damji said he initially had concerns about WeWork because its valuation had grown "very, very quickly." But Hullmark "believed in what they offer" and gave WeWork what it wanted: a long lease and more than \$100 per square foot to renovate the space to its liking, also known as "tenant improvements."

That is more than triple the going rate in the financial district, where a top tenant can get a landlord to pay between \$30 and \$40 for every square foot for building renovations, according to leasing agents.

■ WEWORK, B6

# Competition boosts WestJet CEO's resolve to get Swoop off ground

GREG KEENAN  
AIRLINE INDUSTRY REPORTER

WestJet Airlines Ltd. must get its Swoop discount airline launched on time and tackle its cost structure to get ready for an onslaught of low-cost competition from new rivals, new WestJet chief executive officer Ed Sims says.

A move by Kelowna, B.C.-based Flair Airlines to increase its schedule to 208 flights in June — as well as the potential takeover of Norwegian Air Shuttle ASA — have "redoubled my enthusiasm and appetite for Swoop," said Mr. Sims, who replaced Gregg Saretzky as WestJet's CEO last month.

International Airlines Group (IAG), the owner of British Airways, Spain's Vueling and other carriers, is already planning to fly to Canada later this year under its own long-haul discount carrier, known as Level. IAG recently bought 4.6 per cent of Norwegian, fuelling speculation about a takeover that would give the latter airline a financially strong parent to backstop its expansion plans.

Norwegian has delayed plans to fly to Canada from Europe — originally scheduled to begin in July — by a year, but other discount European carriers have targeted Canada. Meanwhile Flair's expansion, a new economy-fare regime at Air Canada and an expansion of its low-cost Rouge network are increasing the competitive pressure.

Flair's announcement is a shot across the bow at WestJet, Mr. Sims said. "That to me is a strong call to action for WestJetters to make sure we redouble our efforts both to make sure we operate on the lowest-possible cost base and have the opportunity to grow," he said on Monday as he gave his first media interviews since being appointed on March 8.

In the transatlantic market, Norwegian's flights to Canada, if they go ahead next year, will coincide with the arrival of the first of 10 Boeing 787 wide-bodied planes that WestJet will deploy to international markets. Destinations in Europe are on the list.

■ WESTJET, B2

# B.C. beefs up regulators' powers to enforce fines against investor fraud

JUSTINE HUNTER VICTORIA

The B.C. government is giving two regulators more teeth to tackle some white-collar crimes in the province, bringing in the power of the courts to enforce fines against investor fraud.

But broader changes that would address the inability of the B.C. Securities Commission to collect on hundreds of millions of dollars in unpaid fines are still under consideration.

On Monday, the provincial government introduced amendments to the Securities Act that will allow two national regulators, the Investment Industry Regulatory Organization of Canada and the Mutual Fund Dealers Association, to enforce penalties as court orders against investment dealers who wrong investors.

A Globe and Mail analysis last year found that nationally, MFDA is owed \$73.7-million in unpaid fines and IIROC is owed \$32.7-million.

Filing in court means that they will be able to pursue outstanding fines, and order a person to comply with decisions, made by these self-regulatory organizations.

In recent months, The Globe has highlighted the inability of securities regulators across the country to enforce sanctions against fraudsters and others who run afoul of the regulators who oversee Canada's capital markets. In December, a Globe investigation found that unpaid securities fines totalled more than \$1.1-billion — and only a fraction of the fines announced are ever collected.

British Columbia has the worst track record for collecting fines, in part because of its pattern of imposing tough-on-crime penalties — even though only a small fraction of those fines are ever collected.

The B.C. Securities Commission reported it had \$478-million worth of unpaid fines against individuals, companies and groups last year, but it expects only \$100,000 of that — or 0.02 per cent — is likely to be collected.

■ SECURITIES, B6

MARKETS		
▲ S&P/TSX	15,300.38	+26.41
▲ DOW	24,573.04	+212.90
▲ S&P 500	2,677.84	+21.54
▲ NASDAQ	7,156.28	+49.63
▲ DOLLAR	79.50/1.2579	+0.11/-0.0018
▲ GOLD (oz.)	US\$1,350.70	+2.80
▼ OIL (WTI)	US\$66.22	-1.17
▲ GCAN 10-YR	2.27%	+0.03

COMPANIES	
AIRBUS	B3
APHRIA	B2
BANK OF AMERICA	B3
BOEING	B3
BOMBARDIER	B3
BP	B9
BROADCOM	B2
CANADIAN PACIFIC RAILWAY	B11
COGECO COMMUNICATIONS	B11
DEUTSCHE BANK	B9
ELDORADO RESORTS	B5
ENCORE CAPITAL GROUP	B10
FACEBOOK	B2
GOLDEN STAR RESOURCES	B11
GRAY TELEVISION	B10
KRAFT HEINZ	B11
LANNETT	B10
LIBERTY HEALTH SCIENCES	B2
MARCUS	B10
NXP SEMICONDUCTORS	B2
QUALCOMM	B2
ROGERS	B3
ROYAL DUTCH SHELL	B9
SEASPAR	B10
SERVIER	B5
SHIRE	B5
SOURCE ENERGY SERVICES	B11
TAKEDA	B5
TROPICANA ENTERTAINMENT	B5

# Aphria stock rises on Liberty Health Sciences sale

Medical-marijuana producer reports \$12.9-million profit after signing a deal to sell part of its stake

TORONTO

Shares of licensed medical-marijuana producer **Aphria Inc.** rose nearly 9 per cent on Monday on better-than-expected quarterly results and after news of a changing political tone on cannabis south of the border.

Aphria reported a \$12.9-million profit in its latest quarter, boosted by the sale of some of its shares in U.S. company **Liberty Health Sciences Inc.**

The Leamington, Ont.-based producer's stock rose as much as 8.95 per cent to \$12.42 on the Toronto Stock Exchange in late morning trading on Monday.

Aphria's chief executive Vic Neufeld said on Monday the company is "very excited" about political developments south of the border — where cannabis is illegal under U.S. federal law — including President Donald Trump's commitment last week to support congressional efforts to protect states that have legalized cannabis. Mr. Neufeld said Liberty Health Sciences, which has interests in states where pot is legal



Some of Aphria's medical-marijuana plants grow in the firm's greenhouse in Leamington, Ont., in May, 2016. Aphria's stock rose nearly 9 per cent in late morning trading on Monday. GEOFF ROBINS/THE GLOBE AND MAIL

and in which Aphria has a 28-per cent stake, has been "given a stamp of validation by key political leaders."

"We are very excited that this has happened," he told analysts discussing the company's latest quarterly results. "We were very confident it would. ... Liberty was just ahead of the curve."

Aphria moved to reduce its stake in Liberty earlier this year after Canada's biggest exchange

operator warned in October that U.S. federal law takes precedence over state laws, and cannabis firms with cross-border activities may face delisting. In January, U.S. Attorney-General Jeff Sessions rescinded an Obama-era memo that suggested the federal government would not intervene in states where cannabis is legal, and said he was leaving it to federal prosecutors in those states to decide how aggressively to en-

force federal law.

Aphria sold 26.7 million Liberty shares at a price of US\$1.25 a share, representing all its shares in the company that are not subject to Canadian Securities Exchange escrow requirements and maintained a 28.1-per-cent stake after the transaction.

But on Friday, Colorado Senator Cory Gardner said he received a commitment from Mr. Trump that the memo's rescission

would not affect Colorado's legal-marijuana industry.

While Mr. Neufeld viewed this as positive, he told analysts on Monday he did not expect the TMX Group, which operates the Toronto Stock Exchange and Venture Exchange, to change its position soon.

Aphria does not anticipate "enough advancement" between now and late July, when the licensed producer is expected to reduce its stake in Liberty Health Sciences further to 20 per cent, Mr. Neufeld said.

"This is just another advancement of eventually getting to the position of where medical cannabis moves to Schedule 2," he told analysts. "That journey is still a long way off."

Meanwhile, Aphria reported quarterly revenue that more than doubled to \$10.3-million, compared with a year ago and an improvement in its all-in costs of sales of dried cannabis per gram to \$156, down from \$213 in the same quarter of 2017.

The company said its latest quarterly profit amounted to 8 cents a share for the quarter ended Feb. 28, compared with a profit of nearly \$5-million, or 4 cents a share, a year ago when it had fewer shares outstanding.

THE CANADIAN PRESS

APHRIA (APH)

CLOSE: \$12.24, UP 84¢

## Facebook fuels broad privacy debate by tracking non-users

Concern about **Facebook Inc.**'s respect for data privacy is widening to include the information it collects about non-users, after chief executive Mark Zuckerberg said the world's largest social network tracks people whether they have accounts or not.

Privacy concerns have swamped Facebook since it acknowledged last month that information about millions of users wrongly ended up in the hands of political consultancy Cambridge Analytica, a firm that has counted U.S. President Donald Trump's 2016 electoral campaign among its clients.

Mr. Zuckerberg said on Wednesday under questioning by U.S. Representative Ben Lujan that, for security reasons, Facebook also collects "data of people who have not signed up for Facebook."

Lawmakers and privacy advocates immediately protested the practice, with many saying Facebook needed to develop a way for non-users to find out what the company knows about them.

"We've got to fix that," Mr. Lujan, a Democrat, told Mr. Zuckerberg, calling for such disclosure, a move that would have unclear effects on the company's ability to target ads. Mr. Zuckerberg did not respond. On Friday, Facebook said it had no plans to build such a tool.

Critics said that Mr. Zuckerberg has not said enough about the extent and use of the data. "It's not clear what Facebook is doing with that information," said Chris Calabrese, vice-president for policy at the Center for Democracy & Technology, a Washington advocacy group.

Facebook gets some data on

non-users from people on its network, such as when a user uploads e-mail addresses of friends. Other information comes from "cookies," small files stored via a browser and used by Facebook and others to track people on the internet, sometimes to target them with ads.

"This kind of data collection is fundamental to how the internet works," Facebook said in a statement to Reuters.

Asked if people could opt out, Facebook added, "There are basic things you can do to limit the use of this information for advertising, like using browser or device settings to delete cookies. This would apply to other services beyond Facebook because, as mentioned, it is standard to how the internet works."

Facebook often installs cookies on non-users' browsers if

they visit sites with Facebook "like" and "share" buttons, whether or not a person pushes a button. Facebook said it uses browsing data to create analytics reports, including about traffic to a site.

The company said it does not use the data to target ads, except those inviting people to join Facebook.

Advocates and lawmakers say they are singling out Facebook because of its size, rivalled outside China only by Alphabet Inc.'s Google, and because they allege Mr. Zuckerberg was not forthcoming about the extent and reasons for the tracking.

"He's either deliberately misunderstanding some of the questions, or he's not clear about what's actually happening inside Facebook's operation," said Daniel Kahn Gillmor, a senior staff

technologist at the American Civil Liberties Union.

Mr. Zuckerberg, for instance, said the collection was done for security purposes, without explaining further or saying whether it was also used for measurement or analytics, Mr. Gillmor said, adding that Facebook had a business incentive to use the non-user data to target ads.

Facebook declined to comment on why Mr. Zuckerberg referred to security only.

Mr. Gillmor said Facebook could build databases on non-users by combining web browsing history with uploaded contacts. Facebook said on Friday that it does not do so.

REUTERS

FACEBOOK (FB)

CLOSE: US\$164.83, UP 31 US CENTS

## WestJet: Demand for seats on Swoop is ahead of expectations

FROM B1

"I fully expect to see deeper and broader transatlantic competition coming out of Ireland in Norwegian's colours," Mr. Sims said.

Domestically, however, what was expected to be a full-scale battle between two ultralow-cost carriers — so-called because they offer rock-bottom fares, but charge for baggage, seat selection and all food and drinks — has been delayed with Vancouver-based Canada Jetlines Ltd. pushing back its original July launch to an unspecified date.

Demand for seats on Swoop is ahead of expectations, but the ultralow-cost unit is also at the centre of a labour dispute between WestJet and its pilots, who became the first of the company's employee groups to be unionized when they joined the Air Line Pilots Association last year.

The WestJet unit of ALPA has won a favourable Canadian Industrial Relations Board ruling that prevents Swoop from offering pilot jobs directly to existing WestJet pilots without going through the union.

The pilots union and WestJet are in conciliation talks on a first contract. The conciliation period is to conclude at the end of April. A strike can begin 21 days later.

The Swoop planes and the routes they fly have traditionally been flown by WestJet pilots, said Rob McFadyen, chairman of ALPA's WestJet unit.

"When you start taking routes and aircraft away, it has a significant impact on our pilot group," Mr. McFadyen said in an interview. "That is one of the paramount issues to our pilots."

Mr. Sims confirmed Swoop has already begun hiring pilots and training them for the June 20 startup.

Swoop flights will not cannibalize WestJet's existing network, he said. If the planes had stayed within WestJet's mainline oper-



WestJet CEO Ed Sims

ations, the airline would have had too much capacity, he said.

Reaching agreement with the pilots is a high priority, Mr. Sims said and he expects a deal to be reached this year.

Mr. Saretksy said during WestJet's investor day presentation in December that it could take five years to reach a deal. He said in February that Swoop would start flying in June with or without an agreement with ALPA.

Fitch Ratings Inc., a credit-rating service that examines Air Canada's debt, said it is not concerned about the immediate impact ultralow-cost carriers might have.

Air Canada can compete with its Rouge brand, Fitch said. "We also believe that new entrants may have a difficult time in Canada, since both incumbent airlines are financially healthy and are expected to compete vigorously with any new airlines," the agency said.

Mr. Sims joined WestJet last May as executive vice-president of commercial operations.

He had spent 10 years at Air New Zealand, where he was in charge of the airline's international wide-bodied aircraft operations, before becoming CEO of New Zealand's air-navigation service provider.

WESTJET (WJA)

CLOSE: \$22.83, UP 26¢

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## [ AEROSPACE ]



## Come fly with me

Workers put up a poster of the Bombardier Global 7000 aircraft at the Asian Business Aviation Conference and Exhibition at Hongqiao International Airport in Shanghai on Monday. Bombardier is extending the range of its marquee business jet to 7,700 nautical miles, unseating the Gulfstream G650 as the long-distance champion of the private-aircraft industry. The improvement for the plane will be able to whisk passengers from New York to Hong Kong, or Singapore to San Francisco, the company said in a statement on Sunday.

ALY SONG/REUTERS

## Bombardier union optimistic about contract negotiations with Airbus

MONTREAL

The union representing **Bombardier Inc.** employees doesn't anticipate overly acrimonious negotiations to renew the collective agreement once **Airbus SE** takes control of the C Series program.

The contract expires on Nov. 30, but the International Association of Machinists and Aerospace Workers (IAMAW) travelled to France to meet with the three main aerospace unions to learn more about their relationship with Airbus.

David Chartrand, the union's Quebec co-ordinator, says he was somewhat reassured because there is already a fairly strong union culture in both France and Canada. He says he was "happy" to negotiate with the French company rather than **Boeing Co.**, the American aerospace giant that could have been Bombardier's partner in the C Series.

The IAMAW is still waiting for the partnership between Bombardier and the French giant to be finalized that will give Airbus majority control of the C Series program without having to pay a cent.

In March, Bombardier Aerospace workers voted overwhelmingly in favour of a new reciprocity agreement that ensures workers who switch between Bombardier and the future partnership don't lose their pensions and keep most seniority benefits, including salary and vacation time.

Under the terms of the deal announced last fall, Airbus will hold 50.1 per cent of the new partnership.

Bombardier's share will increase to 31 per cent while that of the Quebec government – which injected US\$1-billion to obtain 49.5 per cent in 2015 – is slated to fall to 19 per cent.

THE CANADIAN PRESS

BOMBARDIER (BBD.B)  
CLOSE: \$3.70, UP 6¢

Under the terms of the deal announced last fall, Airbus will hold 50.1 per cent of the new partnership.

## Rogers to test 5G tech in Ottawa, with estimated 2020 rollout

DAVID PADDON TORONTO

**Rogers Communications Inc.** expects to begin testing core applications for fifth-generation wireless networks later this year in Ottawa, after more precise 5G industry standards come out, the company's chief technology officer said on Monday.

The tests will be conducted with long-time network supplier Ericsson, a Swedish multinational that has a major research and development lab in Ottawa – one of Canada's main technology development hubs.

Jorge Fernandes, who recently joined Rogers as its chief technology officer, told reporters that 5G networks probably won't be ready for "prime time" until about 2020

because of the hardware and software that's still to be developed.

But he added that the introduction of the new networks will require collaboration with many partners, including city governments and businesses.

"There's still a lot being done to develop the technology itself. And it's important that we start explaining and bringing these partners along so that they can see the future and see the benefits they will bring," Mr. Fernandes said.

The new 5G level of wireless service is expected to deliver significantly faster download speeds compared with today's LTE networks and make new technologies possible.

While there are foreseeable consumer applications for 5G,

such as virtual reality, Mr. Fernandes expects a bigger initial value from machine-to-machine applications used by communities and businesses.

For example, Mr. Fernandes said, a city with 5G-connected traffic monitoring would assist self-driving vehicles that are currently being developed and rolled out on a limited trial basis in various countries.

"Autonomous vehicles today have sensors within the vehicle itself. But the vehicle can only see what it can see," Mr. Fernandes said. A 5G network would be able to enhance the driverless car's capabilities by warning it of hazards beyond its sensor range, such as a bicycle coming toward it from around a corner.

In order for that to work, Mr.

Fernandes said, Rogers is preparing to modernize its wireless network by vastly boosting the number of transmitters capable of connecting thousands of sensors within a city to automated vehicles.

While Rogers has been using Rogers Centre stadium to test frequencies and network optimization, Mr. Fernandes said there's no clear time frame for expanding its 5G testing in Toronto. However, Mr. Fernandes is already working to boost infrastructure – including fibre optics, new electronics and more towers – so that its network will be ready to go once the software has been finalized.

Ericsson is one of the world's leading wireless network technology developers, and the main supplier to Rogers since the cable

company got into the wireless business.

Mr. Fernandes said the Ottawa trial will be performed after Release 15 of the 5G standard comes out – likely in June – which will dictate how 5G devices should talk with 4G networks.

The two main rivals for Rogers – BCE Inc. and Telus Corp. – have claimed their current 4G networks have a speed advantage, but Mr. Fernandes said it's not a significant factor and promised to surpass them. "I am not catching up to be 'as good as.' We will be leading in this business, make no mistake about that."

THE CANADIAN PRESS

ROGERS (RCI.B)  
CLOSE: \$57.23, UP 47¢

## B of A's profit surges on higher interest rates, loan growth

**Bank of America** reported a 34-per-cent rise in first-quarter profit on Monday as it benefited from higher interest rates and loan growth.

The second-largest U.S. bank by assets said net income attributable to shareholders rose to a record US\$6.49-billion in the three months ended March 31 from US\$4.84-billion a year earlier. Earnings a share rose to 62 US cents from 45 US cents.

Analysts on average had expected 59 US cents a share, according to Thomson Reuters I/B/E/S. It was not immediately clear if the reported figures were comparable.

Total revenue, net of interest expense, rose about 4 per cent to US\$23.28-billion.

In the bank's biggest business – consumer banking – revenue rose

9 per cent to US\$9.03-billion.

"Strong client activity, coupled with a growing global economy and solid U.S. consumer activity, led to record quarterly earnings," chief executive Brian Moynihan said in a statement.

Higher interest rates helped B of A charge more for loans while keeping deposit rates low. The lender relies heavily on higher interest rates to maximize profit as it has a large stock of deposits and rate-sensitive mortgage securities.

JPMorgan Chase & Co. and Citigroup Inc. last week also reported rises in quarterly profit, helped in part by higher interest rates.

REUTERS

BANK OF AMERICA (BAC)  
CLOSE: US\$29.93, UP 12 US CENTS

## Rising interest rates starting to pinch more Canadians: poll

CALGARY

A new poll suggests a growing proportion of Canadians say they are feeling the effects of higher interest rates.

The quarterly MNP consumer debt index survey says 43 per cent of Canadians say they're feeling the effects of higher interest rates, up five percentage points from three months ago.

The poll done for insolvency firm MNP also said 51 per cent of respondents fear rising interest rates could impact their ability to repay their debts, while 33 per cent agreed that rising interest rates could possibly push them toward bankruptcy.

Forty-seven per cent said they do not believe they'll be able to cover all living and family ex-

penses in the next 12 months without going into further debt.

The poll comes ahead of the Bank of Canada's interest rate announcement later this week.

The central bank has raised its key interest rate target three times since last summer, moves that have prompted the big banks to raise their prime lending rates.

The latest MNP poll was done between March 12 and March 16 and included a sample of 2,001 Canadians that were interviewed online.

The polling industry's professional body, the Marketing Research and Intelligence Association, says online surveys cannot be assigned a margin of error because they do not randomly sample the population.

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# OPINION & ANALYSIS

## Going online doesn't have to be a privacy risk

DOMINIC FORTIN

OPINION

CIO at district m

With the Facebook and Cambridge Analytica scandal coming to a head over the past couple of weeks, a topic that was once nebulous is now put under a bright spotlight and becoming a major concern for all online users: data privacy and protection. The business model that puts personal information at the centre of profitability through advertising is questioned: Should we allow free online and social media in return for monetization of personal information through advertising, or should we charge for online activity? While new subscription-based models are bringing alternatives to the ad-supported internet, I believe we can still have free access to content and services, in return for reasonable use of personal information for advertising.

First of all, Canada ranks high in comparison to the rest of the world on protection of privacy. Let's use the stringent European privacy law as a prime point of

comparison. Canada is one of 11 countries to be recognized under European law as providing adequate privacy protection. By comparison, in the United States, as the country does not have adequacy status, individual corporations need to apply for a certification of compliance in order to obtain the same privileges.

This does not mean Canada is exempt from improving and clarifying its current regulations. A parliamentary report that came out at the end of February suggested modernizing Canada's privacy laws, and I couldn't agree more.

Advertising today is dependent on personal data like it has never been before, and as an industry, we are facing the challenge of building ethical and transparent frameworks that will contribute to establishing trust between consumers, service providers and advertisers, and make advertising a healthy part of society. Only if that challenge is met will we be able to trust corporations offering a free service to consumers, such as a social network, to generate their revenue from ethical and lawful use of the data they have gathered for advertising purposes.

So what would be an ethical

and lawful use of data? Simply put, anything in the realm of what is reasonable. An unreasonable use would be in a case where the platform would collect data on its users to then sell it to a third party and make a profit out of it. This is where the notion of consent is important: As a user, I agreed to give access to my data (and to specify what sort of data I'm willing to share) to this platform alone. However, I have not agreed to give access to any third party that is not directly involved in the services I have subscribed to. That's one instance where boundaries need to be drawn.

An encouraging sign that we are seeing right now is the notion of privacy by design that many corporations and technology providers are adopting. More and more platforms are building products with built-in end-to-end encryption and limiting data retention to the bare minimum rather than addressing the problem separately with complex tools and processes. This ensures that data collected will be retained for the shortest time necessary and that all communications and databases will be encrypted to limit the risks of security breaches. In the long run,

companies that are transparent about their data use and strive to put data protection at the centre of their mission will win a competitive advantage.

In the midst of all that, there is one thing we must not forget: We, as users, also have resources and tools that can help us control just how much information we give out and what type of advertising we see – starting with our smartphones, which are already packing a ton of controls over what is shared to apps.

On the web, an obvious example may be ad blockers, but there are many other technologies that empower the user to exert their right to data privacy and control their data exposure. A common example is the incognito mode that is available on a majority of browsers that will remove cookies and other data at the end of every session.

Other tools such as secure DNS services, virtual private networks or browser extensions that give granular control over which companies can track browsing habits are all additional tools that users can leverage if they get educated about the subject.

As a bonus, some of those tools also help protect against

unlawful access from ill-intentioned elements as well.

In the end, in this debate over data protection, I think the efforts will need to come from both sides of the spectrum: Corporations need to take better care of personal data and treat those data in an ethical manner, but also be more transparent about what data are being used and how, in a language that not only tech-savvy users or someone in the legal profession would understand.

By providing clarity to the user, we will create more informed users and empower them to take control and so, share the responsibility of data protection with them.

But as far as data protection goes in Canada, we are in a great position to create a healthier online experience for consumers, having received the adequacy status from the EU's general data-protection regulation, but also with the recommendations that were made to modernize the Personal Information Protection and Electronic Documents Act. These are a couple of great first steps. I think the next one will be how we educate and empower ourselves as consumers over online privacy.

## Canada's resource industries need to reboot their message

TONY COULSON

OPINION

Group vice-president of corporate and public affairs at Environics

In response to a recent shareholder question, Athabasca Oil Corp. chief executive Rob Broen is reported to have stated, "Near as I can tell, we have a tax – we have a carbon tax – but we don't have a pipeline and the opponents of those pipelines are more entrenched than they've ever been." Mr. Broen was expressing frustration about the apparent fraying of what many understood as the grand bargain of oil sands development. The bargain was that governments would impose carbon taxes and regulations to reduce greenhouse gas emissions and control environmental impacts, while producers would get infrastructure (pipelines) that would let them carry the product to international markets and fetch better prices.

Today, the carbon tax and other environmental measures are a reality, but environmentalists continue to fight the pipeline, and Kinder Morgan, the pipeline's proponent, has pointedly announced that it's pausing investment in the project.

Is it surprising that protesters are protesting, despite their policy victories on a carbon tax and other regulations? Not really. In the energy development/environment debate, as on many other issues, minorities at both extremes are vocal and unlikely to change their minds. In the case of oil sands development, about 3 per cent of Canadians consider themselves full-fledged supporters and advocates for oil sands development, while another 15 per cent are strong supporters but not advocates. Conversely, about 3 per cent are fully opposed to and advocating against the oil sands, while 16 per cent are strongly opposed but not advocates against. Canadians' views on pipelines correlate closely with their views on the oil sands in general, so the numbers on pipelines are likely in the same range. (As a means of transporting oil, Canadians favour pipelines, seeing them as safer than trucks or rail.)

Continuing to argue with environmental activists is not an effective way forward. And continuing to talk up the economics of the oil sands and pipelines will only work with the base: those who are already pro-development.

Most Canadians – about 60 per cent – fall somewhere in between the committed supporters and committed opponents of oil sands development. These Canadians recognize that there are economic benefits to oil development and export, but have concerns about the environment and about public health and safety – and are not about to abandon those concerns. Although those who already support the industry find economic arguments about energy development powerful, the six in 10 Canadians in the middle don't find the economic case persuasive unless they're also convinced that the environment and public health will be protected.

If one follows this logic, the federal and Alberta governments may not be interested in courting the votes of hard-core environmentalists, who, like David Suzuki, find them too soft on the environment, or those of the hard-core industry supporters who can't bring themselves to support a "job-killing carbon tax." They might be aiming to hit a sweet spot with the quiet majority that wants to see economic development balanced with environmental protections.

Some in the industry might do themselves a favour by changing their focus. Continuing to argue with environmental activists is not an effective way forward. And continuing to talk up the economics of the oil sands and pipelines will only work with the base: those who are already pro-development.

Maintaining or growing support among the six in 10 Canadians who don't already hold strong views on these issues will require speaking to their concerns in ways that resonate with them – perhaps by learning about their values and crafting messages that fit.

Simplicity also helps. Research has shown that it's best to break complex arguments down into shorter communications. If messages resonate with people's values, informational shortcuts can be okay; people don't need every detail if the source is honest and credible, and they have a sense of shared interests.

You get people's attention by showing that you understand their concerns and can speak effectively to them – because you know that their apprehensions matter. Simply repeating your own priorities can be ineffective or worse.

## Federal pipeline funding is a Band-Aid fix for a bigger problem

MARTHA HALL FINDLAY

OPINION

President and CEO of the Canada West Foundation

The Kinder Morgan issue now drawing serious attention from the Prime Minister's office is about far more than a pipeline. The implications of the potential cancellation of the Trans Mountain expansion project (TMX) are far larger and more far-reaching than for one pipe, for the company Kinder Morgan or for the province of British Columbia or the province of Alberta. The implications are enormous for the country.

The cumulative effect of major project failures – Northern Gateway, Energy East, Petronas' cancellation of the Pacific North-West LNG megaproject – after billions of dollars spent, huge time and human resources wasted, is, as many commentators are now stressing, terrible for Canada's investment climate. That many of these failures are seen as being due to political whims, and rules that change every time a government changes, is devastating. For a country dependent on investment, failure of TMX on top of these other failures would send a disastrous message about how competitive or attractive a place for investment Canada is.

However, a promise of financial support from the federal government is not the answer.

Sure, it might help keep Kinder Morgan building for now – which is important because we need the pipeline capacity and access to the ocean. Our oil sector, after all, provides jobs and economic prosperity for all Canadians.

But what does it do for the larger foreign-investment problem?

It only reinforces everyone's worry; it's an acknowledgment that we can't get anything built here. The Canadian government denied Northern Gateway – after years of time and money spent and concerted efforts to meet the many conditions imposed on the project to address Indigenous and environmental issues. The Canadian government encouraged the cancellation of the

TransCanada Energy East project by moving the regulatory goalposts midstream – the last straw of many regulatory hurdles – again, after significant investment in time and money.

Offering financial help to Kinder Morgan will not calm the fears of other potential investors. Such reactive behaviour, under political pressure, will only show Canada to be a place where we don't know what we're doing. The shareholders of Kinder Morgan are justifiably worried about their money because this project has already taken far more time and treasure than anyone anticipated.

The cumulative effect of major project failures – Northern Gateway, Energy East, Petronas' cancellation of the Pacific NorthWest LNG megaproject – after billions of dollars spent, huge time and human resources wasted, is, as many commentators are now stressing, terrible for Canada's investment climate.

But of Kinder Morgan's two requirements to be met before May 31, the first is that they be assured that the project will be built. This is key. Only the second is "protection" for their shareholders.

If the first part of the ultimatum is met – assurance that the project will be built – then the shareholders will be kept whole, solving the second requirement. So why are we also offering Canadian taxpayer funding, or potential funding by loan guarantees?

We didn't give the proponents compensation when Canada denied the previously approved Northern Gateway. We didn't offer financial help to get Energy East built. And where was the Canadian government when Petronas decided to pull out of their LNG project? Money to "help" Kinder Morgan's shareholders is a short-term Band-Aid answer to a much more fundamental problem that we are not

addressing.

Key, either way, is assurance that TMX will happen. The big question is: How?

Some argue that the federal declaratory power under Section 92(10)(c) of the Constitution is redundant, because TMX crosses provinces and is already recognized as a federal undertaking.

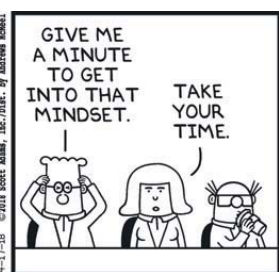
But British Columbia Premier John Horgan isn't letting that stop him. Some issues have shared constitutional jurisdiction, such as the environment, which is where Mr. Horgan is now hanging his hat (after a legal opinion reinforcing that he didn't have the constitutional jurisdiction to stop the project outright).

But we do have a precedent that may be useful: The federal government's declaratory power was enshrined in the Atomic Energy Control Act (now the Nuclear Safety and Control Act), and was upheld by the Supreme Court of Canada in 1993. The clause (as it was at the time) said that "All works and undertakings constructed (a) for the production, use and application of nuclear energy; (b) for research or investigation with respect to nuclear energy; and (c) for the production, refining or treatment of nuclear substances are, and each of them is declared to be, works or a work for the general advantage of Canada." The Supreme Court held that this meant that federal, not Ontario provincial labour rules would apply to the project in question.

Labour relations can be just as sensitive a federal/provincial subject as education, health care and, yes, the environment. Armed with that Supreme Court decision, a majority government and Opposition Conservatives who want this pipeline built, here is an idea: Propose rush legislation – say, the "Energy Transportation Act," which enshrines that the transportation of energy across provinces is "for the general advantage of Canada." Make clear that where there may be overlapping jurisdictions on some issues (such as the environment, labour relations), federal jurisdiction governs.

This may not prevent Mr. Horgan from threatening continued blockages, but those threats would be much less effective with a clearer legal landscape.

DILBERT





# Autos drive U.S. retail sales rebound, signalling consumer sentiment gains

Concerns over a U.S.-China trade war, which has roiled markets, may yet influence consumer confidence

LUCIA MUTIKANI WASHINGTON

U.S. retail sales rebounded in March after three straight monthly declines as households boosted purchases of motor vehicles and other big-ticket items, suggesting consumer spending was heading into the second quarter with some momentum.

Economists saw a limited impact on retail sales for now from a recent ebb in consumer sentiment, citing a robust labour market, which is steadily pushing up wage growth.

Consumer sentiment slipped in early April as households worried about the outcome of the Trump administration's trade policies. Fears of a trade war between China and the United States have roiled financial markets.

"The trade war and battered stock market may yet cause the consumer to temper their consumption expenditures, but for the moment, the sun is out and shining," said Chris Rupkey, chief economist at MUFG in New York. "Consumers are doing their part to drive the economy forward as they restart their engines from a cold and snowy winter."

The U.S. Commerce Department said on Monday retail sales increased 0.6 per cent last month after an unrevised 0.1-per-cent dip in February. January data were revised to show sales falling 0.2 per cent, instead of the previously reported 0.1-per-cent drop.

Economists had forecast retail sales rising 0.4 per cent in March. Retail sales in March increased 4.5 per cent from a year ago.

Excluding automobiles, gasoline, building materials and food services, retail sales rose 0.4 per cent last month after going unchanged in February. These so-called core retail sales, which correspond most closely with the consumer spending component of gross domestic product, were previously reported to have risen 0.1 per cent in February.

U.S. financial markets were little moved by the data as investors watched geopolitical developments. U.S. stocks rose on waning fears that the weekend's U.S.-led missile attack on Syria would escalate into a broader conflict. U.S. Treasury prices fell and the U.S. dollar weakened against a basket of currencies.

## SLOW FIRST-QUARTER SPENDING

Last month's pickup in core retail sales did little to change expectations of a sharp



Shoppers leave a Nordstrom Rack store in Manhattan on April 11. The U.S. Commerce Department said on Monday retail sales increased 0.6 per cent last month after an unrevised 0.1-per-cent dip in February. DREW ANGERER/GETTY IMAGES

slowdown in consumer spending in the first quarter.

Economists largely blame the weakness in retail sales at the start of the year on delays in processing tax refunds. Some also argue that income-tax cuts, which came into effect in January, only reflected on most workers' paychecks in late February.

"The large swing in consumption between February and March is consistent with an important role for household after-tax incomes being restrained and then lifted by a unique pattern of tax refunds and withholdings," said Michael Feroli, an economist at JPMorgan in New York.

"We believe those forces will remain supportive for consumption in the second quarter, and, after today's number, remain comfortable with prospects for a rebound in household outlays this quarter."

Consumer spending, which accounts for more than two-thirds of U.S. economic activity, grew at a robust 4-per-cent annualized rate in the fourth quarter. It is expected to have slowed to below a 1.5-per-cent rate of increase in the first quarter.

Economic growth estimates for the January-March quarter are running below a 2-per-cent rate. The economy expanded at a 2.9-per-cent pace in the October-December quarter. The government will publish

its advance estimate for first-quarter GDP growth later this month.

In March, auto sales jumped 2 per cent, the largest increase since last September, after declining 1.3 per cent in February. Sales at furniture stores climbed 0.7 per cent while those at electronics and appliance stores increased 0.5 per cent.

But sales at building-material stores fell 0.6 per cent last month and receipts at clothing stores dropped 0.8 per cent. Sales at online retailers increased 0.8 per cent. Sales at restaurants and bars gained 0.4 per cent. Receipts at sporting goods and hobby stores dropped 1.8 per cent.

While the stock market volatility has not yet registered on consumer spending, it is chipping away at business confidence.

In a separate report on Monday, the New York Federal Reserve said its Empire State Index tumbled seven points to a reading of 15.8 in April. The survey's measure of future business conditions dropped to a more than two-year low.

"This month's decline in the Empire State Six-Month Forward Index may reflect trade-related uncertainties and the associated volatility of stocks, or other factors," said Roiana Reid, an economist at Berenberg Capital Markets in New York.

“The trade war and battered stock market may yet cause the consumer to temper their consumption expenditures, but for the moment, the sun is out and shining.”

CHRIS RUPKEY  
CHIEF ECONOMIST  
AT MUFG

REUTERS

# Icahn closes deal for Tropicana casinos

ANKIT AJMERA

Billionaire investor Carl Icahn is cashing out of casino business **Tropicana Entertainment Inc.** in a US\$1.85-billion deal that will see **Eldorado Resorts Inc.** picking up Tropicana's casino operations including its crown jewel in Atlantic City, N.J.

Under the deal announced on Monday, six of the eight casino properties run by Tropicana will be sold by Icahn Enterprises LP to real estate investment trust Gaming and Leisure Properties Inc. for US\$1.2-billion.

The casino operations will be taken over by Eldorado, which will pay the remaining US\$640-million and lease the properties from GLPI for an initial 15-year period.

Eldorado's shares jumped as much as 21 per cent to a record high of US\$43.15, while those of Gaming and Leisure Properties were up 4.7 per cent at US\$34.85. "[Tropicana Entertainment's] assets are in very good shape.

Tropicana Atlantic City, Lumiere and Evansville – all stand out as top-notch assets," Union Gaming Research analyst John DeCree said.

The deal is the latest in a series of mergers and acquisitions in the U.S. gambling sector in recent years as companies expand their reach, diversify their businesses and take advantage of recent legalization of gaming in some states.

"We did not foresee any need for near-term capital investments of any scale across the properties," Eldorado chief executive officer Gary Carano said.

The addition of Tropicana's "high quality" assets will allow Eldorado to save about US\$40-million in the first year following the close of the deal later in 2018.

This is Mr. Icahn's second major sale in as many weeks. Last week, he agreed to sell auto-parts maker Federal-Mogul Corp. to Tenneco Inc. in a US\$5.4-billion deal, unloading an investment he has held for nearly two decades.

Icahn Enterprises said in its statement that the deal did not include Tropicana's Aruba casino and resort in the Caribbean, which would be sold separately as a condition of closing the deal.

REUTERS

# Shire sells its cancer business to Servier as Takeda plans bid

LONDON

**Shire PLC**, the London-listed rare-diseases specialist that is a potential takeover target for Japan's **Takeda Pharmaceutical Co. Ltd.**, is selling its oncology business to unlisted French drug maker **Servier SAS** for US\$2.4-billion.

The deal suggests there is value locked up within Shire's portfolio – despite a dismal share price performance in the past two years – as its management braces for a possible US\$50-billion bid battle with Japan's biggest drug maker.

Shire said on Monday it would consider returning proceeds from the sale to shareholders through a buyback and that further selective disposals of non-strategic assets were possible.

The divestment of the cancer business may be a deterrent for Takeda, since oncology was one of the areas it had highlighted as driving the case for a Shire deal, along with gastrointestinal medicine and neuroscience.

Still, given the small contribution of the cancer business to Shire's overall profit, Deutsche Bank analysts said this was unlikely to be a deal breaker.

A Takeda spokesman declined to comment.

Shire was at pains to point out that it started exploring the sale of oncology in December and commenced the disposal process in January, during which it identified multiple possible U.S., European and Japanese buyers. Takeda's interest in Shire was made public only at the end of last month.

Under British takeover rules, Takeda has until April 25 to announce whether it will bid for Shire, which has a market value of around US\$47-billion.

Buying Shire would be transformational for Takeda, but would be a huge financial stretch, since the company is worth around US\$10-billion more than

the Japanese group. Shire also had debt of around US\$19-billion as of the end of 2017.

The drugs industry has seen a surge in deal-making this year as large players look for promising assets to improve their pipelines, but a Takeda-Shire transaction would be by far the biggest yet.

Two sources with direct knowledge of the matter said last week that Takeda had sounded out its major creditors for loans to fund a potential Shire bid.

Shire chief executive Fleming Ornskov said the sale of the oncology business to Servier demonstrated the value embedded in Shire.

Jefferies analysts said the sale "should boost Shire's negotiating position on asking price in the current offer period with Takeda."

Shire has long been seen as a likely takeover target and was nearly bought by U.S. drug maker AbbVie Inc. in 2014, until U.S. tax rule changes caused it to walk away.

Shire itself also has a track record of acquisitions, but its biggest ever deal – the US\$32-billion purchase of Baxalta in 2016 – was widely criticized by shareholders.

Its oncology business had sales of US\$262-million last year, putting the divestment on a respectable revenue multiple of 9.2 times.

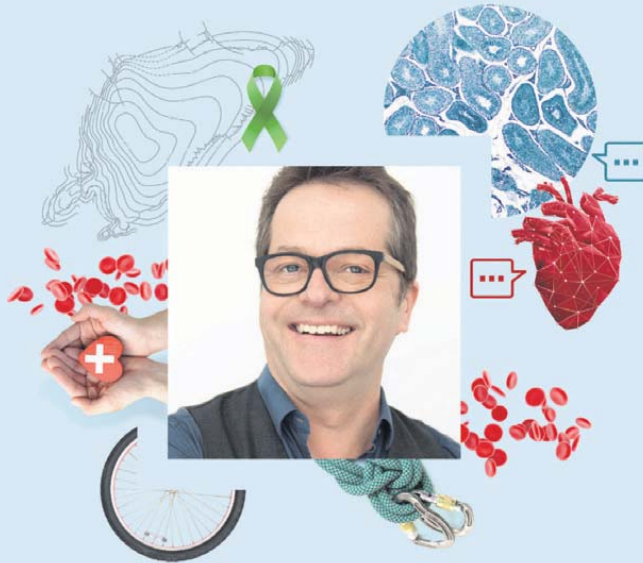
For privately held Servier, acquiring Shire's oncology operation allows it to establish a direct commercial presence in the United States and boosts its presence in the cancer treatment sector.

Drugs being acquired include the two already marketed products Oncaspar for acute lymphoblastic leukemia and rights outside the United States to Onivyde for pancreatic cancer.

Servier also gets the experimental drug calaspargase pegol for leukemia and an early-stage immuno-oncology pipeline.

REUTERS

## The University of Montreal and of Sylvain, who now stands to gain from a discovery that could significantly lower the risk of organ rejection.



Sylvain Bédard got his first heart transplant 18 years ago and is on a waiting list to receive another to replace it. Now, thanks to a discovery by Marie-Josée Hébert and Mélanie Dieudé, his chances of successful recovery after surgery could become much greater. The researchers have identified small vesicles that send out distress signals, causing an auto-immune reaction that can lead to organ rejection. Ultimately,

the scientists hope to calm a donor's organ while it is being kept alive so that it will stop emitting signals and will be better received once it is transplanted. This life-saving procedure will allow transplant patients to get back on their feet more quickly and enjoy a much higher quality of life.

Find out more about this important discovery by Drs. Hébert and Dieudé at: [umontreal.ca/world](http://umontreal.ca/world)

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# CPPIB appoints new infrastructure head

Scott Lawrence, with the fund since 2005, replaces Cressida Hogg on \$25-billion portfolio

JACQUELINE NELSON

Canada Pension Plan Investment Board has appointed a new head of its \$25-billion infrastructure portfolio, the latest in a wave of changes in leadership positions across the country's major pension funds.

Cressida Hogg has decided to leave CPPIB, according to an internal memo circulated at the fund last week. Ms. Hogg, who is based in London, will be moving to a role outside the pension world.

Since she joined CPPIB in mid-2014, the infrastructure portfolio has grown by more than \$10-billion and now has a team of more than 40 professionals spread across offices in Toronto, London, Sao Paulo, Mumbai and Sydney.

Replacing Ms. Hogg will be Scott Lawrence, who up until recently was CPPIB's head of fundamental equities, a team that oversees an active portfolio of investments in public companies. But Mr. Lawrence is no stranger to his new position, having joined the pension fund in 2005 to initiate the infrastructure investments group. He went on to found the relationship investments group at CPPIB, which is a strategy that involves taking significant minority stakes in public companies where

the fund believes its partnership can add value. No replacement for Mr. Lawrence's job has been determined at this time.

Ed Cass, global head of real assets at CPPIB, said that it would be business as usual for his group, which also includes real estate and agriculture. He noted that the strategy and objectives of the infrastructure team wouldn't change, and stressed the importance of close collaboration across teams in the real-assets group in looking for new investments.

The move is the latest in a string of high profile exits from across the major pension funds as senior executives and asset class leaders have jostled for new positions within the pension space and beyond.

Ms. Hogg's resignation means that the country's three largest pension funds have all changed their top infrastructure managers in the past couple of months. In March, the Caisse de dépôt et placement du Québec said that Macky Tall would move from overseeing its \$16-billion infrastructure portfolio to become head of liquid markets and the Réseau express métropolitain (REM) rapid-transit project in Montreal.

The pension fund has chosen Emmanuel Jaclot, who has previously worked on mergers and acquisitions at energy management company Schneider Electric, to fill Mr. Tall's responsibility for infrastructure investing. He will begin at the start of June.

Ontario Teachers' Pension Plan also parted ways with its infras-

tructure and natural resource head Andrew Claeihout earlier this year and has appointed Dale Burgess, who had overseen the Latin America infrastructure team, as interim leader. The pension fund has close to \$19-billion in net assets tied up in infrastructure.

With the transition under way in infrastructure, CPPIB is still working on filling some other large executive positions. Chief executive Mark Machin led a "planned renewal of senior management," last month that saw chief operations officer Nick Zelenczuk, 62, global head of public market investments Eric Wetlauffer, 55, and former global head of real assets Graeme Eadie, 65, exit the fund. The first two men have yet to be replaced.



People sit in a communal space at WeWork in Toronto on March 27. The company, which provides shared co-working space, is eight years old, has more than 300 locations in more than 60 cities and is worth around \$20-billion. CHRIS YOUNG/THE GLOBE AND MAIL

## WeWork: Contract work, growth in tech firms help fuel demand

■ FROM B1

CO-WORKING GROWS

Although office sharing has been around for decades, WeWork's high profile has made it popular and the number of co-working offices is multiplying.

Mr. Damji said he started noticing that many of his tenants wanted shorter leases in part because they did not know how much space they would need in the future. "They would rather pay a lot more on a per-square-foot basis to get on a month-to-month tenancy than to sign a two-year lease with a landlord that could handcuff them," he said.

More contract work, technology, globalization and the growth in tech firms has helped fuel demand.

WeWork is now the second-largest corporate tenant in Manhattan and the largest private occupant in Britain's capital, according to Cushman & Wakefield.

In Vancouver, WeWork and its office-sharing rivals dominate the business district, according to commercial realtor Cresa.

In Toronto, co-working space has increased about 11 per cent to 1.2 million square feet over the past year, Cresa said.

Swiss-based IWG, which has run co-working offices for nearly three decades, said there was a time when co-working was a foreign concept for landlords.

"There were questions around who's going to be coming into my building, how is this going to operate. That's not that long ago," said Wayne Berger, an IWG executive vice-president in charge of Canada. IWG operates under the Spaces and Regus brands.

"Now the reality is Spaces and Regus are amenities in the building. They build vibrancy in the building. They become an amenity for all the other tenants," he said.

HIGH-RISK PROPOSITION

While IWG and WeWork are both big players in the same business, their valuations

couldn't be more different.

IWG has operated shared offices for 29 years and has more than 3,000 locations in more than 1,000 cities. It is publicly traded and has a market value of around US\$2-billion.

In contrast, WeWork is eight years old, has more than 300 locations in more than 60 cities and is worth around US\$20-billion, as indicated by a recent financing.

Why is WeWork worth so much more? One of its biggest financial backers, Japanese conglomerate SoftBank Group, says WeWork has the data and technology to transform the way people work. WeWork, whose stated mission is to create a world where people work to make a life, not just a living, says its offices are where companies and people grow together and that they are "dynamic environments for creativity focus and connection."

WeWork's main business is co-working, although it has branched out into dorm living (WeLive); startup incubating (WeWorkLabs) and early childhood education (WeGrow).

Because WeWork is a private company, it is not known whether it is profitable, whether expenses are manageable or whether revenue — which the company says will double to more than US\$2-billion in one year — is growing organically.

"WeWork is a high-risk proposition for a landlord," said Michael Emory, chief executive of Allied Properties REIT, which owns offices across Canada and is credited with having the vision to restore and refurbish derelict industrial buildings into offices.

Mr. Emory believes WeWork, Spaces and other co-working offices are needed in Toronto. But he will not lease to WeWork.

"Maybe WeWork will go from success to success. I have no real rational way of evaluating it. It is a very high-risk proposition for a landlord and an investor. At some point and time, some investor may be holding the bag on WeWork," he said.

Although WeWork started in the wake of the Great Recession with one co-working shop in SoHo in 2010, its global business has been expanding in other cities when their economies have been booming and has

not been tested during an economic slump.

After the dot-com bubble burst at the turn of the century, the U.S. Regus business was forced to file for bankruptcy protection in 2003, when demand for short-term rentals dried up. (Regus emerged from bankruptcy protection about a year later.)

"It is a business model that can introduce some strain depending on how high your occupancy is," said Rich Kleinman, LaSalle Investment Management's head of U.S. research and strategy.

"[WeWork is] an unproven business model through a full cycle. That is the kind of thing that you look at when you are underwriting a tenant that you would be signing a long-term lease with," he said.

WeWork's general manager Mr. McLaughlin said co-working lowers tenant capital expenditures and does not tie them into long-term leases. "Regardless of economic backdrop, we've seen an increasing value placed on flexibility, moving real estate from a fixed asset to a more fluid one," he said.

Flexibility could mean businesses and contractors choose co-working spaces during a downturn. On the other hand, it could mean businesses and contractors stop renting their co-working space.

No one knows if an economic downturn or simply the addition of new buildings will hamper the popularity of shared offices or whether the co-working glow will fade and leave landlords, their buildings and cities with vacant office space.

More critical are WeWork's leases. It is not known whether WeWork's U.S. parent company guarantees every location's lease, which would help ensure that landlords are paid if WeWork does not have enough tenants to fill its space. A WeWork spokeswoman said the company does not comment on "the structure or content of our lease structures."

Hullmark's Mr. Damji would not say whether WeWork's parent company was backing up its lease. But he said Hullmark has a backup plan if WeWork fails.

"If they do fail, then their buildout is generic enough that we could lease each floor to a typical office tenant," Mr. Damji said.

## Securities

■ FROM B1

Officials did not provide more current numbers on Monday. The amount of outstanding fines in B.C. for the two national regulators is not publicly known.

Attorney-General David Eby said the changes will help protect investors — particularly vulnerable seniors who may invest their life savings in the securities market — but it doesn't deal with the broader spectrum of white-collar crimes that are regulated by the B.C. Securities Commission.

"Only those people who are members of these regulatory bodies are affected by these changes," Mr. Eby said.

He said B.C. is simply catching up with other jurisdictions, including Quebec and Ontario, that have already given the Investment Industry Regulatory Organization of Canada (IIROC) the authority to pursue the collection of disciplinary fines directly through the courts.

Manitoba tabled similar amendments last month. Alberta has made the change as well and reported better enforcement outcomes as a result, Mr. Eby said.

However, Mr. Eby said more changes are coming.

"It's one piece of an overall approach to protect investors in British Columbia but it is not the whole piece."

The B.C. Securities Commission has already provided a submission on potential changes to improve its enforcement rates, and Minister of Finance Carole James is currently reviewing those options.

The unpaid-fines figure is just one of several troubling issues uncovered in The Globe's investigation into the oversight of Canada's capital markets. The thousands of case files analyzed also reveal that one in every nine people sanctioned in Canada usually ends up with another blemish on their record, suggesting that committing such crimes is easy and that little exists in the way of effective deterrence for repeat offenders.

At the same time, some fraudsters appear to be exploiting Canada's patchwork of provincial regulators. More than 63 per cent of repeat offenders have been previously sanctioned in another jurisdiction, or by a different regulator, the analysis shows.

The IIROC oversees approximately 160 investment dealers and their trading activity in Canada's debt and equity markets.

In British Columbia, the agencies work under the authority of the B.C. Securities Commission, with the power to investigate and prosecute firms and investment advisers that breach its rules.

## Vermilion: Spartan shareholders are not being offered any cash in the deal

■ FROM B1

Not least of which has been the view that a big increase in sorely needed oil export capacity is anything but assured, even after Ottawa recommitted to the Kinder Morgan Inc. Trans Mountain pipeline expansion last week-end.

As a result, it's feared investment returns could keep lagging those of U.S. oil companies that operate in regions such as the Permian basin.

Spartan shareholders are not being offered any cash. Acquisition-related equity raising has been all but off-limits to Canadian oil and gas companies since last year, when such producers as Cardinal Energy Ltd. and Painted

Pony Energy Ltd. were punished for issuing stock.

Vermilion is paying the equivalent of 4.5-to-5 times forecast 2018 cash flow for Spartan's 23,000 barrels a day of output, according to Mr. Wood, a bargain compared with just a few years ago for similar assets and comes even as oil prices improve. Meanwhile, Vermilion expects cash flow a share to increase by 15 per cent.

With the deal, Vermilion's proportion of North American production increases to 60 per cent from 46 per cent, with European output at 35 per cent and Australian production at 5 per cent.

Vermilion chief executive officer Anthony Marino said he believes investors are better served

in a larger organization. "In this equity market that we exist in, we do think that it's hard for small companies to attract the attention of institutional investor," he told analysts on a conference call. "And the smaller you are, the bigger the impact is and that's another reason I think that we'll find that the transaction works well for the Spartan shareholders."

Vermilion's own shareholders will also benefit from more debt, Mr. Marino said.

Spartan's chief executive officer, Rick McHardy, was not available to comment on why it was time to sell and at this price. As recently as January, Spartan shares topped out at \$7.29.

Mr. McHardy has exemplified

a breed of oil-patch executive that has made a career of starting up companies, building them up to a certain size, selling them off, then repeating the process. Spartan Energy is the third incarnation of the company for the CEO, who was named Saskatchewan Oilman of the Year in 2017 for his success in the southeastern corner of the province.

Now, the selling-them-off part has become a lot more difficult amid the extended downturn and negative investor sentiment, and the entrepreneurs have been left running the businesses much longer than they had planned, leaving them frustrated.

In Saskatchewan, other would-be buyers for Spartan have been dealing with their

own struggles. Crescent Point Energy Corp. has sworn off corporate acquisitions for now after irking investors with equity offerings to fund them. It is now the target of an activist investor, Cation Capital Inc., which is pushing to remake the board of directors.

Raging River had previously been speculated as a possible suitor for Spartan, and for assets that Crescent Point has up for sale. It is now studying a "strategic repositioning," leaving the market to wonder whether it is on the sidelines of deal-making.

Now, Spartan shareholders have the opportunity to throw their lot in with Vermilion, which means dividends and a much more diversified suite of assets.

# ETFs

Thematic exchange-traded funds filling market gap

**ACCORDING TO GREENWAVE ADVISORS**, legalization of recreational marijuana in California, Canada and other markets will unleash annual retail sales of \$14.5-billion (U.S.) including sales taxes. Another report, by Deloitte, predicts that marijuana revenues will reach \$23-billion (U.S.) by 2021.

Unsurprisingly, this high-growth sector is proving irresistible to strategic investors. Downside risk management may also be part of its appeal: early trends indicate this paradigm shift may impact many sectors, from stalwart components of the Dow Jones Industrial (such as pharma giants Merck, Pfizer and Johnson & Johnson) to the alcoholic beverage companies on the S&P 500 and other leading indices.

In a new, untested sector, however, choosing individual companies is a gamble even for seasoned investors with unlimited time for analysis. Especially for those who wish to avoid the high fees usually associated with managed specialty mutual funds, therefore, last year's launch of the Horizons Marijuana Life Sciences Index ETF was a welcome development. In less than a year, the fund – the first marijuana-themed ETF in North America – has grown to more than \$700-million in assets.

Thematic ETFs such as this one address important gaps in the investment marketplace, says Steve Hawkins, president and co-CEO of Horizons ETFs Management. "They enable the expression of an investment idea or preference an investor may have, whether it's their personal values and commitment to social responsibility or an interest in a specific type of asset concept."

"We believe that investing in an ETF is important, especially in a new class like marijuana or robotics

**“We believe that investing in an ETF is important, especially in a new class like marijuana or robotics where broader diversification is essential, and thematic ETFs cross borders and industry sectors to create a new approach to asset classes.**

**Steve Hawkins**  
President and co-CEO of  
Horizons ETFs Management



Investors who wish to avoid the high fees usually associated with managed specialty mutual funds will see last year's launch of the Horizons Marijuana Life Sciences Index ETF as a welcome development. **ISTOCK.COM**

where broader diversification is essential, and thematic ETFs cross borders and industry sectors to create a new approach to asset classes."

The thematic ETFs introduced so far are neither active nor passive, says Mr. Hawkins. "With truly active management, there is always a portfolio manager making discretionary decisions. With thematic ETFs, a lot of initial qualitative analysis goes into working actively with the index provider. Once the index is created and the fund is launched, it becomes more passive – all we're

doing is rebalancing the portfolio to reflect changes in the index."

Horizons launched a second thematic ETF, the Robotics and Automation Index, in December. "This theme is very specific to the world of automation and AI, all the things that are and will impact us every day, from a medical perspective, self-driving cars or manufacturing," says Mr. Hawkins. "We also see significant growth possibilities in blockchain technology, and are launching a new fund that focuses on blockchain infrastructure."

Thematic ETFs are designed for higher risk, higher rewards strategies, he notes. "Obviously, you should not invest all of your savings into marijuana; its performance is extremely news-driven. At the same time, its growth prospects are unparalleled."

"We see these thematic ETFs as the way of the future. It's not about what is hot right now. Investors aiming to generate higher-than-market returns focus on themes with growth prospects over the longer term."

## HOW TO CHOOSE AN ETF

Exchange-traded funds (ETFs) have grown at an annual 10-year rate of 22 per cent in Canada and 19 per cent globally in terms of assets under management – a trajectory that has the attention of investors. With the number of funds and assets under management having increased to 584 ETFs with \$152-billion in assets in Canada and over 5,400 ETFs with \$4.8-trillion (U.S.) in assets globally, ETFs have now surpassed the hedge fund industry.

"The success of the ETF industry has attracted both new firms and existing firms, where traditional active mutual fund shops have entered into ETFs to participate in the market demand and transform their business," says Kevin Gopaul, chair of the Canadian ETF Association (CETFA). "The increase in the number of products and providers has reduced the available white

**“The increase in the number of products and providers has reduced the available white space, where innovation continues to add to demand.**

**Kevin Gopaul**  
Chair of the Canadian ETF  
Association

space, where innovation continues to add to demand."

Many investors are attracted to ETFs because of features like low cost structures, transparency, broad diversification and tax efficiency, says Mr. Gopaul.

"Increased education has led to increased comfort among a growing list of users," he explains. "ETFs originated as an institutional product and evolved towards advisers and direct holders; and now institutional interest is ramping back up. All user groups benefit from the same attributes, including a level playing field for cost and execution."

While ETFs became known as equity vehicles, offering exposures to leading asset classes and indexes, they have become just as important in fixed income, amplifying the benefits of ETFs within an asset class that has traditionally been less transparent and liquid, according to

Mr. Gopaul. "ETF users recognize the importance of asset allocation, and ETFs provide a highly efficient tool to get access to areas of the market that traditionally required more expertise and operational complexity."

With ETFs tracking virtually every sector, region and asset class, and an ever-increasing range of products and providers, how to select an ETF? Mr. Gopaul suggests taking a closer look and asking questions like: What is the quality of the manager? What is the provider's commitment to service and education? What's the breadth of offerings? And what is the commitment to innovation?

"Those are the kind of things people should include in their checklist and rank them according to their

priorities," says Mr. Gopaul. While the approach will likely be different for institutional investors, advisory clients or individual investors, it's important to have a solid understanding of the product and how it fits into an investment portfolio, he explains. "While niche ETFs are quite popular, they can be challenging in terms of liquidity, tradability and meeting expected returns."

"The evolution in products will continue to be more solutions oriented. As more users become comfortable with ETFs, they will also be more open to discussing their needs for portfolio construction," he says. "Providers are becoming more responsive to those needs. They are working on solutions that are appropriate and relevant for a range of sophisticated users."



As the evolution in ETF products continues, Kevin Gopaul, chair of the Canadian ETF Association, advises to spend some time on defining an investment strategy. **ISTOCK.COM**



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# University dorms open for summer business

An increasing number of schools are creating fancier residences that can be used year-round, raising extra revenue and keeping their campuses hopping

PAUL ATTFIELD

With total 2017-18 enrollment sitting at 35,880 full-time undergraduate students and 9,350 full-time graduate students, not to mention scores of part-timers, the University of British Columbia can be a busy place through much of the fall and winter.

But with exams coming to an end in the next couple of weeks, the university and its campuses, particularly the main one at Point Grey, situated a 20-minute drive from downtown Vancouver, can lose some of their vitality.

Injecting more life into the school throughout the summer months was just one of the main factors at play when the university decided to build its Ponderosa Commons residences.

While the extra 1,150 beds were sorely needed to help offset the university's constantly growing waitlist, the ability to run the units - which include studios and two- and four-bedroom pods - on a 12-month basis was important. Students who rent there, along with select other residences, have the option to sub-let their units to other UBC students and visitors over the summer, with prices at Ponderosa listed for around \$145 per room per night on Expedia.ca.

"Summer is the nicest months by far in Vancouver and the campus is under-used," says Gerry McGeough, UBC's director of planning and design. "So from a sustainability [standpoint] it allows us to get better use of buildings and our lands."

The location of Ponderosa Commons, consisting of three buildings on three neighbouring sites which fully opened two years ago, was carefully thought out. When UBC conducted its latest campus plan in 2010, much had changed since the previous one drafted in 1992. While academics was still a guiding principle for the plan, concepts of well-being, community and compact development were also important.

As a result, the university decided to use the new construction project as a way to enliven the academic core of campus, building it in an area that was traditionally reserved for teaching facilities. This had the added effect of not only adding vibrancy to a sleepier part of campus, but also



The new Ponderosa Commons at the University of British Columbia was built in the academic core of the campus, traditionally reserved for teaching facilities. "It was really about invigorating the core of the campus 24-7, so it was a full-on community within the campus," an architect involved in the project says. The stylish interior plays a further role, attracting visitors in the summer for overnight stays. NIK LEHOUX, ABOVE, AND MARTIN TESSLER/UBC

increasing safety with a greater density of students.

"It was really about invigorating the core of the campus 24-7, so it was a full-on community within the campus," says Karen Marler, principal of Vancouver's HCMA Architecture and Design, one of firms behind the project.

Guided by the principles of live, study, work and play, the project pulls together a number of different facets, combining areas for visual arts and art history, the department of psychology, a yoga studio, and a pizza parlour. In addition, the project also features Collegium, a space that Ms. Marler describes as akin to an Air Canada airport lounge, a members-only space providing kitchen facilities, study areas and hang-out spots for commuter students.

Shirley Blumberg, founding partner of Toronto's KPMB Architects, the other firm responsible for the project, says the result is "almost like a Vancouver neighbourhood."

UBC is not alone in this think-

ing. Most schools have long offered accommodation as a fringe operation in the summer, but an increasing number are taking it more seriously now — building and updating facilities to make them useful on a 12-month basis, not just for the school year, particularly as they update campus plans that are looking increasingly dated. The results can be not only much-needed extra revenue but also a more vibrant campus, better security and a sense of community.

At the University of Victoria, its master plan from the 1960s included a lot of buildings (such as the Craigdarroch and Landsdowne residences, as well as the food facility) constructed in the Brutalist style of architecture.

"So there's not a lot of windows and there's not a lot of transparency and a welcoming atmosphere," says Mike Wilson, UVic's director of campus planning and sustainability.

The university renewed its campus plan in 2016, with an intent to densify the campus and

make it more walkable. New residences are being planned, and Mr. Wilson says the goal is to "inject positivity and positive life into the campus."

The University of Victoria also holds conferences on campus year-round, and while he says it's not a big operation, and it's not really meant to compete with the Victoria Conference Centre, he adds that "it definitely serves its purpose" in helping offset academic costs.

It's a similar story at Thompson Rivers University in Kamloops, where Glenn Read, the executive director of athletics, recreation and ancillary services, says the school runs a fairly significant conference business year-round.

However, while the school's focus on residences has been and always will be for students, historically the school has filled them over the summer to help keep rates down for students during the academic year.

"It's not the equivalent of a four- or five-star hotel," he says of the school's newest residence, a 585-suite building built 11 years ago.

"You get what you pay for. We don't promote it as a high-end hotel, but we do promote it as convenient, discounted accommodation."

At Queen's University in Kingston, the ability to rent out accommodation to tourists, conference-goers and others over the summer months had a direct effect on how its newest residences were constructed.

Built in 2015, Brant House and David C. Smith House have two-bedroom units that go on the market from early May to late August each year. Each residence is even listed on lodging websites such as Expedia.ca and Booking.com, with prices at David C. Smith House sitting around \$109 for a two-bedroom suite.

Instead of carpet, the units were outfitted with wood floors, which are "easier to maintain and visually more appealing," says Nicole Braatz, manager of sales and marketing at Queen's Housing and Ancillary Services.

In addition, flat-screen TVs and mini-fridges come as standard in each room, and even the sheets provided have morphed from regular bedspreads to a "hotel-like" white duvet system.

"We're very competitive with the hotel market," Ms. Braatz says, although stressing the school simply adds to the available room inventory in central Kingston rather than challenges traditional hotels.

"Kingston is becoming such a hot spot ... that the downtown marketplace, especially with our proximity, we grow the market in the summer, we don't take away business."

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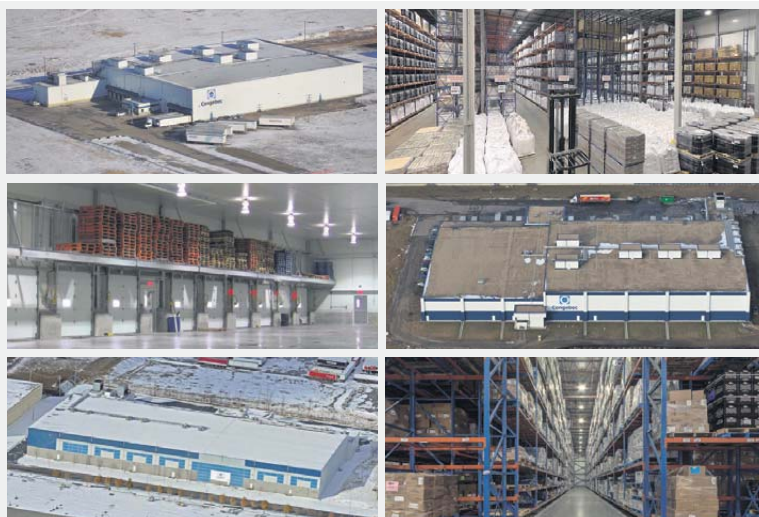
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## ECB asks Deutsche Bank to simulate costs of winding down trading

FRANKFURT

The European Central Bank has asked Deutsche Bank AG to estimate the costs of winding down the trading operations of its investment bank, the first such simulation by one of Europe's biggest banks, Deutsche's finance chief said on Monday.

But chief financial officer James von Moltke said the ECB's request was not an unusual exercise and that it was totally unrelated to Deutsche's internal review of its global investment bank.

"We think we are first in the queue here because we are the largest capital markets bank in the ECB's supervision," Mr. von Moltke said in an interview with Reuters.

The timing of the simulation is sensitive because Deutsche Bank's investment banking division has been losing market share and key staff, contributing to three consecutive years of losses at Germany's largest lender.

Last week, Deutsche ousted its chief executive John Cryan and Marcus Schenk, one of the heads of the investment bank, also left. The management upheaval has

**“**  
We think we are first in the queue here because we are the largest capital markets bank in the ECB's supervision.

JAMES VON MOLTKE  
DEUTSCHE BANK CFO

added to speculation that Deutsche Bank might slim down its sprawling investment banking operation.

An ECB spokeswoman declined to comment on individual banks. "There are in general various exercises such as recovery plans which the supervisor asks banks to provide," she said. "In any case, the ECB does not intervene in any business model decision of banks."

Deutsche Bank, by talking publicly about normally private supervisory exercises, wants to avoid the impression that regulators are worried about the investment bank.

The bank has stabilized since late 2016, when speculation mounted that it would need a gov-

ernment bailout in the wake of huge fines from U.S. authorities.

Global regulators are working on unified procedures for such exercises such as the one that Deutsche is conducting. Regulators are primarily focused on big global banks that trade risky securities such as derivatives.

The regulators have categorized some banks as "systemically important" because of their size. They have identified Deutsche Bank as the most systemically important bank in the euro zone.

Regulators in Britain have already conducted a similar simulation with Deutsche's London-based arm.

The exercise can shed light on whether a sudden halt of trading activities would require government guarantees or support from taxpayers, the Sueddeutsche Zeitung said in its Monday edition. The German paper was the first to report the news of the simulation.

"This [the exercise] doesn't have any connection to any sort of state aid," Mr. von Moltke said.

Deutsche Bank began the task in late January and expects to conclude it in the third quarter.

REUTERS

## BP vows to keep carbon emissions flat into 2025

RON BOUSSO LONDON

BP PLC said on Monday it will keep carbon emissions flat over the decade to 2025, even as its oil and gas output is set to grow, responding to rising investor pressure to help tackle climate change.

The London-based company said it plans to reduce emissions of CO2 gases by 3.5 million tonnes by 2025 through higher production of gas, the least-polluting fossil fuel, reducing leakage of methane, a potent greenhouse gas and limiting flaring of excess gas.

BP also plans to invest up to US\$500-million a year on renewable energies such as solar, wind and power storage. As a result, BP said it plans to keep net emissions from its operations stable between 2015 and 2025. The company uses its 2015 emissions of 51.2 million tonnes of CO2 as a baseline.

Chief executive Bob Dudley has led calls for the energy sector to play a leading role in the transition toward low-carbon energy following a landmark 2015 Paris Agreement to limit global warming by the end of the century.

He nevertheless said that expected growth in demand for energy means oil and gas companies such as BP will have to invest in new production while slowly growing a low-carbon business. BP's near-term targets contrast with ambitions that rival Royal Dutch Shell PLC outlined last November to halve emissions from its operations as well as from fuel it sells by 2050, known as Scope 3 emissions.

REUTERS

BP also plans to invest up to US\$500-million a year on renewable energies such as solar, wind and power storage.

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Industrial	Surrey	18525 96th Ave.	\$3,150,000	\$300	psf

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Source: Altus Group - Altus Group has tracked investment transactions across Canada's key markets since 1995. For more information, please visit altusgroup.com/datasolutions.

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**NOTICE IS HEREBY GIVEN** that the Annual Meeting of the Participating Policyholders of The Equitable Life Insurance Company of Canada (the "Company") will be held at the Company's Head Office at One Westmount Road North, Waterloo, Ontario on **Tuesday, May 8th, 2018, at 9:30 a.m.** (local time)

Participating policyholders may receive Notice of Meeting and other materials containing more details of the business to be transacted at the Meeting by written request to the Corporate Secretary addressed to the Company at One Westmount Road North, Waterloo, Ontario N2J 4C7.

Waterloo, Ontario, April 9, 2018.

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# GLOBE INVESTOR

## Some debt-laden companies worth a look

There are ways for investors to reap benefits from leveraged small companies

JOHN REESE

OPINION

Debt isn't always the dirty word stock investors think it is. Some of the most successful investors over time have used debt to buy cheap companies, nurse them to health and reap the gains.

Private-equity firms try to capitalize on debt to reap profit. They snap up struggling publicly traded companies, with the help of some debt financing, spend a few years turning them around by restructuring or shedding businesses and then they sell them back to public stockholders, ideally at a gain.

That isn't to say all debt is good, either, of course. Debt-laden companies pay more for their credit, and those interest payments take money away from shareholders.

They have a higher default risk and face higher interest rates if they fall behind on their loan payments.

Warren Buffett has said that debt is one of the factors that speaks negatively about a stock. That's because long-term debt is vulnerable to increases in interest rates that can affect the predictability of future cash flows.

The goal is to identify the cheapest stocks of companies that are strong enough to repay their debt.

But most leveraged buyouts are of smaller companies, according to research by Dan Rasmussen, a former private-equity analyst who now runs the hedge fund Verdard. And these deals don't all go sour. Mr. Rasmussen and colleague Brian Chingono used decades of research on small-company stocks to show how investors can benefit from leveraged small companies.

The goal is to identify the cheapest stocks of companies

that are strong enough to repay their debt. For publicly traded companies, the ability to pay down debt over time using the cash generated by the business can result in investors giving the firm higher valuations as bankruptcy risk falls and as interest payments from lower debt levels decline.

Based on all of this, the researchers found that the ideal leveraged small stock could be uncovered by looking at factors such as gross profit-to-assets, long-term debt-to-assets, valuation as measured by enterprise value-to-gross-earnings and long-term debt-to-enterprise value. The average annual return of the top quartile of stocks that passed their screens was 25.1 per cent.

One warning for investors: The stocks that score well on this model have a high degree of volatility, especially to the downside. Excess risks are rewarded with excess returns, but this heightened volatility is something to consider for risk-averse types.

Validea analyzed the model and found that the returns of the past few years have not been as high as those tested in the re-

search paper, which covered ground from the 1960s to 2013.

The performance from 2006 to 2017 puts the portfolio just above the middle in terms of long-term performance. But that is also in keeping with the trend in the market over the past five years that has favoured large-cap and growth stocks over smaller-cap and value models.

Here are some of the stocks that came out on top when Validea used the screens suggested by Mr. Rasmussen and Mr. Chingono:

■ **Marcus Corp. (MCS-NYSE):** An operator of multiplex cinemas. It has a debt-to-equity ratio of 0.7 and a relatively low 9.1 enterprise value/EBITDA (earnings before interest, taxes, depreciation and amortization). EV/EBITDA is used because it presents a way to take the firm's level of debt into consideration when valuing the company. Earnings for Marcus, while choppy, have been positive in each of the past 10 years.

■ **Lannett Co. (LCI-NYSE):** This generic-drug maker has an EV/EBITDA ratio of 5.6. The stock trades close to its 52-week low. A big research development can

turn a company such as this one into a cash machine if management gets it right.

■ **Seaspan Corp. (SSW-NYSE):** This company owns and manages container ships. It has a P/E of 7.3 and EV/EBITDA ratio of 6.8.

■ **Encore Capital Group (ECPG-Nasdaq):** This debt-recovery firm has EV/EBITDA ratio of 11.6 and tons of debt. Yet, earnings have been increasing nicely over the past decade and the firm has a return on equity of 14.8 per cent.

■ **Gray Television (GTN-NYSE):** This broadcaster has an EV/EBITDA ratio of 7.7 with very healthy returns on capital and equity.

To be sure, the majority of the models created by Validea screen for companies that have lower debt levels, but as this research points out, looking at debt through another filter may unearth some hidden opportunities.

John Reese is chief executive officer of Validea.com and Validea Capital, the manager of an actively managed ETF. Globe Investor has a distribution agreement with Validea.ca, a premium Canadian stock screen service.

## Bond spreads and Citi send divergent messages on loonie's flight path

SCOTT BARLOW

OPINION



INSIDE THE MARKET

Is the Canadian dollar overvalued or are the primary factors driving the loonie's value changing? This week's Bank of Canada statement on monetary policy is likely to provide the answer to this important question.

The Canadian dollar's value has been determined in large part by relative bond yields – the Canadian two-year bond yield minus the U.S. Treasury yield – over the past five years as the accompanying top chart (and the correlation calculation) highlights.

In simple terms, this is a function of cross-border asset flows, with investments moving to the country with the higher bond yields. When an American portfolio manager allocates funds to Canadian bonds, for instance, they must first sell greenbacks and buy Canadian dollars in foreign-exchange markets in the process.

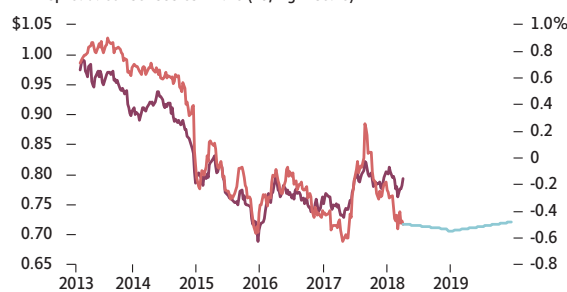
Two-year bond yields on both sides of the border are very much affected by central bank interest-rate policy. Domestically, the current tightening (interest-rate hike) cycle has pushed the government of Canada two-year bond yield to 1.86 per cent, more than double the 0.76 per cent

### VALUING THE DOLLAR: A CASE OF PUSH AND PULL

● CADUSD

● 2Y spread: 2Y Gov't of Canada bond yield minus 2Y U.S. Treasury bond yield (% , right scale)

● 2Y spread: consensus estimate (% , right scale)



● CADUSD ● WTI (US\$/bbl, right scale)



THE GLOBE AND MAIL, SOURCE: SCOTT BARLOW; BLOOMBERG

yield at the beginning of 2017.

The loonie is currently overvalued relative to bond spreads. Based on the five years of market history on the chart, the domestic currency should be trading closer to 73 US cents instead of the current 79 US cents.

The dotted line on the chart indicates the consensus economist estimates for the bond spread until the end of 2019. Very little change is expected from current levels and, in isolation, this suggests the loonie will weaken from here.

The foreign-exchange strategy team at Citi is not concerned about the apparent divergence on the chart and they remain confident that the loonie can move higher still. In an April 13 report titled USDCAD: You'd Be Loonie Not To Sell It (the "it" here referring to the U.S. dollar in Canadian dollar terms), they explained that the recent Business Outlook Survey indicated a degree of corporate optimism that "erodes a barrier to hawkish signals" from the Bank of Canada, paving the way for higher interest rates, bond yields and Canadian dollar.

If Citi is right, the salmon-coloured line on the chart, the relative bond yield, should climb higher and take the loonie with it. This would represent a reassertion of the trend of relative bond yields as the main driver of the Canadian dollar.

The lower chart compares the

loonie with the West Texas intermediate crude price. This relationship has been weaker than the dollar-to-relative yield connection (again, according to correlation statistics), but oil still exerts a powerful influence on currency markets.

The loonie is currently undervalued relative to oil after the commodity price rallied strongly last week. It's reasonable to assume the current value of the Canadian dollar reflects a push/pull effect in which oil prices are pushing it higher while relative yields hold it back.

The Bank of Canada will release its decision on monetary policy on Wednesday and, while no change in interest rates is expected, the market reaction to the wording of the statement will be important for the future price of the domestic currency. We are at a stage where the dynamics underlying global trading of the loonie could be changing, including a waning influence for the bond markets. Other factors, such as the oil price or U.S. political concerns, may assume the driver seat in determining where the Canadian dollar goes from here. If this is the case, the loonie should not be seen as overvalued, despite what bond yields are telling us.

Scott Barlow, Globe Investor's in-house market strategist, writes exclusively for our subscribers at Inside the Market.

## ETF manager renounces emerging markets to pile into gold

ALINE OYAMADA

What do you do when you're sure global stocks are running out of gas, rising rates are about to pummel bonds and your models show the only emerging market worth a bet is India? You buy gold, of course.

Fritz Folts did just that earlier this year after slashing his holdings of exchange-traded funds backed by stocks and cutting to zero his exposure to broad emerging-market ETFs, focusing instead on the United States and Japan. He says the positive growth momentum and favorable investor psychology that drove equities in 2017 diminished this year, and markets aren't paying enough heed to the next round of U.S. Federal Reserve hikes.

"2017 has left the building," said Mr. Folts, 60, who oversees US\$800-million as chief investment strategist and managing partner at 3EDGE Asset Management LP in Boston. The Total Return Strategy portfolio posted an average annual return of 9.03 per cent since January, 2016, when the firm began with US\$100-million of assets under management.

Mr. Folts, a three-decade industry veteran, said in a phone interview last week that gold is the best place to absorb external



Fritz Folts, who oversees US\$800-million at 3EDGE Asset Management LP, says gold is the best place to absorb external shocks amid increased volatility stemming from global trade tension. AKOS STILLER/BLOOMBERG

“2017 has left the building.”

FRITZ FOLTS  
CHIEF INVESTMENT  
STRATEGIST AND MANAGING  
PARTNER AT 3EDGE ASSET  
MANAGEMENT LP

shocks amid increased volatility stemming from global trade tension and he has invested in the commodity through various ETFs. The precious metal rose more than 1 per cent during the past month as trade-war bombast spurred a rout in global stocks.

He has a minimal exposure to fixed income, mostly U.S. Treasuries and ultrashort ETFs with duration of less than a year. He's been bearish on debt since July amid prospects for higher rates. The iShares MSCI Emerging Markets ETF fell 0.3 per cent as of 11:23 a.m. in New York, extending a three-day slide.

In emerging markets, the firm's only investment left is ETFs focused on India and Indi-

an infrastructure. Mr. Folts says favorable demographics and a strengthening economy will support stocks.

It's all an abrupt shift from the early days of 3EDGE, founded by a team from Windhaven Investment Management. At the time, it favored broad emerging-market ETFs while buying country-specific funds in places the firm wanted to be overweight. That was the case in late 2016 for Brazil, when 3EDGE poured cash into ETFs focused on the country and also a small-cap fund to be more exposed to the domestic economy, closing that bet in mid-2017 after Brazilian stocks and currency topped world gains.

All that said, stocks could still surprise on the upside, Mr. Folts said. He still says emerging and frontier markets can produce positive returns in the long term, after the current bout of volatility subsides. He's monitoring the market for any catalysts that could revive growth momentum, such as a more dovish tone from the Fed at its next meeting or surprisingly strong corporate earnings. Still, this year will probably fall short in terms of returns.

"We will definitely have more volatility this year," Mr. Folts said. "And gold can help us there."

BLOOMBERG NEWS









# SPORTS

Toronto FC hopes to kick off an era of MLS domination with win in CONCACAF final ■ B18

The Winnipeg Jets vow to come back strong from Game 3 loss to the Minnesota Wild ■ B14

[ PHOTO OF THE DAY ]



## Third time's the charm

Toronto Maple Leafs left winger James van Riemsdyk scores on Boston Bruins goaltender Tuukka Rask during the first period of Game 3 in their Stanley Cup playoff series. The Leafs entered the pivotal matchup at Air Canada Centre down two games in the series. Auston Matthews and Patrick Marleau complemented Van Riemsdyk's score with goals of their own to snuff out Boston's hopes of going up 3-0 on the road, **David Shoalts** reports ■ B14

NATHAN DENETTE/THE CANADIAN PRESS

## In Ibaka, the Raptors have a big man for all seasons

RACHEL BRADY TORONTO

After leading the Toronto Raptors in scoring, rebounds and blocks in the team's Game 1 playoff victory, Serge Ibaka emerged for his post-game interview in a designer suit and addressed reporters, seamlessly switching between three of the four languages he speaks.

The Congolese-Spanish forward replied fluently to questions from English, French and Spanish-speaking journalists about his performance during Saturday's game, an outing that included 23 points, 12 rebounds and two high-energy blocked shots. (Had the

fashionable big man been asked a question in Lingala – a language spoken in his native Democratic Republic of the Congo – he could easily have answered that too.)

He had helped the Raptors to a 1-0 series lead over the Washington Wizards – despite the opposition clamping down on Toronto all-stars Kyle Lowry and DeMar DeRozan.

This was the Serge Ibaka many had envisioned when the Raptors traded for him in February of last year. The Raps had acquired a 6-foot-10 power forward who could add defensive muscle, protect the rim and shoot the three-ball. He'd be a third star to complement DeRozan and Lowry.

Ibaka only had a few months to get acclimated to his new teammates before the playoffs hit – not enough time to learn every detail of the schemes and establish good chemistry with every Raptor.

"It was more difficult than we thought, especially when pressure hit. When you don't know the nuances or know each other well, it's more difficult in those situations," Toronto coach Dwane Casey said. "We had to simplify some things last year just because of P.J. [Tucker] and Serge coming in [at last year's trade deadline], but that is no excuse. I probably didn't do a good job of integrating them in quick enough. This year is

23

Team-high number of points scored by Raptors forward Serge Ibaka against the Washington Wizards in Game 1 of their first-round NBA playoff series on Saturday.

12

Rebounds for Ibaka in Game 1.

a different story for him, because he knows all the nuances."

A full season later, a more comfortable and effective Ibaka has emerged. He's now a key part of the top-seeded Raptors' effort to take the next step in this year's NBA playoffs. Casey sees a player who is a next-level defensive thinker, one who contributes with loads of unique input in film study. He is giving advice to teammates and working on communicating on defence.

"Now we know each other. Kyle, he knows where I like to go. DeMar, he knows what I like to do. And I know what Kyle and DeMar like to do," Ibaka said.

■ IBAKA, B15

# Leafs notch a roller-coaster Game 3 win

DAVID SHOALTS TORONTO

After two games of getting run over by the Boston Bruins, the Toronto Maple Leafs took their fans for one of their familiar roller-coaster rides.

Mixing the running and gunning that was not seen in the first two games of this NHL playoff series with lots of close calls in their own end, the Leafs took a 4-2 win Monday night. The wildly entertaining win gave them some breathing room in the series by cutting the Bruins' lead to 2-1.

The tension didn't release until 16:25 of the third period when Patrick Marleau and Mitch Marner flew off on a two-on-one rush and Marleau scored his second goal of the night to put the Leafs up by two.

It all started with head coach Mike Babcock giving his critics the bird in the morning.

Babcock is nothing if not stubborn. In the face of unanimous scorn from the fans and media toward invisible centre Tomas Plekanec, Babcock doubled down. He promoted Plekanec to second-line centre, Nazem Kadri's job before he was suspended for three games due to a massive brain cramp.

This was unveiled at the game-day skate, with Plekanec between Kadri's regular linemates, Patrick Marleau, whose switch to centre for Game 2 was a flop, and Mitch Marner. Plekanec and his new linemates were also assigned to the Patrice Bergeron line.

Clearly, Babcock must have stumbled on that old YouTube footage of Brad Marchand saying Plekanec, more than any other NHL forward, drove him crazy.



Maple Leafs goalie Frederik Andersen and defenceman Roman Polak scramble against Bruins left winger Jake DeBrusk to locate the puck in front of the Toronto net on Monday. FRANK GUNN/THE CANADIAN PRESS

Of course, Marchand was talking about the Plekanec circa 2009-12 roughly, when he was still with the Montreal Canadiens and still interested in playing.

The coach was not quite as supportive when the topic of another passenger, forward William Nylander, came up. Especially when Nylander and the rest of the Leafs' top line is compared to the Bruins' big three, Bergeron, Marchand and David Pastrnak.

"At this time of the year, we've talked a lot about this in our room, it's great to have skill but

without will, nothing happens. You're just out there," Babcock said.

When the puck dropped to start the game, the Leafs players came out with the determination their coach was talking about. Nylander must have been listening, because by the end of the second period he and Matthews were flying like it was the regular season.

The Leafs' defence, while improved, still had the habit of throwing pizzas across the middle of the defensive zone. There were at least three giveaways in

the first period, two by the defence, and in the first two games the Bruins would surely have put those pucks in the net.

Another big difference from the first two games was the special-teams play. The Leafs managed to stay out of the penalty box in the first 40 minutes, which was enough to finally put a dent in the Boston power play.

Then the Leafs scored a first-period power-play goal thanks to an iffy delay-of-game call on Bruins centre Riley Nash when he may or may not have sent the puck directly over the glass.

James van Riemsdyk, another of the absent ones, scored one of his patented redirects in front of the net at 17:07.

Not only was it the first goal of the game, it was the first time the Leafs held a lead in the series and it was their second power-play goal in eight chances.

Things grew tighter in the second period, a little tighter than they should have thanks to goaltender Frederik Andersen. He made a great glove save on David Krejci to start the period but then let a routine shot from the point by Boston defenceman Adam McQuaid squeeze between his legs to tie the score.

A few seconds later, Marleau and Marner got the lead back for the Leafs on a nice two-on-one with Marleau finishing on a great pass from Marner. But Andersen committed the cardinal sin for goalies — he let in another softie after his teammates worked mightily to get the lead back. Bruins defenceman Zdeno Chara bounced a shot off Andersen's helmet from in close for the goal.

Fortunately for the Leafs, Matthews and Nylander stepped forward in the last half of the period with their best work of the series. Matthews put the Leafs back in front, 3-2, with a great shot on a great feed from Nylander at 14:42. It was his first goal of the series.

Andersen redeemed himself in the first minute of the third period when the Leafs took their first penalty. Familiar culprits Ron Hainsey and Nikita Zaitsev let Rick Nash and Pastrnak get loose in front but Andersen made a great save on Pastrnak and the Leafs managed to kill the penalty. Then he saved a sure goal with two minutes to go, diving backward to get the blade of his stick on a shot.

## Jets say they're going to 'come out hot in Game 4'

BRIAN HALL ST. PAUL, MINN.

Connor Hellebuyck took his time removing his equipment following the Winnipeg Jets' optional practice on Monday, talking and laughing with fellow goaltenders Steve Mason and Jamie Phillips.

Hellebuyck, a third-year pro with no previous playoff experience, wasn't showing any negative signs about being pulled from the Jets' 6-2 postseason loss to the Minnesota Wild. And don't expect any panic desperation or frustration from Winnipeg when it resumes the best-of-seven, opening-round series Tuesday night.

"It's just the drive we have in this room," defenceman Ben Chiarot said. "No one likes losing, but in this room we take it very seriously, especially come playoff time. We'll come out hot in Game 4."

Despite its youth, Winnipeg showed a knack for bouncing back quickly this season. The Jets, who entered the postseason with 11 wins in their final 12 regular-season games, last experienced consecutive losses March 13-15 and have lost back-to-back games just three times since January.

"They have a real clear idea of what their game looks like when it's right, and the ability to get back to it quickly," coach Paul Maurice said. "You could see it from the bench and you clearly could see it from upstairs — that wasn't the way we play when we're at our best."

"So, we have a real clean understanding of what it is we do well and what we need to have happen. So we can get back to it pretty quickly. The foundation is pretty well set."

Since Maurice turned to Hellebuyck heavily in November when Mason dealt with an injury, Hellebuyck has lost consecutive starts just five times.

However, this is the playoffs, in which even the slightest miscues get amplified. But that doesn't mean the 24-year-old Hel-



The Jets lost 6-2 to the Wild in Game 3, but coach Paul Maurice says the team has a 'real clean understanding' of how to rectify that situation. HANNAH FOSLIEN/GETTY IMAGES

lebuyck is feeling any pressure.

"I wouldn't say there's much of a difference, really," Hellebuyck said. "I put these kinds of games behind me no matter when they happen."

"I guess in playoffs you can be more happy because it's a series, it's not a one-game basis. So, I guess it's a bit easier to put it behind me, but I'm more happy I'm still feeling good on the ice and I'm looking forward to our next game."

Hellebuyck won his first two career Stanley Cup playoff games while stopping 34 of the 37 shots he faced in the opening two contests.

"Bucky's one of the strongest goalies, mentally, that I've ever played with," Chiarot said. "Not much bothers him."

"He's a pretty laid-back guy. Six go by him, I don't think he's thinking about it too much. He'll be ready for Game 4. He'll be the same goalie we've seen all year."

Just like the Jets believe they'll be the same team that bounced back all season.

Winnipeg controlled the first two games, holding a decided 84-37 edge in shots, before the Wild climbed back into the series on Sunday night. The Jets flew into Minnesota earlier on Sunday after being rerouted because of snow on Saturday.

The Jets didn't make excuses. But a comment by Maurice on Monday demonstrated the difference between the first two games of the series and Sunday's loss and why Winnipeg might be able to find its legs Tuesday night.

"The foundation of our game is there's a certain of speed that has to be involved and we didn't skate particularly well [on Sunday] night," Maurice said. "It's the disease of slowness, and that's what cost us the game."

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## Penalties, power-play goals skyrocket early in playoffs

STEPHEN WHYNO

Players take note: Referees aren't swallowing their whistles so far in the 2018 NHL playoffs.

Penalties are up more than 17 per cent over the same time a year ago and are playing a substantial role in several series. Through 19 games in the first round, there have been nearly 10 penalties a game. Last year, there was an average of eight penalties called through 20 games.

"The penalties that have been called in the series so far is an indication of how the referees are calling the game," Pittsburgh coach Mike Sullivan said on Monday. "They're calling it as they see it. I think discipline is of the utmost importance."

While the two-time defending Stanley Cup champions haven't been perfect in that regard against Philadelphia, they haven't been derailed by a lack of discipline. Around the rest of the NHL, penalties and the ensuing power-play goals are making a big difference: There have been 38 power-play goals through Sunday's games compared with just 21 in 2017.

The NHL wants officials to call penalties at the same standard as the regular season, which is happening with penalties actually going up from the first period through the third. Each of the 10 pairings of referees working the playoffs has at least one who has worked the Cup Final, so the hope is having that experience helps maintain consistency.

The Washington Capitals blew two-goal leads in back-to-back overtime losses on home ice to Columbus because of ill-advised penalties and go into Game 3 on the road (7:30 p.m. ET Tuesday, NBCSN) knowing it's a problem that needs immediate fixing.

"We need to be a little smarter," centre Nicklas Backstrom said. "We need to play with better discipline — especially when we have the lead twice. ... It's obviously going to hurt you in the playoffs. That's the way it is. It's just fact."

Nine of the 14 regulation goals in the Washington-Columbus series have come on the power play. The Blue Jackets, who surged into the playoffs by not taking a lot of penalties to tax one of the worst special-teams units in the league, lead the playoffs in penalty minutes a game.

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## Jackets hope Panarin will be the (Bread)winner

STEPHEN WHYNO

Artemi Panarin turned out to be everything the Columbus Blue Jackets were looking for when they traded for him last summer: a dead-eye sniper and deft puck distributor who can get game-breaking goals and make everyone around him better.

And, the Blue Jackets hope, a guy who can get them deeper into the playoffs.

So far, so good. Columbus heads home to Nationwide Arena after taking a 2-0 lead over Washington in its first-round series on Sunday night, a come-from-behind 5-4 overtime win in which Panarin contributed a pair of key assists.

That came three nights after Panarin won the series opener in overtime. With two assists already in regulation, he drove down the left side, slipped past Capitals defenceman Dmitry Orlov and snapped a shot over goalie Philipp Grubauer's shoulder.

"There's very few people who can make that shot," Washington coach Barry Trotz said.

"He can make a play from nothing," Orlov said. "He's so smooth."

The Blue Jackets probably wouldn't be playing in the postseason without the 26-year-old Russian they call the "Bread Man." He was a steady presence and consistent scorer through a bumpy season of slumps and injuries to other key players.

Panarin led Columbus with 27 goals and 55 assists, and his 82 points were the most in a single season in franchise history. His plus/minus of 23 and average of just more than 20 minutes on the ice a game were career highs.

Panarin — sounds like Panera Bread, hence the hockey nickname of "Bread Man" or just "Bread" — has embraced being a featured star after playing in the large

shadow of Patrick Kane in Chicago in his first two years in the league.

Panarin, who won the Calder Trophy as the top rookie in the NHL in 2015-16, was acquired from the Black Hawks last June along with forward Tyler Motte for forward Brandon Saad and goalie Anton Forsberg.

"Bread is a different type player because he can make a special play to win a game," Blue Jackets coach John Tortorella said.

"I just think for you to get through and find your way and try to be a better playoff team, you have to have some players that are dynamic. You're not coaching it, they just see something, they seize a moment and they win you a game.

"Or they make a huge play to get you back in the game in another way."

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# Rogers Centre hole forces Jays raincheck

Postponed game against Kansas City makes three straight Toronto matchups rescheduled because of weather

ROBERT MACLEOD TORONTO

The Toronto Blue Jays were counting on a return to the supposedly comfortable confines of Rogers Centre on Monday night as a welcome respite from the nasty weather that dogged them on their just-completed road trip.

Instead, the rain and sleet storm that has ravaged Toronto and Southern Ontario throughout the weekend resulted in several leaks in the roof of the domed facility.

As a result, the Blue Jays were forced to cancel their first game of a three-game set against the Kansas City Royals because of safety concerns.

The game will now be played on Tuesday afternoon, beginning at 3:07 p.m., as part of a tradi-

tional doubleheader.

For the Blue Jays, it meant another day on the sidelines, as their final two games over the weekend in Cleveland against the Indians also had to be postponed because of wretched weather conditions.

The Royals learned first-hand about the dangerous nature of the weather as they were heading from Toronto Pearson International Airport on two buses to their hotel downtown on Sunday night. A large chunk of ice flew off the lead bus and crashed into the windshield of the second, shattering it. Fortunately, nobody was seriously hurt.

Upon arrival at Rogers Centre midafternoon on Monday, a large tear in the roof over deep right field was easily discernible. On the field, three large tarps were spread out to keep any water from the artificial playing surface.

The roof had also sprung other, smaller leaks. There were tarps on the infield near shortstop and others down the left-field line. In the outfield, white buckets and large garbage containers were also strategically



Building-maintenance workers examine a hole in the roof at Rogers Centre on Monday. The tear is believed to have been caused by a piece of ice that fell from the CN Tower. COLE BURSTON/THE CANADIAN PRESS

placed to catch drips from smaller tears. But it was the gaping hole in right field, believed to have been caused by ice falling from the adjacent CN Tower, that was the biggest concern.

Andrew Miller, the Blue Jays executive vice-president of business affairs, was actually on the

field on Monday morning with a couple of other building-maintenance employees when the damage occurred.

"We saw it happen – it was pretty frightening at the time," said Miller, who witnessed large chunks of ice crash to the field below. "We knew [that] should

there have been a game going on at the time, that that would have been a risk to players and the fans."

By late afternoon, that hole had been patched up by stadium employees who braved the elements on the roof to make repairs.

Still, the decision was made to cancel the game, although that was not made public until just after 5:30 p.m. – about 90 minutes before game time.

"We were doing everything we possibly could to try and get the game in," Miller said.

The last time a baseball game had to be called off at Rogers Centre was April 12, 2001, coincidentally also against the Royals, after two of the panels that make up the retractable roof collided, spewing debris all over the turf.

Fans who purchased tickets to Monday's game directly from the Blue Jays will be allowed to exchange their tickets and pick one from a series of nine games – all on Mondays or Tuesdays. Fans with tickets to Tuesday's originally scheduled game will be able to attend both games of the doubleheader.



Raptors forward Serge Ibaka rears up in front of the net to block Washington Wizards guard Bradley Beal at Air Canada Centre on Saturday. NATHAN DENETTE/THE CANADIAN PRESS

## Ibaka: 'He's been through the fire, you can't put a dollar value on that'

■ FROM B13

"When I play with [Jonas Valanciunas] in the paint, we understand each other more now. It feels more normal now," Ibaka said.

The Raptors shot 16 three-pointers in the Game 1 win, and Ibaka accounted for three of those on just four attempts, causing Wizards coach Scott Brooks to call him "one of the best – if not the best – big-man shooter in the league."

Brooks will surely make Game 2 adjustments to better account for Ibaka, whom he had coached on the Oklahoma City Thunder from 2009-2016.

During that time, Ibaka had twice been the league's leading blocker and made the NBA all-defensive first team three times. Back then, though, he wasn't shooting threes at the same clip he is now.

"He's a guy who gives us defensive versatility. He can shot-block,

he can step out and shoot a three, he can dunk," Lowry said.

"He gives us something that we haven't had.

"We had Patrick Patterson, who could do some of the things, but not on the defensive end. He could shoot the ball as well as Serge, but Serge has given us that consistency to shoot the ball well and do it on the defensive end also."

In addition to his proficient three-point shooting, the Raptors

In addition to his proficient three-point shooting, the Raptors can lean on the experience of a player who has been in 100 playoff games.

can lean on the experience of a player who has been in 100 playoff games and gone all the way to the NBA finals – in 2012 with the Thunder.

"He's played in so many playoff games when he was at OKC, just the experience of being around a guy like [Russell] Westbrook and [James] Harden, [Kevin] Durant," Casey said.

"He's been through the fire. You can't put a dollar value on that."

## NFL to prohibit use of 10 helmet models

BARRY WILNER NEW YORK

For the first time, the NFL is prohibiting certain helmets from being worn by players.

In notifying the 32 teams on Monday, the league has sought to have players stop using 10 helmet varieties. Some, particularly those manufactured by Rawlings, are no longer being made and don't have support from the company. Others were found to be inferior to many of the 34 helmets the NFL and the players union examined.

Previously, NFL players could choose any helmet as long as it passed certification standards. Six of the substandard helmets are prohibited immediately, while the other four may be worn by players who used them in 2017, but not by new players.

The 10 helmets are Rawlings Impulse and Impulse+, Quantum and Tachyon; SG Varsity and SG 2.0; Schutt Vengeance Z10 (model 204100), Air XP (model 789002) and Air XP Pro (model 789102); and Riddell VSR-4 (model R41133). About 200 players used

those helmets last season.

"Over the last few years, we've seen some dynamic changes in the helmet industry, both from new innovators as well as new helmets and models from incumbent companies," said Jeff Miller, the NFL's senior vice-president of health and safety policy.

"There are a number of helmets for players to move to, from those that rank poorly in performing to the ones in the higher ranking.

"The purpose of the continuation to rank helmets and the joint decision with the players' association to prohibit is to increase that movement into better-performing helmets. We are encouraged this is an important step for better player safety."

A survey of players revealed at least 98 per cent used one or more of the 34 helmet models tested. Data also showed that concussions were up in the NFL in 2017 to 291.

Laboratory testing showed that the VICIS Zero 1 models of 2017 and 2018 rate best for player safety. A chart specifying top-to-bottom rankings for the 34 hel-

**FIVE-TIME PRO BOWLER JAMES HARRISON RETIRES**

Long-time Pittsburgh Steelers linebacker James Harrison is taking a second crack at retirement.

The five-time Pro Bowler and 2008 NFL Defensive Player of the Year announced via Instagram early on Monday that he is stepping away from the game following a 15-year career.

Harrison, who turns 40 next month, posted a collage of pictures of his two sons and noted he's "missed way too much for way too long ... and I'm done."

Harrison played nearly his entire career with the Steelers

and the 84.5 sacks he collected with the black-and-gold are a franchise record. He spent the 2013 season in Cincinnati and signed with New England late last season, appearing in all three playoff games for the Patriots, including their Super Bowl loss to Philadelphia.

This is the second time Harrison has called it quits. He retired briefly in September, 2014, only to be lured back to the Steelers. He remained productive into his late 30s, registering at least five sacks from 2014-16.

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mets is posted at every team's training facility.

"We've begun to see that over the last couple of years players [are] moving from helmets that rank in the poorly performing areas to those that are ranging closer to the top-performing

helmets," Miller said.

The 2018 Zero1 was the only new helmet model tested this year.

"We're demonstrating our commitment by setting the pace for innovation and safety," said Dave Marver, chief executive offi-

cer of VICIS, which has been making helmets for only four years. Marver estimated 70 players were using the Zero1 by the end of the 2017 season, and he expects "200 or more" to be in them before the coming season kicks off.

"We already have players in 400 high schools across the country who have ordered the helmet, and we expect 50-plus colleges to have them," Marver added. "Last year we had about 20."

Marver believes a reduced helmet price from US\$1,500 a year ago to US\$950 by the end of last season – a drop enabled by higher volumes and lower manufacturing costs – and a reduction in weight by a half-pound added to the Zero1's popularity.

As for its high ranking, "players feel better when they are hit, they don't feel an impact as much. They say they don't get headaches, don't have those 'seeing stars moments.' Like how the helmet fits so when they move their heads it tracks really well. And there's the wider field of view our helmet provides."

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# Chan announces retirement from skating

Olympic medalist says he feels 'good and light' in wake of decision to stop competing

LORI EWING

In Patrick Chan's perfect future, he's running a skating school in Vancouver with girlfriend Liz Putnam, the two are living in a million-dollar apartment in the city's lovely Kitsilano neighbourhood and he's enjoying a wildly successful career in commercial real estate.

It's been two months since Chan took one final spin around the competitive rink, but the three-time world champion has barely paused to reflect. He's loving looking forward.

"I'm just running around town doing what I want to do, and moving on with a huge smile on my face. I feel good and light," Chan said, ahead of Monday's retirement announcement.

"I had three or four things lined up that I wanted to just learn about, and that's what I'm doing. I'm meeting people and picking their brain and understanding what life is like. I don't think I had any sense of that when I was in the competitive world. It's awesome. I'm just a sponge again. I'm just absorbing and learning."

The 27-year-old from Toronto, who sat out a season after the 2014 Sochi Olympics, was ninth in men's singles at the Pyeongchang Olympics. But his terrific long program in the team event all but guaranteed Canada gold before dance duo Tessa Virtue and Scott Moir even stepped on the ice.

If he'd had any doubts about the comeback, that golden mo-



Canadian figure skater Patrick Chan announces his retirement in the CBC building in Toronto on Monday. Chan says he now wants to open a skating school with his girlfriend. COLE BURSTON/THE CANADIAN PRESS

ment erased them.

"It would have been easy to be complacent and say, 'I don't care, I'm just here to support the team and be a part of it,' and I could've fallen back and said, 'I'll let Tessa and Scott help me through this.' I knew that this was my chance to shine and chance to prove I still had something to give.

"When I sat in that kiss and cry with my two different coaches right next to me smiling and having the entire team behind me as well, and having them all react to me winning ... gosh, that was a better feeling I think than winning individual gold. It's a huge rush to see all these people that are genuinely smiling, and genuinely cheering, and they're ecstas-

ic, that's so cool. To be able to say, 'I did it, we did it,' that's a very, very special feeling."

Chan had planned his retirement announcement for Sunday at Flat Rock Cellars in Jordan, Ont. Chan launched his ice wine "On Ice" in partnership with Flat Rock in 2015. But the weekend's ice storm forced a rescheduling to Monday in Toronto.

The 10-time Canadian champion considered retiring after his heartbreaking silver-medal performance at the 2014 Sochi Games. And while his return wasn't what he'd envisioned, he's glad he came back.

"It wouldn't have been fair to end after 2014, because I didn't really have a good understanding of

who I was and what my aspirations were and what I wanted from the sport. It just didn't feel fulfilling, skating didn't fulfil me completely.

"Now I basically have three highlights to my life: doing shows [such as Stars on Ice], getting familiar with the commercial real estate world, which has been a lot of fun, and finally the third dream would be to have the skating rink going and building a skating program," Chan said.

"I say to myself, 'Let's see how everything unfolds one thing at a time. ... That's a reason why this time around just feels right. It wouldn't have felt right after Sochi.'"

If there are any regrets, it's that

he played his cards too early before Sochi. Chan dominated men's skating for three years before those Olympics, and when Chan added two quadruple jumps, the rest of the world followed suit, and eventually took the quad brigade a step further. American Nathan Chen does six quads in his long program.

"I hate going backwards, but if there is one regret ... I would have been more strategic about adding the quads to the program, and built it one step at a time," Chan said.

Moir described Chan as a skater best appreciated live.

"On TV, you can't feel your hair blow back when you are close to him on the ice, because he has so much speed and command," Moir said.

Chan will be known for his strength and speed on the ice, but also for artistry and exquisite skating skills that he hopes didn't single him out as a dying breed in the sport.

"At the end of the day, the foundation of it all is the joy of skating and the glide and the power, that's what's amazing," Chan said.

To that end, Chan and his girlfriend, a skating coach and former pairs skater, envision opening a skating school much like the Cricket Club in Toronto, and have already started laying the groundwork.

"That's the dream ... a base for young coaches in the area to come, and brainstorm and chat about skaters, how we can make a certain skater better, and make it an individualized curriculum for each skater, and most importantly a fun environment for both skater and coach."

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Krista DuChene of Canada crosses the finish line in third place at the Boston Marathon on Monday. The mother of three finished in 2:44:20 while contending with strong wind and rain. RYAN MCBRIDE/GETTY IMAGES

## Canadian Krista DuChene finishes third in women's Boston Marathon

DAN RALPH

Mother Nature offered Canadian Krista DuChene a competitive advantage Monday at the 2018 Boston Marathon.

The 41-year-old from Strathroy, Ont., battled a steady headwind exceeding 40 kilometres an hour and icy rain to finish third in the women's race. The mother of three, running in Boston after a 13-year absence, finished the 26.2-mile (42.2 kilometre) race in 2 hours 44 minutes 20 seconds.

American Desiree Linden won the event in 2:39:54, but DuChene said the miserable weather conditions played in her favour.

"Definitely, there's no way I can beat so many of those women in the elite field on a good day," DuChene said in a telephone interview from Boston. "It was miserable.

"Windy, cold, I think there was hail at the start, rain. It was a women's-only start, so there was a time when I was with the group, but then for most of it I ran on my own. But our Canadian winters prepare us for days like this."

The inclement weather also forced DuChene, who was 35th in the women's marathon at the 2016 Rio Olympics, to concentrate more on her placing than time. However, she had no idea of what she'd accomplished

when she crossed the finish line. "My goodness, I never thought I'd place third at the Boston Marathon so, yes, it definitely exceeded my expectations," she said. "I knew I was strong and my plan was to roll with the hills when they came and to mentally tell myself the race wouldn't start until the hills started, so that was ideal for today.

"My goal was as soon as I saw a woman to try and get her. See another woman, try to get her. Over the last five kilometres, there were so many women I passed that I had no idea what happened when I finished. I was hoping I was top 10 but you're just not doing the math because you just don't know."

The only Canadian woman to win the race was Jacqueline Gareau in 1980. Canada also earned a top-10 finish in the men's event with Hamilton's Reid Coolsaet finishing ninth in 2:25:02 as Yuki Kawauchi became the first Japanese man to win the marathon since 1987.

Initially disappointed with a slow time, Coolsaet was pleasantly surprised he had achieved his goal of a top 10.

"That was rough and absolute carnage," Coolsaet said in an Instagram post. "When I crossed the line I was happy it was over but pretty bummed that I was so slow. Five minutes later someone told me I was ninth and that put a

smile on my face."

DuChene said she ran Monday's race for her family — 12-year-old Micah, Seth, 10, and Leah, 7 — but also the victims of the April 6 bus crash involving the Humboldt Broncos junior hockey team. Sixteen people were killed and another 13 injured as a result of the accident near Tisdale, Sask.

"Marathon running can be a good opportunity to draw upon your emotions if you can channel them properly," DuChene said. "There's a lot of emotional things I can channel to give me the energy and knowing I'm from Canada, and even if that message gets to one person in Humboldt that I was thinking of them, that's the least I can do for them.

"The day my husband and I flew to Boston, we wore our jerseys and put our sticks out on the front porch and our kids wore their jerseys to school. At the airport not many people knew in the U.S. why we had jerseys on; they probably thought we were Canadians who loved hockey. That's just one opportunity you can be proud of your country and in Humboldt everyone has come together to help them, not just people from the provinces but the whole world."

Monday's race was DuChene's second in Boston but first since 2005. Her time then was 3:00:46.

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## Desiree Linden records shocking win in Boston

KYLE HIGHTOWER BOSTON

After slogging through just a few miles of icy rain and a near-gale headwind that made her feel as though she was running in place, Desiree Linden decided she'd seen enough of the Boston Marathon for another year.

"My hands were freezing, and there are times where you were just stood up by the wind. It was comical how slow you were going, and how far you still had to go," Linden said.

"At six miles I was thinking, 'No way, this is not my day.' " she said. "Then you break the tape and you're like, 'This is not what I expected today!'"

A two-time Olympian and the 2011 Boston Marathon runner-up, Linden decided to stick around, outlasting the weather and the rest of the field to win the race's 122nd edition on Monday in 2 hours 39 minutes 54 seconds. That was more than four minutes better than second-place finisher Sarah Sellers but the slowest time for a women's winner in Boston since 1978.

Yuki Kawauchi splashed through the pelting rain, chilly temperatures and wind that gusted as high as 50 kilometres an hour to win the men's race, passing defending champion Geoffrey Kirui in Kenmore Square to earn Japan's first Boston title since 1987 and the US\$150,000 first prize.

Wearing a white windbreaker that was drenched and billowing in the wind, Kirui slowed and stumbled across the Copley Square finish line in second, 2:25 back, followed by Shadrack Biwott and three other U.S. men. The winning time of 2:15:58 was the slowest since Jack Fultz overcame high temperatures to win the "Run for the Hoses" in 1976.

Runners donned hats and extra layers, and the lead packs tried to draft off the media truck to avoid the rain that was hitting them horizontally at times. Wheelchair winners Marcel Hug of Switzerland and American Tatyana McFadden, both five-time champions, said they were unable to see through the spray that spun off their wheels.

On the fifth anniversary of the finish-line explosions that killed three and wounded hundreds more, Linden became the first American woman to win since Lisa Larsen Weidenbach in 1985 — before the race began offering prize money that lured the top international competitors to town.

Linden nearly ended the drought in 2011 when she was out-kicked down Boylston Street and finished second by two seconds. This time she made the turn off of Hereford with a lead of more than half of a mile.

"Probably 2011 is what put the fear in me," Linden said. "That sprint battle is not super fun. It was nice to get it right down Boylston this time, that's for sure."

A 34-year-old California native who lives in Michigan, Linden said she was so broken by the weather that she wanted to drop out after a couple of miles, but instead stuck around in case she could help one of her fellow Americans.

When four-time Olympian and reigning New York City Marathon champion Shalane Flanagan fell behind after needing a bathroom break, Linden let her draft so she could catch up to the pack. Later, she helped Molly Huddle reconnect with the group.

"And it turned out I was in third, and I thought, 'Well, I probably shouldn't drop out,'" said Linden, who also earned US\$150,000.

Sellers, who finished 4:10 behind, is a full-time nurse who had to train before or after work — at 4 a.m. or 7 p.m. She said she didn't believe it when she was told she had finished second, or that she earned US\$75,000.

"Yeah, I'm in shock about that," she said. It was the second competitive marathon for Sellers, who was a distance runner at Weber State.

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2:39:54

Desiree Linden's winning time.

1985

The last time an American woman won the Boston Marathon.



Toronto FC's Jonathan Osorio celebrates after scoring against Mexico's America during the second leg of a CONCACAF Champions League soccer semi-final in Mexico City on April 10. EDUARDO VERDUGO/THE ASSOCIATED PRESS

## TFC looks to get the ball rolling on MLS CONCACAF domination

Jonathan Osorio hopes the team's tournament success will kick off a takeover as the Reds prepare to take on C.D. Guadalajara

TORONTO

Toronto FC's Jonathan Osorio says the team has the chance to start a seismic shift in North American club soccer.

Toronto opens the first leg of the CONCACAF Champions League final on Tuesday night at BMO Field against Liga MX side C.D. Guadalajara. Mexican clubs have owned this competition for years, but Osorio hopes Toronto's success thus far will rub off on other Major League Soccer teams.

"I think it's pretty clear that an MLS club hasn't won this competition since the change in the format, since it became CONCACAF Champions League, so to be the first to do that would be huge," Osorio said. "I think for it to really change soccer, both in [the United States] and Canada, MLS clubs will have to continue to win this tournament, because the Liga MX guys have a big history, have a head start of winning this tournament."

"It starts with us, that's huge, of course, but I think that gives

the other teams, and of course ourselves, that belief that it can be done."

Mexican clubs have won every CONCACAF Champions League since the first tournament in 2008, while seven of the nine finals have been all-Liga MX matches.

Real Salt Lake (2011) and the Montreal Impact (2015) are the previous two MLS clubs to reach the final. Toronto made it as far as the semi-finals in 2011-12.

TFC, the reigning MLS Cup champions, earned a berth in the tournament final after dispatching MLS side Colorado Rapids along with Mexican clubs Tigres and Club America.

C.D. Guadalajara, better known as Chivas, has won the Mexican title a record 12 times and won the Champions League in 2015 and 2016.

Entering Tuesday's first leg, the Reds will have to be aware of Guadalajara's unique defending style.

"Once they decide to initiate pressure, they get very personal, man-on-man marking, they will track guys all around the field, they're very disciplined in that," TFC coach Greg Vanney said. "They are very good at the individual marking in terms of taking up good angles and taking up good marking positions and moving with guys."

"That way, they're unique. They don't give you a lot of time individually, on the ball necessar-

“

I think it's pretty clear that an MLS club hasn't won this competition since the change in the format, since it became CONCACAF Champions League, so to be the first to do that would be huge. I think for it to really change soccer, both in [the United States] and Canada, MLS clubs will have to continue to win this tournament, because the Liga MX guys have a big history, have a head start of winning this tournament.

JONATHAN OSORIO  
TFC MIDFIELDER

ily because always somebody is right with you."

BMO Field's grounds crew has taken measures over the past few days to ensure the pitch will be in the best possible shape despite heavy rain, snow and subzero temperatures over the past three days.

Despite the weather, Vanney said there has been no thought given to moving the game to another date to provide for better pitch conditions.

"My understanding is the field has been covered the last few days," he said. "Obviously, I think the worst of what we'll face is behind us, in terms of the rain and everything. It's been covered and between today and tomorrow, they'll get the cover off, which should've kept [the field] relatively dry, I would think. Then it'll just be a matter of how it acts over the next 24 hours once they uncover it."

There could be some good news on the injury front for TFC as Chris Mavinga, Justin Morrow and Victor Vazquez have all passed the necessary tests and are available for minutes.

The second leg of the CONCACAF Champions League final is scheduled for April 25 in Guadalajara, Mexico. The winner of the CONCACAF Champions League qualifies for the FIFA Club World Cup featuring the six continental club champions.

THE CANADIAN PRESS

## Morocco's bid for 2026 World Cup hides ban on homosexuality

ROB HARRIS

A FIFA taskforce arrived in Morocco on Monday to inspect a World Cup bid that obscures one potential impediment to hosting the 2026 soccer showcase: Homosexuality is a criminal offence in the North African country.

An Associated Press review of 483 pages of documents submitted to FIFA found Morocco failed to declare its anti-LGBT law as a risk factor and provide a remedy, appearing to flout stringent new bidding requirements.

"Morocco's human-rights report presented to the FIFA is an intentional silence on an issue that Morocco knows too well is a crime on its soil," Ahmed El Haij, president of the Moroccan Association for Human Rights, told the AP.

"It is evident that if Morocco was to host the World Cup, LGBT people coming to watch the games will face a lot of discrimination. The state will not be able to protect them nor will it be able to commit in preventing measures that could be taken against them by both the state and society."

Under Article 489 of the Moroccan penal code, sexual acts between people of the same sex are punishable by six months to three years in prison.

While World Cup hosts could previously largely shake off concerns from activists, FIFA has demonstrated a growing awareness in recent years of how rights abuses can affect its events.

World Cups must be in environments free of "discrimination based on sexual orientation," FIFA secretary-general Fatma Samoura wrote to activists last year discussing the coming tournament in Russia. Samoura's letter reflected a policy incorporated into the world soccer statutes in 2013 as scrutiny of human rights mounted in Russia and 2022 World Cup host Qatar.

"Under the new non-discrimination requirements under FIFA's statutes and under the Human Rights Policy, one of the red lines is anti-gay activity laws or policies," Human Rights Watch director of global initiatives Minky Worden told the AP.

Unlike when Russia and Qatar emerged victorious in the 2018-22 FIFA bidding contest eight years ago, prospective hosts for the 2026 tournament were mandated to commission independent human-rights reports and provide frank risk assessments that form part of the task force's evaluation.

While the United States-Canada-Mexico bid chose to publish its human-rights documents, Morocco repeatedly refused requests from the AP to match the disclosure. The Morocco bid's international communications team also declined to provide any LGBT policy or how the criminalization of same-sex relations would be addressed during a potential World Cup.

The AP was provided with the human-rights annexes to Morocco's bid book by FIFA only after highlighting the North African country's lack of transparency to the soccer world and the up to 207 member countries who will vote on the 2026 host on June 13.

There is a solitary passing reference to LGBT rights in the main 381-page bid book: a narrowly worded pledge by the Moroccan soccer federation to "work to combat all forms of discrimination" including "sexual orientation," signed by its president, Fouzi Leekjaa.

There is no mention of homosexuality being a criminal offence in the bid book, nor in the 27-page executive page executive summary.

Significantly, it is also omitted from the 33-page human-rights strategy in which bids were told by FIFA to own up to "adverse impacts" and provide mechanisms to address them.

"It trips you up in a bid like this because then you are submitting documents that don't accurately reflect the human-rights situation in your own country," Worden said. "And you have missed an opportunity to engage the stakeholders who will come back to criticize you if you don't uphold international human rights."

Morocco's only acknowledgment that homosexuality is outlawed comes within one sentence in a 42-page - nominally independent - "study on the human rights situation."

THE ASSOCIATED PRESS

## Relegation looms over Stoke after last-minute equalizer forces 1-1 draw with West Ham

LONDON

Andy Carroll scored a 90th-minute equalizer for West Ham to draw with relegation-threatened Stoke 1-1 in the English Premier League and come to teammate Joe Hart's rescue after the goalkeeper's latest error on Monday.

Stoke was close to a huge win in its fight to avoid the drop when Carroll, who had been on the field as a substitute for just four minutes, met a left-wing cross with a crisp volley into the bottom corner.

That strike spared the blushes of Hart, whose fumble allowed Peter Crouch - another second-half substitute - to put Stoke ahead in the 79th at the Olympic Stadium.

A victory for the visitors would have seen them move to within three points of safety and keep

West Ham in real danger of going down. As it turned out, Stoke has five points to make up in its final four games if the team is to preserve its top-flight status.

"The goal was a kick in the teeth," Crouch said.

Carroll last played for West Ham more than three months ago, with an ankle injury depriving the team of its target man up front. As usual, he caused havoc after coming on, and his goal is likely to prompt calls for his inclusion in England's World Cup squad as a Plan B for coach Gareth Southgate, fitness permitting.

Whether Hart makes it to Russia is still open to debate.

The goalkeeper has only just got back in the West Ham team after losing his place to Adrian at the end of November. In his first game back, he made a mistake for a goal in a 3-0 loss at Burnley

Stoke was close to a huge win in its fight to avoid the drop when Carroll, who had been on the field as a substitute for just four minutes, met a left-wing cross with a crisp volley into the bottom corner.

on March 10, and this one against Stoke was almost an exact replica as he fumbled a shot in front of him by Xherdan Shaqiri.

Before Hart had a chance to hack the ball away with his feet, Crouch nipped in to score from close range.

The errors won't help Hart's chance of regaining the England jersey off Jordan Pickford ahead of the World Cup in Russia - if he is included in the 23-man squad for the tournament, that is.

The point left West Ham seven points clear of the relegation zone.

Stoke is likely to need at least three wins from its final four games to stay up.

"It is a blow because we were close to winning," Stoke manager Paul Lambert said. "We're right in the fight, no mistake about it."

THE ASSOCIATED PRESS



## MILOS FORMAN

DIRECTOR, 86

OSCAR-WINNING FILMMAKER  
HAD A SUBVERSIVE STREAK

Filmmaker Milos Forman, seen in 2009, says the producers of *One Flew Over the Cuckoo's Nest*, which he directed, sought him out because he 'seemed to be in their price range.' MARTIN BUREAU/AFP/Getty Images

His films *One Flew Over the Cuckoo's Nest* and *Amadeus* both won Academy Awards for best picture and best director

MICHAEL CIEPLY

Milos Forman, a filmmaker who challenged Hollywood with his subversive touch, and twice directed movies that won the Oscar for best picture, died Friday. He was 86.

His death in Connecticut was confirmed by Dennis Aspland, Mr. Forman's agent, and by Vlastislav Malek, a representative of his hometown, Caslav, in the Czech Republic.

A native of what was then Czechoslovakia, Mr. Forman moved to the United States in the late 1960s as a rebellious young filmmaker whose satirical bent was little welcomed at home in the wake of the 1968 Soviet invasion.

Just a few years later, Mr. Forman's *One Flew Over the Cuckoo's Nest* — a tragicomic story of revolt and repression in a mental institution — won five Oscars, including those for best director and best picture.

The film put Mr. Forman in the front rank of those who struggled to make big, commercial films with countercultural sensibilities. His sympathy for the odd man out was always apparent, even as his movies grew in scope.

*Amadeus*, a 1984 adaptation of Peter Shaffer's stage play, presented Wolfgang Amadeus Mozart as a genius who undermined authority with his art. Again, Oscars for best director and best picture were among its many honours.

Still, Mr. Forman, by then a U.S. citizen, said one of his greatest pleasures from the film — which was shot in Czechoslovakia — was the chance to return in triumph to his homeland.

"I've always done everything in my life to win," Mr. Forman said of himself in a 1994 biography, *Turnaround: A Memoir*, written with Jan Novak.

Mr. Forman was caught up in the turmoil of German occupation not many years after his birth, in Caslav, on Feb. 18, 1932. Both his mother, born Anna Suabova, and the man he believed to be his father, a teacher named Rudolf Forman, had been separately seized by the Germans and killed in death camps.

For years, Mr. Forman vaguely told interviewers that he believed himself to be half-Jewish, although both parents attended a Protestant church. It was Mr. Novak, in researching *Turnaround*, who ended the mystery.

After the 1964 release of his first feature film, *Black Peter* — about the misadventures of a teenager beginning his work life — Mr. Forman was contacted by a woman who had been with his mother in Auschwitz, Mr. Novak learned and eventually reported. The woman explained that Mr. Forman was actually the son of a Jewish architect with whom Mr. Forman's mother had an affair. In time, Mr. Forman found his biological father, who survived the war and was living in Peru.

Raised by foster parents, Mr. Forman attended film school in Prague, and first made his mark with his work on a film and theatre presentation at the 1958 Brussels World Exhibition. An

early feature, *The Loves of a Blonde*, won attention on the international festival circuit in 1965. Another, *The Firemen's Ball*, two years later, rubbed Czech officials the wrong way with its spoof of the firefighting bureaucracy, although Mr. Forman was already turning his attention to opportunities abroad.

When the Soviets invaded in August, 1968, Mr. Forman was in Paris negotiating to make a Hollywood film. His first American feature, a youth comedy called *Taking Off*, was released by Universal Pictures in 1971. It did so poorly, Mr. Forman later said, that he wound up owing the studio \$500.

Through the early 1970s, Mr. Forman — a hearty bon vivant without means for the good life — went through a period of self-described depression. For much of that time, he holed up in New York's Chelsea Hotel, sleeping through the days and communicating with émigré friends.

By then, he had been married twice, first to an actress, Jana Brejchova, then to another performer, Vera Kresadlova, who had remained in Czechoslovakia with their two sons, Petr and Matej.

In addition to Petr and Matej, he leaves Martina Formanova, his third wife; and his twin sons, James and Andrew, with Formanova.

In his memoir, Mr. Forman said the producers of *Cuckoo's Nest*, Michael Douglas and Saul Zaentz, sought him out because "I seemed to be in their price range." In fact, they had made a perfect match between filmmaker and material, in this case a cult novel by Ken Kesey.

Jack Nicholson was the movie's star. But Mr. Forman — who liked to coax star performances out of lesser-known actors — did exactly that with Louise Fletcher, who won an Oscar for her portrayal of the dictatorial Nurse Ratched.

*Hair* and *Ragtime*, which came next, left less impression, but kept Mr. Forman on the list of directors whom executives were willing to trust with their more sophisticated projects. In 1978, meanwhile, Mr. Forman joined Frantisek Daniel, another Czech, as co-director of the film program at Columbia University's school of the arts.

It was for Mr. Zaentz that Mr. Forman next struck gold, with *Amadeus*. The film won eight Oscars and, Mr. Forman later wrote, left him with a bittersweet — and ultimately correct — sense that his career had peaked.

*Valmont*, based on an 18th-century novel by Pierre Ambroise François Choderlos de Laclos, was overshadowed in 1989 by the previous year's release of *Dangerous Liaisons*, a film by the director Stephen Frears, which used the same underlying material.

Mr. Forman next made a series of films that each pushed Hollywood out of its comfort zone: *The People vs. Larry Flynt*, which presented a sympathetic portrait of the Hustler magazine publisher Larry Flynt; *Man on the Moon*, about the comic Andy Kaufman; and *Goya's Ghosts*, an examination of persecution in Spain during the lifetime of Francisco Goya.

NEW YORK TIMES NEWS SERVICE

## I REMEMBER

ALAN FRY

When Alan Fry enrolled in the University of British Columbia in 1950, I was one of his teachers, in Latin. We were almost of an age, for I was by far the youngest member of faculty. He struck me at once as an unusual student. Several class members were taking Latin as a useful first step toward a career in pharmacy, medicine or the ministry. Others were there for no evident reason except to get an easy credit on the road to an unambitious degree. Alan, though, was there out of pure intellectual hunger.

He left after a year, and I was sorry to see him go. But there was clearly more to him than academe alone could satisfy. We then lost touch, which I now regret.

Later, when he began to publish, I was pleased to see how

his mind and spirit had fulfilled his early promise. So I got back in touch, and we became friends, first by mail and later by my visiting him in Whitehorse.

This bore fruit professionally, for I was able to adapt and produce some of his work for CBC Radio in Toronto, where I had gone after also leaving UBC.

Back then, the CBC was a major supporter of Canadian literature, and I am proud to have played a small part in getting Alan Fry off the page and onto the air.

He was an important writer, a man of integrity in his craft and in his personal life. I count him as someone to be long remembered.

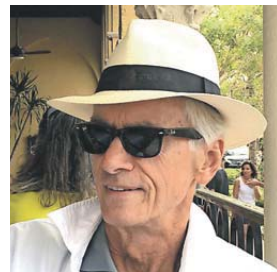
John Reeves, Clarksburg, Ont.

To submit an I Remember: [obit@globeandmail.com](mailto:obit@globeandmail.com)  
Send us a memory of someone we have recently profiled on the Obituaries page.  
Please include I Remember in the subject field

## LIVES LIVED

PAUL DURAND

Rebel.  
Traditionalist.  
Tennis addict.  
Friend.



Born Aug. 29, 1941, in London, Ont.; died Dec. 18, 2017, in Ottawa, of ALS; aged 76.

Paul Durand was a man of contradictions, but there were constants — he never took himself too seriously, but was serious at work and utterly dedicated to family and friends. His wit was ironic and his words quotable.

Paul grew up as a "water rat" on the St. Clair River in Corunna, Ont., bumping huge freighters on their way to and from Lake Huron with his five-horsepower aluminum boat. He was always loyal to his roots, but lit out from Corunna for adventure at age 21, following Route 66 to the Pacific. He then drove back to the edge of Florida, and kept going to the Bahamas, where he became a senior banker and, eventually, returned home to become a successful diplomat.

He was movie-star handsome, with chiseled good looks along Clint Eastwood lines. Marriage and children came early in life. His first marriage to the daughter of an Italian diplomat (Rosamaria) was a full-blown society affair in El Salvador. Communicating in shared rudimentary Spanish and courting across continents, their relationship was as intuitive and illogical as love itself and resulted in three beloved children, Julian, Steve and Michelle.

His second marriage was to Patricia Fortier, for whom he declared his "heart soared like a hawk" and who, as a diplomat herself, was his partner in professional and private life for more than 30 years. Their marriage was sealed holidaying in Australia (while both were on posting in India). They were subsequently "churched" in Patricia's home town of Pine Falls, Man., where he and his best man, Chris, kept the bride waiting while they quaffed communion wine with the priest.

Paul became an acknowledged leader in Canadian diplomacy with the mantra, "Canada is a nation of the Americas," although a friend attributed Paul's diplomatic prowess to an uncanny ability to make slightly obscene puns in his by then perfect Spanish. As ambassador to four Central American countries, to Chile and to the Organization of American States, and as a senior bureaucrat in Foreign Affairs and the Privy Council Office in Ottawa, he helped usher Canada into the OAS, mediated in post-conflict Nicaragua, and, on 9/11, was present at the creation of the Democratic Charter of the Americas.

Deeply ingrained in Paul's soul was a commitment to fairness. He was allergic to banality and slavish political correctness. Tennis was the answer to any existential woe.

After eight years of retirement filled with tennis and travelling, he was diagnosed with ALS (Lou Gehrig's disease). Toward the end, he attended a last coffee klatch with friends and enjoyed the lively conversation, but he was declining fast. A few days later, at home, he donned a crisp striped banker's shirt, drank rum with his sons, held Patricia's hand, and died with great poise and dignity.

Such an end was made possible by the empathetic parliamentarians who passed the Assisted Dying Act. I cannot overstate what an important and caring statute it is, nor forget the blessing it bestowed on Paul and his family.

Bob Fowler is Paul's friend.

To submit a Lives Lived: [lives@globeandmail.com](mailto:lives@globeandmail.com)

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