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Slide 1



Thank you Ladies and Gentlemen for your kind welcome. Thanks to Jeff Pardy, Andrea Stack and Carman for the invitation to join you. I have learned much about Rotary from many of you in the audience and am continually impressed by your contributions to help build our community. Rotarians are “builders”, devising solutions and I think that this focus on solutions for our community is a big part of the strong relationship we see between Rotarians and the St. John’s Board of Trade.

I would also like to acknowledge my colleague Craig Ennis, who will be helping me with the slides today.

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Now my friends I am not going to read these slides to you. I will talk around the broad topics, but by all means, if you have a question, let’s take a moment at the end and you can certainly put me on the spot.

Firstly let’s talk about business advocacy. It takes a LONG time to shape public policy. That is why it is so important to have an organized, responsible, solution-based business community. In fact most BOT chairs will see a lot of their policy work only come to bear fruit after they have moved on. I like to think that, whether it is payroll tax or city development and planning, to use a football analogy, as long as we can move the chains down the field, we are making progress toward those future wins!

But on that advocacy front, I am happy to announce to you my friends that we just scored a BIG ONE with Marine Atlantic.

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This is a very welcome and needed action to improve the service, that has eroded greatly, and to stay non-partisan, let me say that it has been a chronic issue for governments of all political stripes, as noted by the federal Auditor General. We welcome the attention focused on the link between the mainland and the Island.

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Over the last number of years, we have worked hard, both in public and in private, to make a new case for MA. One that focuses on a national economic investment in a \$10B trade corridor and the ROI for Canadian business. The Board thought it made a lot of sense to talk about how Marine Atlantic supported all of Canada, and the extent to which it does. Millions of dollars in investment to access billions of dollars in our market.

I think this message is being heard and am happy to announce to you the Rob Merrifield, Minister of State for Transport will join us August 10th for a BOT luncheon. Try to get out to this one! We will keep the pressure on because while this latest announcement is a good start, lots more is needed at MA.

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I myself work downtown and I love it. There is no place like downtown St. John's to work and play. That is, if you can find yourself some office space.

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One of my priorities and I worked alongside my predecessor Bruce with this, has been to shift the BOT to greater focus on those municipal issues where we can have a big impact. Look at this list of activities that we contribute to – it ranges from city planning to community consultation.

Some time ago now, it became obvious that development debate required a local business voice. We see a role for the BOT as a voice, for fact-based research and a shaper of thoughtful solutions for our city's economic core.

We are an agent of the business community, but businesspeople are citizens too and we all want a beautiful and vibrant city. I believe we can be stewards of both our economy and our heritage. So we set out to talk to all sorts of community stakeholders, but we are not just talking, we are listening and learning. Not just from business stalwarts, but from many non-traditional sources. There are lots of interesting conversations happening in this city right now and you know what? There is some common ground out there and we are starting to uncover it.

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This is where all our desires intersect. Let's make St. John's better.

Take a second to look at the chart, and think about this:

- we have a role in making the city better
- we all want to achieve the goal of making the city better.

So what we see in the middle is a goal we have in common. And that is a powerful thing.

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We recently attended a national conference on Transforming and Revitalizing downtowns – a conference with architects and planners and politicians. And your Board of Trade.

Here are some of the themes that came out of the conference.

- we know people will be engaged in development issues; that is table-stakes
- it is important to consider the broader picture and whole environment when discussing development
- speaking of the broader picture, places that have developed in a harmonious and productive way have had the key elements of vision, leadership and planning
- developers, on-side with community desires and part of a two-way communication, are necessary for real growth and development
- and, it doesn't take piles of money or major policy changes to achieve transformation – just patience, strategic moves, and a collective goal we all work toward.

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Speaking of leadership, I'm happy to tell you that Mayor O'Keefe joined us at this conference, so we have the city's attention.

But we have done more than go to a conference. Here's what we have learned or confirmed from community leaders, architects, developers, real estate experts and others we have spoken to:

- Heritage provides economic and aesthetic value
- Business want and need to prosper
- we are not immune to the pressure of an unbalanced supply and demand equation
- and finally, there are real needs to be met in many circles of the community, including the business community.

But there is lots for us to do. You can see here the importance of heritage AND progress. We need to remove the rhetoric and work with those who will demonstrate goodwill.

So I will say this, we will only have the community we want if we grow to understand the community we need.

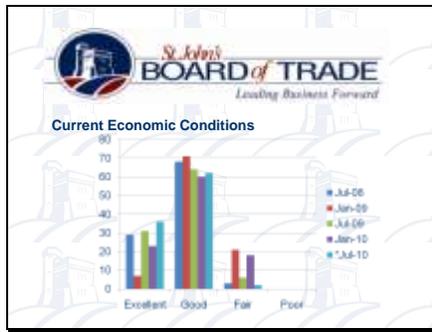
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Moving beyond city development, let's look at the business community at large. I have some of the early results of our most recent business survey– you can't get these results anywhere else. We do this analysis a couple of times a year. While it is not scientific – we don't take random samples – it does give us what we think is a good pulse check on what's happening economically in the city.

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This might be our single key indicator. We ask members to tell us how they think things are, economically, right now. And as you can see here, people are pretty bullish and that's a welcome sign for the Board. By the way, the little asterisk by July 2010 in the chart just means that our survey is still in the field, so those numbers might change just a little but we expect it to be close to this at the end. The numbers are percentages.

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Another key question that we ask is how your own company is doing financially. This is almost a 'double check' like when people do surveys about health care. The difference between 'how is the health system performing' and 'how was your personal experience with the health care system' questions are like night and day. Well, we wanted to make sure that people weren't bullish on one and bearish on the other. So you can see here that people are pretty happy about their own experiences.

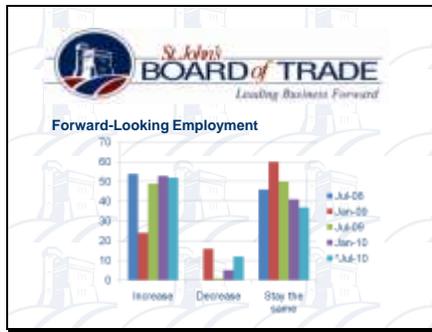
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A little bit softer is the overall question of performance. This question is open to interpretation but we want people to give us their overall impression. I wouldn't consider this to be troubling, but it's a bit down from a January high so we'll keep an eye to it to see if it softens up more or maybe levels out.

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Finally, we basically ask if people think they'll be hiring in the next year or not. And it looks like there is a small swing up in the negative category of 'decrease' but again overall things seem to be in fairly good shape on the employment front.

OVERALL Things continue to look bullish, but some signs of softening from lofty numbers of earlier this year

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Looking at this indicators across the business community, let's talk about some macro issues. Take her up to 20K feet.

What is the purpose of all collecting all this? Well, while you may not always see it in the paper, we take what we learn and roll it into our policy committees, then we speak truth to power in meetings with all manner of political leaders and public officials.

We are hoping to create a new lens of building prosperity for all citizens of the province, which lines right up with the founding principles of the Board of Trade.

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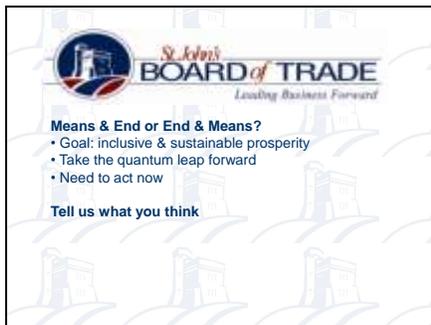
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People often dismiss the business lobby as being about helping wealthy entrepreneurs pay less tax. This is such a myth. Our goals are about bringing benefit to the community by building good business. And the people in this room, know the impact that local business can have on our community.

One of the recent initiatives we have is a tax team working group (i.e. not just 'what taxes do we want to decrease' but 'what are taxes trying to accomplish and what should they work towards') This way we can have a truly productive exchange with government on policy.

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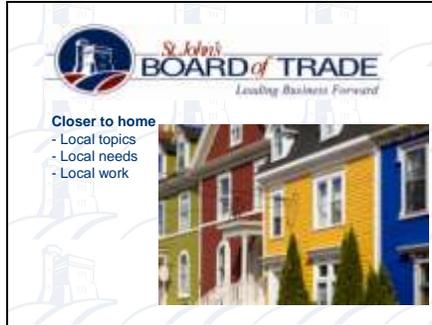
-We are trying to be aware of the larger context, moving from dogma of just being competitive to using our existing 'riches' to take the quantum leap forward. The saying 'you can only take the oil out of the ground once' partially illustrates this, but the larger point is clear: what is the goal and how do we achieve it?

That's a question directed to you. There are many smart, engaged people in this room. We don't have the monopoly on good ideas.

Tell us what you think.

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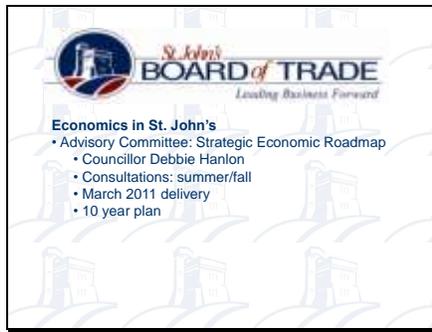
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So now you can see some of what we are working to accomplish

As I mentioned, much of the impact of our work can be seen at the city level and we all need to pay more attention to our home city

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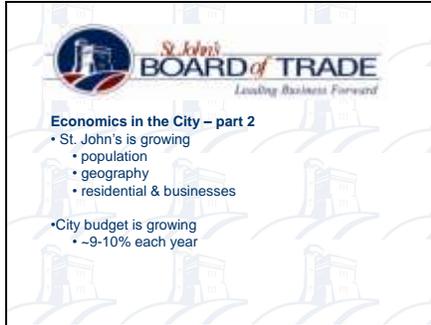
Right now, I am part of the City's Economic Advisory Committee, which is looking at where we want the City to be in 10 years from an economic perspective. Councillor Hanlon is Chairing this and there will be a series of consultations to come on it.

Now don't confuse this with a Municipal Plan or other plans. Believe me, we have got a lot of planning left to do and we need to get to it.

As we look to set out these goals, we have to work closely with the public service of the City and be mindful of our growing City budget.

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Population has grown, although modestly.

But we are just sprawling out there and we need to look at that– (as an aside, sprawl actually takes business customers and residents away from downtown.) A critical mass of people is key to making things like pedestrian retail work, or Metrobus, or lowering our environmental footprint.

Our city budget has been growing and growing and we need to be aware of this.

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Doubling in 10 short years. While we should make some allowance for infrastructure deficit and other changes to the city, this does not seem sustainable in the longer term. Sustainable spending does have to be a public policy area we talk openly about, because we split the bill.

At this rate, by the next municipal election, we will be at a quarter of a billion dollars. We need to work with the city on this. Some solutions could lie in partnerships and how services are delivered.

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So as you can see, there is lots to do and there are so many common objectives between the business community and the larger community, especially clear at the municipal level.

-There is a lot of latent community capacity (i.e. people know more than they think they know on policy)

-There is a need for good faith and respect and informed discussion on public policy.

Sometimes we have issues we need to talk about publicly, sometimes privately. If we have a tough message, I will try to deliver it privately first.

-Publicly, we have to all be responsible IN and FOR productive and positive debate.

-Privately, we need to make sure that we always focus on end goals and solutions, not on defending a position or tearing down the position of another.

On that subject, let me close with a little story. Some years ago, I had the good fortune to hear famed football coach Lou Holtz speak and exchange a brief word with him. Of the things he said, one bit in particular stayed with me and I'm going to paraphrase it for you, **It's so difficult to build something. Day after day. To raise children, to build a business, to build a community. You can't do it in one day or one speech. But boy, its easy for someone to tear something down. But it takes a rare individual to build. So as you leave her today. Let's go out and build St. John's up. Leave the other stuff to someone else. Now you have a great day!**

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