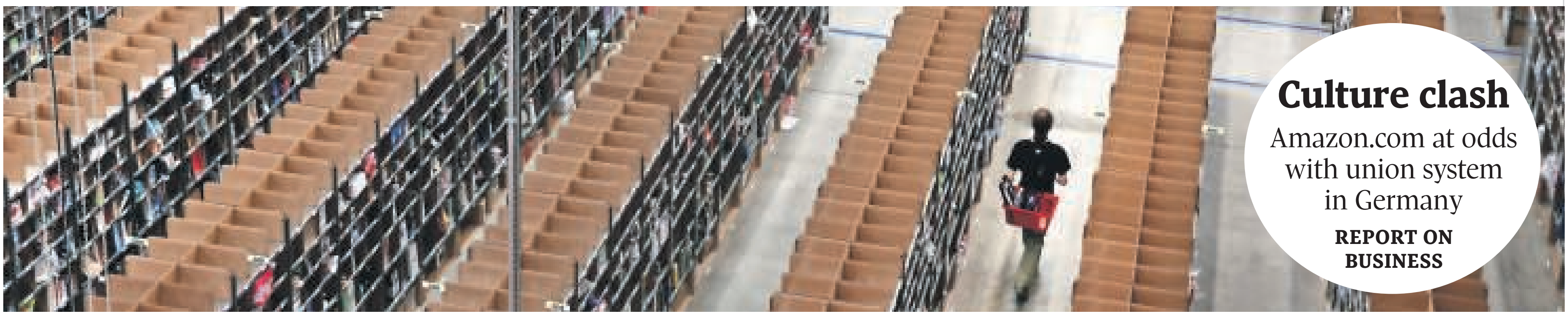

Culture clash

Amazon.com at odds with union system in Germany

REPORT ON BUSINESS

THE GLOBE AND MAIL

CANADA'S NATIONAL NEWSPAPER • TUESDAY, DECEMBER 23, 2014

ECONOMY

Provinces' finances shaken up by dollar, oil

'Changing of the guard' sees Ontario poised to lead in economic growth while Alberta's bottom line suffers from falling crude prices

BILL CURRY OTTAWA

Several provinces are falling behind on their fiscal targets this year as lower energy prices and a lower Canadian dollar shake up the country's regional economic landscape.

Billions of dollars are disappearing from Alberta's economy due to dropping oil, and suddenly Ontario is poised to lead the nation in economic growth even though it faces serious fiscal pressures.

It is, as TD Economics calls it, a changing of the guard. Some provinces are bracing for a slowdown, while others expect a sudden jolt of good news.

A review of fiscal updates across the country shows just three provinces have revised their bottom-line projections this year to show an improvement, notably British Columbia, which is now forecasting a $444-million surplus after projecting a $184-million surplus earlier this year. Three have made downward revisions, including Manitoba, which revised its projected deficit to $402-million from $357-million earlier this year. Four are unchanged.

Newfoundland and Labrador – another energy producer – has also said its expects a $916-million deficit rather than a $538-million deficit. Saskatchewan, which collects royalties, has said its finances are unchanged, but that it will take a hit next year if the price of oil stays low.

Alberta is still expecting a surplus this year, though smaller than previously forecast. That estimate could change again as Premier Jim Prentice has said he expects low oil prices will deliver a $7-billion hit to provincial revenue.

Economy, Page 4

INSIDE

Oil slides on Saudi stand

Oil prices tank after Saudi Arabia again refuses to cut production.

Russia takes over bank

Regulators take control of leading retail bank amid ruble fallout

Report on Business

Pope Francis during the audience of the Curia on Monday at the Vatican. OBSERVATORE ROMANO/AFP/GETTY IMAGES

Critical Christmas address › Pope Francis publicly dresses down the Vatican bureaucracy, accusing those who serve him of using their Vatican careers for personal gain and of suffering from 'spiritual Alzheimer's' – forgetting what drew them to the priesthood in the first place **NEWS, PAGE 12**

MIFEPRISTONE

Health Canada decision imminent for long-delayed abortion pill

KELLY GRANT
HEALTH REPORTER

Health Canada has set an internal deadline of mid-January to finally make a decision on the abortion pill, a drug that is already available in 60 countries but has been stuck in Canada's drug-approval pipeline for more than three years.

The pro-choice advocates and researchers who have been helping a small European drug company with its Canadian application say they have encountered an unusual amount of antipathy from the regulators who will decide whether Canadian women get access to mifepristone, a pill that can end an early pregnancy when combined with a drug that is already sold in this country.

More than 700 days have passed since the company resubmitted its application at the request of Health Canada in October, 2012 – that is more than twice as long as the regulator's 300-day standard for a first decision on a new drug.

The lag occurred even though the department's deputy minister told a House of Commons committee in November of last year that mifepristone "would go faster than normal applications," because of its widespread use.

Despite the delay, the leader of the organization that represents abortion providers in the United States and Canada believes Health Canada is poised to approve the drug. The decision could significantly expand access for women who live far from the urban centres that have most of Canada's abortion facilities.

Abortion, Page 16

COLOMBIA

Medellin's redemption story: How city moved on from dark past

STEPHANIE NOLEN
MEDELLIN, COLOMBIA

The transformation of Medellin must rank as the most remarkable urban redemption project in modern history. Two decades ago this city's very name was a synonym for "murderous-drug-and-crime-ridden-Latin-American-hellhole." The drug baron Pablo Escobar ruled from a hilltop fortress, and his henchmen set off bombs in the city and executed police in their beds.

And today, what of the neighbourhood from which Mr. Escobar once ran a cocaine empire bringing in $60-million (U.S.) a day?

Slip 'n' slide. Kids keep stealing soap in the new community centre to suds up their shorts and slide down the wheelchair ramp into the fountain. Toddlers play in the free early-childhood program, and grannies learn Internet skills in the computer lab.

The city's richest neighbourhoods are leafy and posh, full of boutiques and cafés. But its poorest are equally welcoming, humming with commerce and people on their way to work and school.

Medellin used some predictable methods to enact this transformation, including military raids into the most violent neighbourhoods.

Colombia, Page 8

PARLIAMENT HILL

Avoid blame game over Ottawa shooting, RCMP urges

DANIEL LEBLANC
JOSH WINGROVE OTTAWA

A senior RCMP official has called on House of Commons security officers to refrain from finger-pointing about what happened during the Oct. 22 shootout at Centre Block, suggesting doing so will fuel tensions between the different agencies that provide security on Parliament Hill.

"I think it's very premature for folks to make those types of comments, because the review is still not finished," Assistant-Commissioner Gilles Michaud said in an interview. "Once the review is done by the OPP, then we will have a clear picture as to what really transpired inside those walls."

His comments come after a Globe and Mail report Monday outlining tensions that have emerged between House of Commons security and Mounties over the shooting response, and the aftermath, including competing narratives of the final shootout that killed the attacker.

The Ontario Provincial Police is examining what took place inside Centre Block, while the various police bodies involved are reviewing their handling of the lockdown in Ottawa and other police work in the ensuing 24 hours.

RCMP, Page 6

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BRITISH COLUMBIA EDITION › FULL WEATHER FORECAST: PAGE 16

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A MOMENT IN TIME » DEC. 23, 1983

JEANNE SAUVÉ NAMED FIRST FEMALE GOVERNOR-GENERAL

Jeanne Sauvé was accustomed to breaking glass ceilings for the women of her generation. When Pierre Trudeau named her Canada's first female governor-general on Dec. 23, 1983, she said it was "a magnificent breakthrough for women." The appointment merited a lengthy story in The New York Times under the heading: Women In The News. And The Globe and Mail pointed out that "Rideau Hall has never before had a businessman spouse." In 1980, Sauvé had been named the first female Speaker of the House of Commons. But the former journalist chafed at being labelled a feminist, saying she did not support those women "who don't care how they look. I'm sorry, but personally, I want it all: a career, a family life, children. And I enjoy dressing stylishly." Her elegance ultimately served her well.

– *Gloria Galloway*

TODAY'S COLUMNISTS

ANDRÉ PICARD

The end-of-life conversation has finally worked its way into the mainstream media, and has drawn attention to palliative care in Canada.
Comment, Page 15

SCOTT BARLOW

A Morgan Stanley index is indicating that tighter U.S. monetary policy is only a few months away, which is bad news for some Canadian investors.
Report on Business, Page 7

CATHAL KELLY

The botched rollout of the Toronto Raptors' new logo has become the first sign of trouble between the team and its global ambassador.
Sports, Page 1

UNITED STATES

N.Y. mayor calls for pause in protests

De Blasio asks for calm as relations with police unions fall to lowest point in more than a generation in aftermath of shooting

JONATHAN LEMIRE
COLLEEN LONG

New York Mayor Bill de Blasio called Monday for a temporary halt to protests over police conduct as he faced a widening rift with a force preparing Christmastime burials for two of its own and decrying the demonstrations as a factor in the officers' cold-blooded executions.

"I think it's important that, regardless of people's viewpoints, that everyone step back," Mr. de Blasio said in a speech Monday. "I think it's a time for everyone to put aside political debates, put aside protests, put aside all of the things that we will talk about in all due time."

Mr. de Blasio's relations with the city's police unions have tumbled to an extraordinary new low – one not experienced by a mayor in the nation's largest city in more than a generation – in the aftermath of Saturday's shooting, which the gunman claimed was retaliation for the deaths of black men at the hands of white police.

In a display of defiance, dozens of police officers turned their backs to Mr. de Blasio at the hospital where the officers died, and union leaders said the mayor had "blood on his hands" for enabling the protesters who have filled the streets of New York this month since a grand jury declined to indict an officer in the chokehold death of Eric Garner.

Mr. de Blasio, in his first extensive remarks since the killings, called for "everyone to put aside political debates, put aside protests, put aside all of the things that we will talk about in all due time."

Officers Wenjian Liu and Rafael Ramos were ambushed Saturday by a 28-year-old who vowed in an Instagram post that he would put "wings on pigs." The suspect, Ishmaaiyl Brinsley was black; the slain New York Police Department officers were Hispanic and Asian.

The killings came as police nationwide are being criticized following Mr. Garner's death and 18-year-old Michael Brown's fatal shooting in Ferguson, Mo. Protests erupted after grand juries declined to charge officers in either case.

Mr. de Blasio said it was time to focus on the officers' grieving families.

Investigators are trying to determine if Mr. Brinsley had taken part in any protests, or simply latched onto the cause for the final act in a violent rampage. He started off Saturday in Baltimore, shooting his ex-girlfriend in the stomach before coming to New York and killing the officers. He then ran into a nearby subway station and killed himself.

The police unions blame Mr. de Blasio for fostering an anti-police sentiment. Patrolmen's Benevolent Association President Patrick Lynch declaring that there was "blood on the hands," on the "steps of City Hall and the office of the mayor."

In an interview with NBC on Monday, Police Commissioner William Bratton said "what's quite apparent, obvious, is that the target of these two police officers was a direct spinoff of this issue of these demonstrations."

Even Mr. Bratton, who has steadfastly praised Mr. de Blasio, conceded that the mayor was on shaky footing with some in the NYPD. When asked if the mayor had lost the force's trust and confidence, Mr. Bratton said, "I think he's lost it with some officers."

Meanwhile, big-city police departments and union leaders around the country were warning the rank and file to wear bulletproof vests and avoid making inflammatory posts on social media.

A union-generated message at the 35,000-officer NYPD warned officers that they should respond to every radio call with two cars – "no matter what the opinion of the patrol supervisor" – and not make arrests "unless absolutely necessary."

The president of the detectives' union told members in a letter to work in threes when out on the street, wear bulletproof vests and be aware of their surroundings. At the same time, a memo from an NYPD chief asked officers to limit their comments "via all venues, including social media, to expressions of sorrow and condolence."

Officials in New York investigated at least a dozen threats against police since the shootings, and one man was arrested at a Manhattan precinct after he walked in and said: "If I punch you in the face, how much time will I get?" and refused to leave.

Associated Press

A New York police officer wipes away tears on Monday while visiting a memorial near the site where fellow officers Rafael Ramos and Wenjian Liu were killed in the borough of Brooklyn. SETH WENIG/AP

MILWAUKEE DECISION

The U.S. Department of Justice will investigate the death of a black man who was fatally shot by a white former Milwaukee police officer after local prosecutors refused to charge him, saying he acted in self-defence.

Milwaukee District Attorney John Chisholm said Monday he will not press charges against former officer Christopher Manney because he acted in self-defence when he shot Dontre Hamilton 14 times during a struggle in Red Arrow Park in downtown Milwaukee on April 30. A few hours after that, the Justice Department said it will conduct a review of case to determine if federal civil rights laws were broken.

Protests have been held in Milwaukee since the incident occurred. On Friday, 74 people were taken into custody after an evening demonstration spilled onto a highway and stopped rush-hour traffic.

"This is a fight that we are going to endure. We are going to stay strong," Dontre's brother Nate Hamilton said during a news conference on Monday when the family's attorney called for a federal investigation. The news conference preceded the Justice Department announcement.

Mr. Chisholm said at a news conference his decision "does not depreciate the very legitimate concerns raised any time a law enforcement officer uses deadly force against a citizen."

Mayor Tom Barrett called for calm protests and said that police officers throughout the U.S. should not be demonized.

Milwaukee Police Chief Edward Flynn announced the firing of Mr. Manney on Oct. 15. He said Mr. Manney had failed to follow police policies when addressing mentally ill people.

Reuters

BUDGET

Tax cuts add $1.6-billion to deficit

Finance Canada releases figures that show shortfall more than the federal government's target, but less than last year's number

BILL CURRY OTTAWA

The Conservative government's recent tax cuts have added $1.6-billion to the deficit so far this year, but it remains on track to be smaller than last year's.

Finance Canada released monthly figures for Ottawa's bottom line on Monday that show the federal government posted a $3.2-billion deficit in October, in contrast to a $2.5-billion deficit in October, 2013.

The report said this reflects a $1.6-billion downward adjustment to revenues based on the year-to-date impact of two personal income tax cuts announced that month that were effective immediately: income-splitting for families with children under 18 – which the government calls the Family Tax Cut – and the doubling of the Children's Fitness Tax Credit.

Over the first seven months of the fiscal year that started April 1, the federal deficit stood at $3.95-billion, a significant improvement over the $12.8-billion deficit recorded between April and October, 2013.

However, it is $1-billion higher than the government's stated target of $2.9-billion this year. Monthly spending and revenue figures can fluctuate significantly.

Prime Minister Stephen Harper's government announced several tax cuts this fall, including the two aimed at families. Two additional tax cuts will take effect in 2015, including enhanced monthly payments to parents with children under 18 through the Universal Child Care Benefit and an increase in the child-care expense tax deduction.

The government also announced a two-year tax credit for small businesses in September.

Finance Minister Joe Oliver's Nov. 12 fiscal update indicated that the expected cost of all of these measures will be $3.2-billion this year, $5-billion next year and then slightly less than $5-billion a year.

The update also indicated that the government expects a deficit of $2.9-billion this year, meaning the package of tax cuts announced this fall moved Ottawa from a projected surplus to a projected deficit.

The government expects a $1.6-billion surplus in 2015-16.

The Prime Minister recently insisted the surplus will be achieved in spite of the negative effect of lower oil prices on federal revenue.

Finance Minister Joe Oliver, centre, makes his way to the podium with parliamentary secretary Andrew Saxton, left, and Minister of State for Finance Kevin Sorenson in Ottawa on Dec. 15. SEAN KILPATRICK/THE CANADIAN PRESS

FROM PAGE 1

Economy: Ontario expected to lead the country in growth in 2015 and 2016

A summary of updated provincial forecasts was compiled by TD Economics.

The Globe compared the figures with a similar report from June 4 to show provincial trends. The timing essentially captures how government budget forecasts released in early 2014 compare with recent fall fiscal updates.

The price of North American crude has dropped by nearly half since July, closing on Monday at $55.26 (U.S.) a barrel. Prices dropped Monday after Saudi Arabia's oil minister mused that the country could accept a price as low as $20. During the second half of 2014, the Canadian dollar has declined from around 93 cents (U.S.) to 85.93 cents on Monday.

At $12.5-billion, Ontario's deficit forecast is unchanged. However, that amount is the biggest deficit of all of the provinces by far and bond-rating agencies are urging the province to come up with a clear plan for delivering on a promised balanced budget by 2017-18.

Projections for improved bottom lines were made by British Columbia, New Brunswick and Nova Scotia.

The developments will have a direct and painful impact on government revenue in energy-producing provinces such as Alberta, Saskatchewan and Newfoundland and Labrador, while also forcing Ottawa to adjust its plans for the 2015 pre-election budget.

Reports released last week by CIBC World Markets and TD Economics both predict significant change as to the sources of growth in the Canadian economy.

Both reports said Ontario will lead the country in growth in 2015 and 2016, while Quebec will also gain from the new landscape.

The Alberta economy, which had been well ahead of the pack for growth, will slip back to around the national average.

The slide in the value of the Canadian dollar, combined with a strengthening economy in the United States, has central-Canadian manufacturers eager to ring in the New Year.

"2015 could easily surpass previous high-water marks," said Don Berggren, president of Toronto-based Berg Chilling Systems Inc., which manufactures industrial heating and cooling systems for clients across the country and internationally.

The combination of the 2008-09 financial crisis and a Canadian dollar near parity led to years of pain for manufacturers, but recent developments are prompting new optimism.

"I'm hoping to see changes around the corner," said Mark Zimny, president of Oakville-based Promation Engineering Ltd., which manufactures robotics systems primarily for the automotive and nuclear sectors.

The high dollar forced Mr. Zimny to pull out of the U.S. market years ago, but he's planning to get back in next year because of expectations of a stronger auto market and the lower dollar.

"My quote will gain a few extra points easily by sheer lower dollar value," he said. "Automatically, by definition, you're getting a competitive edge."

Even before the drop in oil, provinces were facing long-term financial stress. Parliamentary Budget Officer Jean-Denis Fréchette repeated his warning this fall that while federal finances are sustainable, provinces will need to cut spending or hike taxes to meet the looming cost pressures of changing demographics.

A boost in growth will be welcome news in Ontario, but economists say it will merely give the province a little bit of breathing room. Bond-rating agencies are concerned about Ontario's high debt and are pressing the province to produce details as to how it will achieve plans to return to balance by 2017-18.

Andrew Leach, the Enbridge professor of energy policy at the University of Alberta, said the Alberta government will clearly take a major hit in terms of billions in lost oil royalties, but the immediate impact on the broader provincial economy will likely be more muted.

"These are long-lived projects. They're not something where somebody's going to down tools at an oil sands plant at $50 crude," he said.

"If your disaster scenario is 2 to 3-per-cent growth, I don't know that that's disastrous. It's just not what we were used to in Alberta."

THE BOTTOM LINE

Which governments are projecting surpluses or deficits for the current fiscal year:

- **Federal government:** $2.9-billion deficit
- **British Columbia:** $444-million surplus
- **Alberta:** $933-million surplus
- **Saskatchewan:** $71-million surplus
- **Manitoba:** $402-million deficit
- **Ontario:** $12.5-billion deficit
- **Quebec:** $2.35-billion deficit
- **New Brunswick:** $377-million deficit
- **Nova Scotia:** $221-million deficit
- **Prince Edward Island:** $40-million deficit
- **Newfoundland and Labrador:** $916-million deficit

Source: The most recent publicly available updates of government finances as compiled by TD Economics.

> **2015 could easily surpass previous high-water marks.**
>
> **Don Berggren**
> *President of Berg Chilling Systems*

LAW ENFORCEMENT

B.C. police force pulls wristband mentions

Legal critics questioned use of public resources to promote support for officer on trial in shooting death

LIEN YEUNG VANCOUVER

A B.C. police force has pulled all online promotions of a wristband supporting one of its officers who has been charged with second-degree murder.

The Delta Police Department, south of Vancouver, had posted sales information about a wristband supporting Constable Jordan MacWilliams on its website and social media channels. As of Monday, all mentions were removed.

"In order to avoid any confusion or implied questions about the impartiality of the Delta Police Department, we removed mention of [the wristbands] from those forums as soon as we were able to," said acting sergeant Sarah Swallow in an e-mail.

Constable MacWilliams is accused in the shooting death of 48-year-old Mehrdad Bayrami after a five-hour standoff at Starlight Casino in November, 2012.

Crown counsel laid charges after a review of the incident by the Independent Investigations Office of B.C.

Individual police officers have not been asked to remove mentions of the rubber wristband from their personal social-media profiles, but it is something the department "will be looking at moving forward." They will also be allowed to continue wearing the wristbands while on the job.

More than 2,500 blue wristbands stamped with the words "honour," "integrity," "courage" and "trust" as well as "2573" – the badge number of Constable MacWilliams – have been sold so far.

Critics said the use of police resources to help sell the wristbands was a clear conflict of interest.

"Police resources and by extension public resources, shouldn't be used to publicly challenge Crown decisions," said Douglas King, a lawyer with the Pivot Legal Society. "It confuses the role that the police have within the criminal justice system – they are a part of it, not above it."

The wristbands are an initiative of the Delta Police Association, the union representing officers. The police department put up the information as a "stop-gap" measure after receiving a high volume of inquiries to purchase the wristbands because the association does not have an online presence.

"The information on our website regarding the bands was not for promotion, but to clarify to the public that they could e-mail the association for inquiries rather than the department," said acting Sgt. Swallow.

In one Facebook post, Delta police advertised that bracelets could be picked up in person at the department headquarters. It also listed a private e-mail address on its website through which the public can place orders.

According to Tom Stamatakis, who serves as the president of the B.C. Police Association, the overarching body that represents all police associations in the province, the wristbands were not part of a fundraising campaign for Constable MacWilliams. Each wristband was sold at the cost of production for $2.

"It's just something that the Delta Police Association wanted to do to show their support for their member in a tangible way."

The wristbands will now be made available through the B.C. Police Association.

AWARDS

Amnesty honours Globe correspondent

JANIE GINSBERG

The Globe and Mail's Asia correspondent, Nathan VanderKlippe, has won the 2014 Amnesty International Canada award for his reporting on China's treatment of its Uyghur minority.

The award honours outstanding reporting on human-rights issues in Canadian media.

"Nathan VanderKlippe's investigative piece on Beijing's attempt to stamp out dissent in a remote corner of China gives us new insight in the machinations of an authoritarian regime," said Jeff Sallot, one of the three judges. "This story shows great journalistic enterprise."

Mr. VanderKlippe reported from the remote Xinjiang region, where the largely Muslim Uyghur population faces severe restrictions on religious and cultural expression. The region has been the scene of terror attacks, which have brought a harsh and sweeping crackdown from Chinese authorities. "But the extent of the repression and violence being employed raises troubling questions about whether the real goal is to contain 'extremists' or simply to crush the Uyghurs, a minority that fits uncomfortably into Beijing's vision of a singular 'Chinese dream,' " Mr. VanderKlippe wrote.

Other winners of the Amnesty International Canada awards included Ric Esther Bienstock for a documentary on the global organ trade that was broadcast on the History Channel; a Global News television feature produced by Brennan Leffler and Nisha Pahuja about the Indian justice system and its treatment of the men arrested for the rape and murder of a woman on a bus in India; and a series of articles by Carol Sanders in The Winnepeg Free Press that examined the lives of Somali refugees in Kenya. The award in the online media category went to a multimedia report on African refugees and migrants in Italy produced by Asha Siad and Roda Siad.

NATIONAL DIGEST

POLITICS

Minister resigns, plans leadership bid

Winnipeg – Manitoba's transportation minister says resigning from cabinet before launching a leadership campaign to become the province's next premier was the honourable thing to do.

Steve Ashton says he met with Premier Greg Selinger to give him his resignation letter in person.

Mr. Ashton then announced his decision on Twitter, saying his official launch will come Tuesday.

He says the NDP can recover from disastrous polls following the provincial sales tax hike last year and go on to win the next election.

Mr. Ashton wouldn't say whether he would promise to roll back the tax hike, but says he will put forward a platform that differentiates him from Mr. Selinger.

– The Canadian Press

Manitoba NDP leadership candidate Steve Ashton speaks at the provincial NDP Leadership Convention in Winnipeg in 2009. FRED GREENSLADE/REUTERS

EDUCATION

Dalhousie closes dental clinic

Halifax – Dalhousie University's faculty of dentistry is temporarily closing its public dental clinic as part of its response to accusations that male students posted misogynistic messages online about their female peers.

The university in Halifax says it is contacting patients affected by the decision to close its clinic until Jan. 12.

It says the step is one of several measures being taken so that patients, students, faculty and staff are able to return to classes and clinics in a safe and supportive environment.

University president Richard Florizone has said 13 men in the fourth-year of the dentistry program were members of a Facebook group where comments were posted.

– The Canadian Press

ALBERTA

Manning says sorry for urging defection

Former Reform Party leader says he should have advised Wildrose members to do more consultation before crossing the floor

EDMONTON

The former leader of the Reform Party says he made a mistake when he encouraged members of Alberta's Wildrose to unite with the governing Progressive Conservatives.

Preston Manning met last week with the Wildrose caucus to talk about his experiences before the Reform Party joined the federal Conservatives to form the Canadian Alliance in 2000.

A day after the meeting, Wildrose Leader Danielle Smith and eight others crossed the floor of the provincial legislature and called on the party to merge with the Tories. The move angered many party members and executives vowed to keep the Wildrose going.

Mr. Manning said Monday that he should have recommended more consultation with constituents in the meeting with Wildrose.

The Canadian Alliance formed only after a "democratic process of discussion with grassroots members, several consultative referendums, large conferences on principles and policy, a vote on acceptance or rejection by party members," he said in a statement released through the Manning Centre for Building Democracy.

"My failure to strongly recommend a similar process to the Wildrose caucus was a mistake on my part. It was a disservice to those who sought my counsel and to those who have placed their trust in my commitment to democracy – a mistake for which I now sincerely apologize to all concerned."

Mr. Manning told reporters after the Wildrose crossover that keeping a new party alive is difficult and the Wildrose party should be proud of what it has accomplished.

Earlier on Monday, Wildrose named legislature member Heather Forsyth as interim leader on Monday.

Ms. Forsyth, a former solicitor-general who crossed the floor to the Wildrose from the PCs in 2010, will lead the party until a permanent replacement is chosen.

"This is a pivotal moment for Alberta. In the pursuit of power, democracy has been swept aside," Ms. Forsyth said in a speech to chanting supporters at the party headquarters in Calgary Monday.

"There is no doubt an overwhelming number of Albertans feel hurt – who feel that the most noble notion of public life has been shattered. Folks, let there be no questions, Albertans did not lose their Opposition."

Ms. Forsyth said she and her fellow caucus members will focus on doing a better job for the 440,000 Albertans who voted Wildrose in the last election and for everyone who expects the best from their politicians.

Earlier this year, Ms. Forsyth indicated she would not run again for family reasons. She said she now plans to stick around until at least the next election call, expected in 2016.

With the defections, the Tories hold 72 of 87 legislature seats.

It remains to be seen if Wildrose will still be the Official Opposition as the Alberta Liberals also have five seats in the legislature. The NDP holds four seats and there is one Independent.

Both the Liberals and Wildrose have sent the Speaker letters asking for the role. The Wildrose said it believes it has precedence on its side to keep its status.

Members of the party are still angry about the departure of Ms. Smith and their colleagues.

"The other day, nine of my colleagues grabbed each other's hands and jumped off a cliff," said Livingstone-Macleod member Pat Stier.

The new leader will not be chosen until next March at the earliest.

The Canadian Press

Heather Forsyth speaks at a news conference after being named interim leader of the Wildrose party on Monday. JEFF MCINTOSH/THE CANADIAN PRESS

FROM PAGE 1

RCMP: Mounties bring in rookies to boost security on Parliament Hill

Michael Zehaf-Bibeau killed Corporal Nathan Cirillo at the War Memorial before heading to Parliament Hill, where he ran through the main corridor of Centre Block carrying a rifle, until a fatal showdown with security.

House of Commons officials, including Sergeant-At-Arms Kevin Vickers, were riled when RCMP publicly played video of Mr. Zehaf-Bibeau's approach to Centre Block one day after the shootings, revealing the placement of cameras, sources have said.

House of Commons security also received misleading and dated information from Mounties on the day of the shootings, the sources said, and RCMP and House of Commons officials offered competing narratives of the final shootout, including who fired the fatal shots at Mr. Zehaf-Bibeau.

Assistant-Commissioner Michaud also confirmed that the RCMP are bringing rookie Mounties to the Hill as a stop-gap measure to beef up policing in the wake of the shootings.

He said that dozens of RCMP officers were reassigned from their regular duties in October and November to work on Parliament Hill. Investigators working on priority and sensitive files were spared, but he acknowledged that national security took a priority over other matters.

"The first month – from Oct. 22 until the end of November – definitely had an impact on National Division, in the sense that we had to take resources from across the division to reassign temporarily to Parliament Hill," he said.

Those officers have since been replaced with officers straight out of training at Depot Division in Regina, which Assistant-Commissioner Michaud insists is a temporary measure. "I definitely want something that would be more stable in the long run," he said. "But it's very difficult for us; there are a number of reviews that are ongoing right now and until those reviews are completed and we have a better sense as to what the long-term security posture should be, I think we have to be careful not to make any quick decisions that we may regret in the future."

The reviews of the shooting will need to be analyzed before the RCMP decides on a long-term solution to ensure security on Parliament Hill.

"It's not just about bodies, it's also about processes, governance and so on, all those aspects need to be looked at. That is why it will take a few months before all of that is done," Assistant-Commissioner Michaud said.

There are three bodies that carry out security duties on the Hill: The RCMP patrols the grounds surrounding the various buildings, while teams from the House of Commons and the Senate are in charge of their respective areas inside the buildings.

After the shooting, it was announced that House and Senate security would soon be merged, and that all House of Commons guards would be armed.

House of Commons Speaker Andrew Scheer outlined other changes, saying fewer people would be allowed on public tours, guards would be locking more doors and MPs would receive additional funding to secure their riding offices.


AN ICON JUST GOT LARGER
THE NEW NAVITIMER 46 mm
BREITLING.COM

FROM PAGE 1

Colombia: Spending on infrastructure and services increased in poorest parts of city

More unusually, the city applied principles of epidemiology to track and respond to homicides.

But its government, and many of its residents, attribute the greatest impact to a policy that they call "social urbanism." It boils down to this: the municipal government spends the biggest portion of its budget (85 per cent of $2.2-billion this year) on infrastructure and services for the poorest parts of the city. That spending includes the community programs, and also some truly imaginative public transportation solutions and startling pieces of modern architecture that have been erected in new breathing spaces forced into the once impenetrable hillside shantytowns.

The city has a trophy shelf for all the international awards it has won, and its residents at all income levels appear immensely proud – although they will tell you, with a bittersweet half-smile, "Medellin paid a price to be so pretty."

The homicide rate peaked here in 1991 at 380 murders per 100,000 people (Toronto's, by way of comparison, was 1.34 per 100,000 last year). It means everyone lost someone.

For the most part, however, they don't want to talk about it. "When you see Medellin, you realize everything is better – it's better now," says Carlos Jaramillo. He is in charge of project support in the Agency for Cooperation and Investment (ACI), the bustling city office charged with selling the new image of Medellin.

"The biggest asset we have is that our city is known – sadly, for negative things – but our strategy is to rebrand this," said Mr. Jaramillo. "If you check the papers from the 1990s it's drugs, guns, bombs and failed state. Check now – it's social innovation, investment and business."

Mr. Jaramillo and his colleagues – all of them young, their belief in the city unclouded by memories of its dark past – spend their days wooing investors. They can help you get your business registered in 12 days or less, find you office space, get your utilities connected, house your expat staff, help you hire locals and waive your taxes for 10 years. Innovation is their mantra. The word is on so many billboards and repeated so incessantly it starts to be unnerving. They bristle visibly when they hear "violence" in the same sentence as Medellin.

But while the homicide rate has come down 80 per cent in the last 20 years, the gangs are still here – more gangs than there were under Mr. Escobar, who preferred the monopoly model.

After his undignified execution by police, shot dead in his bare feet as he tried to flee over a rooftop, his drug empire was divvied up. Mexican syndicates today control the global cocaine industry; in Medellin, two big gangs share control of trafficking from the jungle down through the city toward the coast and the Mexico connection. They are lower profile, and thus less violent, than the cartels of Mr. Escobar's era, and they exist in an uneasy truce. Smaller gangs manage territories for low-level drug trade and extortion from regular businesses, to the tune of an estimated $2-million a month, according to the National Federation of Small Business.

But these days there are few of the "*barreras invisibles*" that saw schoolchildren savagely killed for taking a wrong turn into turf declared foreign. "Fifteen years ago you couldn't come here," says Edison Raigosa. "Actually, even two." Mr. Raigosa is the "chief guide" at the community centre in Santo Domingo, the hillside slum that was once Mr. Escobar's main recruiting ground. It was build around a giant water tank, once enclosed by high wall and today full of the splashing kids .

"These kids who have art and science workshops and play here – what did they do before? They just hung out in the street all day," said Mr. Raigosa.

He has no illusions about the city, but says centres like this gradually make space for a new way of living. "This is a very neutral point: the gangs also feel like they belong here. They worked on the construction. Their kids and their brothers are also here taking courses. So they respect the space. "

The centre is a couple of blocks from a station of the metro-cable, the cable car public transit system that Medellin pioneered to connect the hillside slums with the centre of the city, a design that has since been copied in Rio de Janeiro and Venezuela. The metro-cable connects with the metro system, and an expanding tram network, taking hours off commute times. In *Comuna* 13, which is today the city's most violent neighbourhood, there is a 384-metre-long escalator to whisk riders briskly to the top. All the *comunas* are sprinkled with parks and libraries, such as the airy glass-and-cement expanse of San Javier where elderly women received help with pension applications on a recent afternoon, and younger women gently transferred lettuce seedlings to a community garden.

All of this was dreamed up by Sergio Fajardo, who was elected mayor in 2003. A journalist turned mathematician turned politician, he ran as an independent, and managed to get buy-in from all corners for his schemes. Mr. Fajardo, who today is the governor of the state in which Medellin sits, was assisted by the fact that he did not lack for cash. A state-owned company supplies the city's energy, water, telecoms and waste processing. It is almost improbably well-run and profitable, and mandated by law to allot at least 30 per cent of its profits to the city budget – $600-million this year alone. Over the past 10 years, Medellin built 120 schools and nine of the signature library parks. A third of the city budget goes to education, including the much-lauded early childhood program called "New Beginnings."

While the city has tackled its local problems, Colombia has been at work on the larger ones. The paramilitaries were disarmed, starting in 2003; the guerrillas were pushed back with a sustained military campaign; and today peace talks under way in Havana between the government and Marxist guerrillas feed into a mood of optimism – as does an economy growing at 5 per cent a year.

While the social urbanism project was trying to physically and emotionally connect the hillsides to the wealthy valley, a simultaneous initiative set out to give the city a new focus. Its showpiece is a gleaming brushed-steel and glass technology hub called Ruta N, which Governor-General David Johnson visited in early December on a state visit to Colombia.

Hewlett-Packard set up its continental headquarters here a few years ago, and has pulled in start-ups from a half-dozen other countries. Among them is the Hamilton, animation company Pipeline Studios, who opened up an office in Ruta N earlier this year.

Continued on next page

Residents shop at the Santa Fe Mall in Medellin, Colombia, where a mood of optimism has replaced fear. MARIANA GREIF ETCHEBEHERE/BLOOMBERG

From previous page

Luis Lopez, Pipeline's co-founder, said that in Medellin they found an unparalleled enthusiasm from government, universities and colleges to provide the talent they need. It's the same time zone as Toronto, it's a direct flight from major North American cities, and most of their hires speak good English, yet salaries are about half of Canadian rates for skilled staff, he added. And when clients from major U.S. cities come for meetings at the Medellin office, many remark that they feel safer there than they do back home.

Such enthusiasm is not shared in all corners. Mention Ruta N to architect and city planner Catalina Ortiz and her eyes roll behind oversized glasses. "Oh, my, are we in Switzerland?" she said sarcastically about the complex. "You go there and you see, yes, there is investment, but if you step back and look at the big picture of the city, it's so small you can't even see it."

The city cheerleaders are drunk on their own propaganda, she says. "Everyone from outside is saying we're so great, we've won more than 50 awards – there's an obsession with newness, with always talking about the city in superlatives, and it drowns out what you don't want to talk about – memory, the past, and the persistence of structural problems," she said.

While the public sector was investing and building in low-income areas, the private sector was building faster and fancier in rich ones, she noted. The gap between the highest income earners and the smallest has actually grown in the past 25 years, although poverty in the city has fallen. Today a fifth of citizens live below the poverty line, below the average for Colombian cities.

High above the city, Estella Ciro sits on her veranda in *Comuna* 13 and watches the changes creep up. Just below her rough clapboard house, the city is putting in a metro-cable station and up above, a greenbelt park intended to check sprawl. She came to Medellin in 1997, after the civil war arrived in her village, and family members were murdered or disappeared, and their fields were filled with land mines. When they first arrived, they lived in Santo Domingo, but had to flee late one night when her teenage son was shot by paramilitaries trying to recruit him. They left the next barrio a year later, when a gangster tried to claim her daughter.

Police walk over the rooftop of a house in Medellin, Colombia, where drug lord Pablo Escobar was shot and killed in December, 1993. Renewal efforts have helped transformed the neighbourhood where the notorious drug lord once ruled a ruthless global cocaine empire. ASSOCIATED PRESS

> **"They come up here with their megaprojects and I think to myself, 'Here comes another displacement. Where will they put me?'**
>
> **Estella Ciro**
> *Medellin resident*

They wound up here – and it's far from perfect. "The gang over there fought the gang over here – they killed one guy right here in front of the house," she says, gesturing to the front step while her nine-year-old grandson listens intently.

But they settled, and she found a tight community of older women like her who were survivors of so many incarnations of the violence. And they listen skeptically when city officials come to tell them about the next big thing they will bring to *Comuna* 13.

"The city is always saying it's innovative – it's not innovative for the poor and the displaced." Innovative, she said, would be piped water clean enough to drink, and proper housing. Already some of her neighbours have been told they will have to move for the metro or the park. "They come up here with their megaprojects and I think to myself, 'Here comes another displacement. Where will they put me?' The city does these things for tourists to come and admire but when will these projects mean anything for the poor?"

She pauses, then admits that the government does think about people like her, about the poor.

And it's true that while the violence isn't gone, it is "in the shadows" these days, and her grandchildren have seen far less brutality than her kids did growing up. "We'll keep moving forward," she says. "And we'll see."

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CHRISTMAS ADDRESS

Pope gives Curia public dressing down

NICOLE WINFIELD VATICAN CITY

Pope Francis is mobbed by cellphone-toting photographers as he arrives to lead a special audience for Vatican employees and their families on Monday. Francis gave a surprisingly blunt Christmas speech, hinting that strict reforms are coming to the church's power structure. ALESSANDRO BIANCHI/REUTERS

To the Catholic Church's "seven deadly sins," Pope Francis has added the "15 ailments of the Curia."

Francis issued a blistering indictment of the Vatican bureaucracy on Monday, accusing the cardinals, bishops and priests who serve him of using their Vatican careers to grab power and wealth, of living hypocritical double lives and forgetting that they're supposed to be joyful men of God.

The Pope turned the traditional, genteel exchange of Christmas greetings into a public dressing down of the Curia, the central administration of the Holy See, which governs the 1.2-billion member Catholic Church. He made clear that his plans for a radical reform of church structures must be accompanied by an even more radical spiritual reform of the men involved.

Ticking off 15 "ailments of the Curia," Francis urged the prelates sitting stone-faced before him to use the season to repent and atone and make the church healthier and holier in 2015.

Vatican watchers said they had never heard such a powerful speech from a pope and suggested it was informed by the results of a secret investigation ordered up by Emeritus Pope Benedict XVI in the aftermath of the 2012 leaks of his papers.

Benedict commissioned three trusted cardinals to probe deep into the Vatican's back-stabbing culture to root out what would have prompted a papal butler to steal incriminating documents and leak them to a journalist.

Francis had some zingers: How the "terrorism of gossip" can "kill the reputation of our colleagues and brothers in cold blood." How cliques can "enslave their members and become a cancer that threatens the harmony of the body" and eventually kill it off by "friendly fire." How some suffer from "spiritual Alzheimer's," forgetting what drew them to the priesthood in the first place.

"The Curia is called on to always improve itself and grow in communion, holiness and knowledge to fulfill its mission," Francis said. "But even it, as any human body, can suffer from ailments, dysfunctions, illnesses."

Francis, who is the first Latin American pope and never worked in the Italian-dominated Curia before he was elected, has not shied from complaining about the gossiping, careerism and bureaucratic power intrigues that afflict the Holy See.

"This is a speech without historic precedent," church historian Alberto Melloni, a contributor to Italian daily Corriere della Sera, said in a telephone interview. "If the pope uses this tone, it's because he knows it's necessary."

Mr. Melloni noted that until Francis was elected, the Vatican bureaucracy largely answered to no one, saying "an entire generation of the Curia ran it as if they were pope."

Reverend Robert Wister, a church historian at Seton Hall University in New Jersey, said Francis was essentially asking the Curia to undergo an examination of conscience, asking them to reflect on how they had sinned before going to confession.

"Perhaps he believes that only a severe rebuke can help turn things around," he said.

The cardinals were not amused and they offered only tepid applause for a speech that was so carefully prepared it had footnotes and Bibilical references. Francis greeted each one, but there was little Christmas cheer in the room.

It is, to be fair, a difficult time for the Curia. Francis and his nine key cardinal advisers are drawing up plans to revamp the whole bureaucratic structure, merging offices to make them more efficient and responsive.

Francis has said though that while this structural reform is moving ahead, what is taking much longer is the "spiritual reform" of the people involved.

Francis started off his list with the "ailment of feeling immortal, immune or even indispensable."

Then one by one he went on: Being rivals and boasting. Wanting to accumulate things. Having a "hardened heart." Wooing superiors for personal gain. Having a "funereal face" and being too "rigid, tough and arrogant," especially toward underlings.

Some critiques could have been seen as worthy of praise: working too hard and planning too much ahead. But even those traits came in for criticism as Francis noted that people who don't take time off to be with family are overly stressed, and those who plan everything to a "T" don't allow themselves to be surprised by the "freshness, fantasy and novelty" of the Holy Spirit.

At the end of the speech, Francis asked the prelates to pray that the "wounds of the sins that each one of us carries are healed" and that the Church and Curia itself are made healthy.

Associated Press

CROATIA

Lighting up the night sky

Residents release lanterns in Zagreb, Croatia, on Monday during an event that symbolizes the sending of wishes into the universe. ANTONIO BRONIC/REUTERS

NORTH KOREA

The plot line of Internet failure

Maintenance problems unlikely to cause such a prolonged, widespread loss, cybersecurity analyst says

DAVID SANGER NICOLE PERLROTH SAN FRANCISCO

North Korea's already tenuous links to the Internet went completely dark Monday after days of instability, in what Internet monitors described as one of the worst North Korean network failures in years.

The loss of service came just days after President Barack Obama pledged that the United States would launch a "proportional response" to the recent attacks on Sony Pictures, which government officials have linked to North Korea. While an attack on North Korea's networks was suspected, there was no definitive evidence of it.

Doug Madory, the director of Internet analysis at Dyn Research, an Internet performance management company, said that North Korean Internet access first became unstable late Friday. The situation worsened over the weekend, and by Monday, North Korea's Internet was completely offline.

"Their networks are under duress," Mr. Madory said. "This is consistent with a DDoS attack on their routers," he said, referring to a distributed denial of service attack, in which attackers flood a network with traffic until it collapses under the load.

North Korea does very little commercial or government business over the Internet. The country officially has 1,024 Internet protocol addresses, although the actual number may be higher. By comparison, the United States has billions of addresses.

North Korea's addresses are managed by Star Joint Venture, the state-run Internet provider, which routes many of those connections through China Unicom, China's state-owned telecommunications company. By Monday morning, those addresses had gone dark for more than an hour.

CloudFlare, an Internet company based in San Francisco, confirmed Monday that North Korea's Internet access was "toast." A large number of connections had been withdrawn, "showing that the North Korean network has gone away," Matthew Prince, CloudFlare's founder, wrote in an e-mail.

Although the failure might have been caused by maintenance problems, Mr. Madory and others said that such problems most likely would not have caused such a prolonged, widespread loss.

The failure follows requests by the Obama administration to China seeking its help in blocking North Korea's ability to wage cyberattacks, an early step toward the "proportional response" Obama promised, as well as a broader warning to others who may try similar attacks on U.S. targets, senior administration officials have said.

The loss of service is not likely to affect the vast majority of North Koreans, who have no access to the Internet. The biggest impact would be felt by the country's elite, state-run media channels and its propagandists, as well as its cadre of cyberwarriors.

If the attack was American in origin – something the United States would probably never acknowledge – it would be a rare effort by the United States to attack a nation's Internet connections. Until now, most operations by the United States have amounted to cyberespionage, mostly to collect defence information or the communications of terrorism suspects.

During the Iraq War, there were periodic efforts to send fake messages to cellphones or computers to lure al-Qaeda suspects or other adversaries into traps. "Olympic Games," the cyberattack on Iran's nuclear enrichment facility, was an extremely rare and sophisticated destructive attack, intended to slow Iran's progress toward a nuclear weapons capability.

But a denial-of-service attack is more like cybervandalism, the term that Obama used to describe North Korea's action against Sony. It is temporary, and while it imposes some costs, it would be limited in the case of North Korea because of the scarce availability of Internet services in the country.

Security experts cautioned that the origins of such a failure could be many. North Korea could be preemptively taking its systems offline to prepare for an attack, or the loss of service could be the result of an attack by vigilante hackers, although hacking collectives, such as Anonymous, had not taken credit for the failure.

Chris Nicholson, a spokesman for Akamai, an Internet content delivery company, said it was difficult to pinpoint the exact origin of the failure, given that the company typically sees only a trickle of Internet connectivity from North Korea.

"All we know for sure is that their networks are under duress," Mr. Madory said. "And we have not seen this kind of outage there before."

New York Times News Service

SOUTHERN AFRICA

Zimbabwe's vacationing Mugabe sacks additional government officials

ALAN COWELL LONDON

In a long-range purge, President Robert Mugabe of Zimbabwe, travelling in Asia, ordered further dismissals of government ministers back home, pursuing a sweeping crackdown on perceived disloyalty, according to state news media on Monday.

Five deputy ministers were dismissed for "alleged graft and factional politics through which they sought to topple President Mugabe through unconstitutional means, including assassination," The Herald, a state-run newspaper, reported on Monday, citing an official announcement late on Sunday.

The removals brought to 16 the number of senior officials, including vice-president Joice Mujuru, dismissed by Mr. Mugabe, 90, in a broad purge of his Zimbabwe African National Union-Patriotic Front (ZANU-PF) party that has helped elevate his wife, Grace Mugabe, 49, to high office.

Mr. Mugabe has also appointed Emmerson Mnangagwa, a longtime associate with a reputation for ruthlessness, as vice-president.

Mr. Mugabe has governed the country since its independence from Britain in 1980.

The most prominent of the figures to lose their jobs Sunday were Flora Buka, the minister of state for presidential affairs, and Sylvester Nguni, the minister of state in the vice-president's office.

It was not immediately clear what role Mr. Mnangagwa played in the latest manoeuvres. The Mugabes left this month on what state news media has called annual leave until Jan. 15.

Mr. Mugabe's overseas trips provoke much speculation among Zimbabweans that he is receiving medical treatment during protracted journeys to Asia, particularly to Singapore, the magazine The Africa Report said on its website.

The Africa Report also said that, along with speculation about his health, "it is the financing of Mugabe's vacation that has come under the spotlight."

The magazine added that money from the national budget "has been spent on travel, entertainment, cars" and the maintenance of residences.

Mr. Mugabe has visited Asia with increasing frequency since Western governments imposed travel restrictions because of his human rights record.

China, a historical ally of ZANU-PF, has since emerged as a leading economic partner.

New York Times News Service

THE GLOBE AND MAIL

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

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PAUL WALDIE, EDITOR, REPORT ON BUSINESS
KEVIN SIU, HEAD OF DIGITAL, EDITORIAL

PRISON REFORM

A new low in the overuse of solitary

We already knew that solitary confinement was being cruelly misused by Canadian prison officials who recklessly incarcerate mentally-ill inmates in tiny cells that exacerbate the inmates' symptoms. Now we are learning that inmates in a provincial facility in Toronto are being sent to solitary simply because they are under the weather.

You read that right. Ontario's ombudsman, André Marin, says he will launch an investigation into the Toronto South Detention Centre unless officials there stop using segregation cells to house inmates who are injured or sick. Mr. Marin's statement followed a report that the new jail, which opened 11 months ago, still hasn't put its medical facilities into service. As a consequence, the jail has been using cells that should only be resorted to in extreme circumstances to house prisoners who belong in a hospital bed or, worse, in a mental-health facility.

Mr. Marin says he has received 144 complaints about health services and the use of solitary since the new jail opened. A spokesperson for the Ministry of Community Safety and Correctional Services says the province hasn't been able to hire the staff it needs to open the infirmary and mental health unit, and that inmates are only being held in "medical segregation" to "ensure a private location for them to recover."

Once again, solitary confinement is being used in an inappropriate way in a Canadian prison. We saw where that leads with the deaths of Ashley Smith and Edward Snowshoe. We have since learned that the federal government is indifferent to the issue: Correctional Service Canada says it will not change its use of solitary in spite of those tragedies.

And now a provincial jail, whose inmates include people who are awaiting trial and are therefore presumed innocent, is casually using segregation to paper over its failure to staff its infirmary and mental-health unit. It looks like another case of Canadian prison officials displaying a casual indifference to the health and safety of inmates.

Other countries, including the United States, are phasing out solitary or severely limiting its use because it is demonstrably counter-productive and inhuman. In Canada, meanwhile, we're sending people to solitary for the crime of needing medical attention.

CHRISTMAS

Rise of the drones

If the Grinch couldn't stand jingtinglers and floofloovers, imagine how he would have reacted on Christmas morning if every second Who had unwrapped a drone.

The noisy, invasive, potentially dangerous and also extremely cool and popular unmanned aerial vehicles (UAVs) are one of the hottest-selling gifts of the season. Some retailers in Canada are reporting that demand has quadrupled since last year, thanks to falling prices and simpler operating systems.

Which means on Christmas Day you may hear what sounds like 10,000 mosquitoes buzzing outside your window, and you'll rush to see what it is only to discover a futuristic flying device hovering there and pointing a high-definition camera at your face. It'll make the Grinch's nightmare seem like a lullaby in comparison.

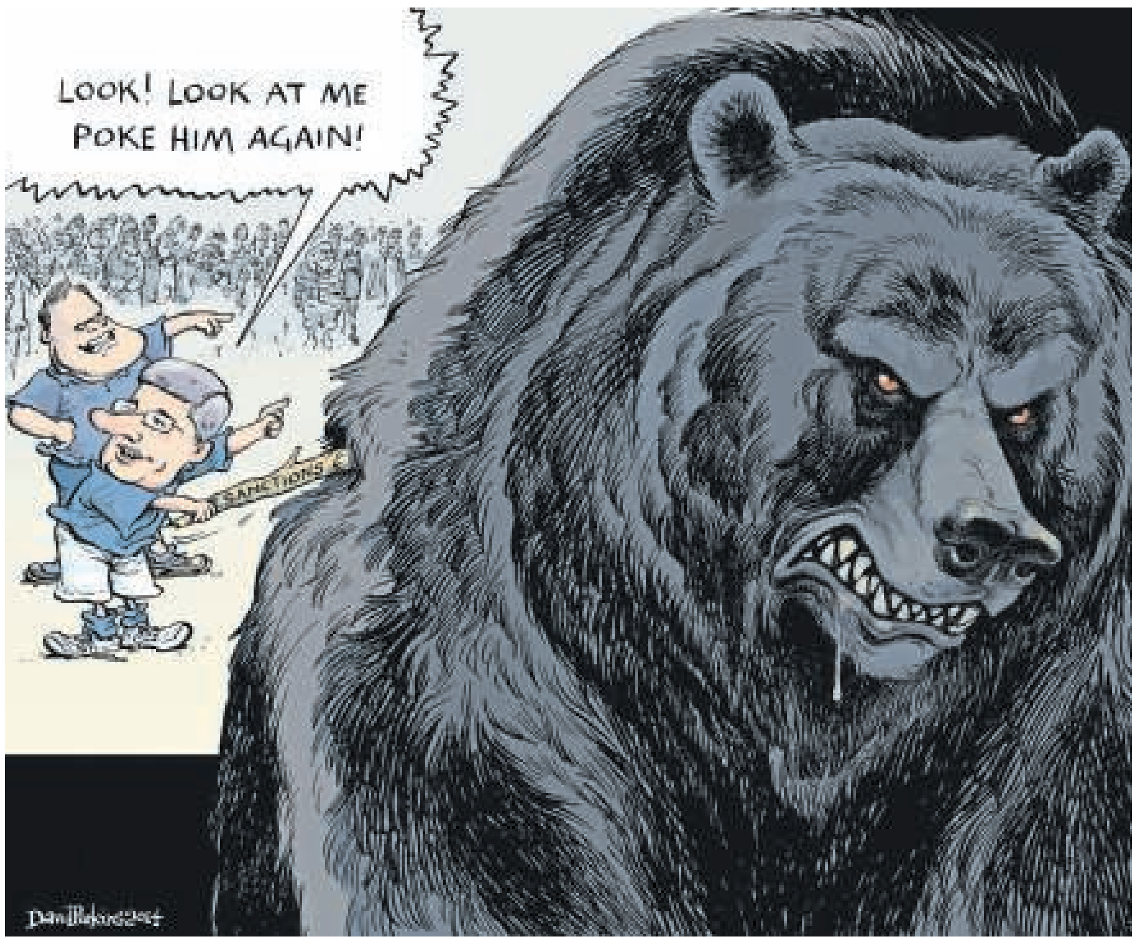
A recreational drone, for those who've never seen one, is a robotic vehicle that is operated remotely from a controller, a computer or even a smartphone. Some have wheels, but the most popular ones at your local electronics retailer are the kind that fly. Many, if not all, carry high-quality video cameras. An operator can send one soaring into the sky to record events and people below.

This gives the devices a lot of potential commercial and research uses, both good and to-be-determined. Scientists can safely access remote areas of the planet; rescuers can search for lost people; retailers like Amazon may one day deliver purchases by UAV.

But while commercial users and researchers need a Transport Canada permit for most flights, recreational users can operate a UAV without permission as long as it weighs less than 35 kilograms. These are fairly big flying machines, and a lot can go wrong when something that size isn't operated responsibly and crashes into people's heads or veers clumsily into controlled airspace.

You just have to read Transport Canada's guidelines on recreational drone use to see how bad it could get. If you get a drone for Christmas, buy at least $100,000 in liability insurance and never fly it anywhere near airports and military bases. Yield to commercial aircraft. Don't try to hover it over crowds while drunk.

Basically, if you don't know what you're doing, drones are a real danger. Don't be the idiot who flies one through a neighbour's window on Christmas Day, but if that's the biggest mistake you make, apparently you will have gotten off lightly.



LETTERS TO THE EDITOR

Tories and Grits

Re Harper Must Aim For A Majority Or Bust (Dec. 22): Five simple things our Prime Minister needs to do to get another majority:

1) Institute an inquiry into missing aboriginal women;
2) Legalize marijuana;
3) Ban asbestos exports;
4) Fire Veterans Affairs Minister Julian Fantino;
5) Call Ontario Premier Kathleen Wynne.

– *Daniel J. Christie, Port Hope, Ont.*

Re Testing The Conservative Faith (editorial, Dec. 20): You hit the nail on the head. Vision and technique are two different things.

A Conservative, almost by definition, should know what it is we want to conserve and why it is valuable to do so. A rallying cry of "but whatever it is we want to achieve, we're going to do it with lower taxes and less government" doesn't hold water.

Where are the Conservative visionaries? Where, for that matter, are the Conservatives who want to get re-elected?

– *David Simmonds, Wellington, Ont.*

Conservatism has successfully eclipsed the Canadian form of social democracy, which Alex Himelfarb recalled with such melancholy (Alex Himelfarb On Austerity, Inequality And 'Trickle-Down Meanness' – Focus, Dec. 20). The social advances of the post-war period, especially during the Pearson and Trudeau years, which Liberals assert reflect Canada's fundamental nature, were undone by inherent and environmental factors, among them: overspending by entitled governments, inflation and globalism.

Today's Liberals, dedicated to nothing more stirring than the defeat of the Harper government, offer no path back, only conservative-lite. In effect, Canada has slipped back to its natural, laissez-faire state.

Stephen Harper's achievement is that resistance, noisy as it is, nibbles only at the tail end of the movement he leads. Deep intervention by the state in social welfare was a 25-year anomaly in Canada, beginning a decade later than in Britain and Europe and declining, through successive governments of every stripe, from about 1980.

A generation later, we are all conservatives now.

– *David Lemon, Vancouver*

Attack on The Hill

Re Commons Security, RCMP At Odds Over Ottawa Attack (Dec. 22): My strong impression after reading this article was of a group of children in a sandbox not sharing their toys. The lack of co-ordination is a security threat, so let's stop pointing fingers and spending time on pinpointing who exactly delivered the fatal shot to the Parliament Hill gunman and work on fixing the problems.

Also, an executive summary of the investigations into security on The Hill should be released. Failure to do so would smell of people covering their own culpability.

– *Paul D. Leney, Calgary*

With all due respect to Sergeant-at-Arms Kevin Vickers and all the other officers who engaged in the firefight with Parliament Hill gunman Michael Zehaf-Bibeau, for me the hero that day was Constable Samearn Son.

Unarmed, Constable Son confronted the attacker when he first entered the building, grabbed his gun, delaying him, and called out a warning to the others. He took a bullet, which could easily have been fatal. I was so happy when the Speaker of the House singled him out for special recognition.

– *Grafton Ross, Ottawa*

Squeezed on price

Re Supplier Squeeze: Loblaw In The Spotlight Over Pricing Practices (Report on Business, Dec. 20): While I cannot imagine a day when retailers will be lined up to receive medals in the pricing wars, if we consumers are benefiting, I'd prefer to see the Competition Bureau chasing others. If something more Machiavellian is at work, I'd like to know that, too.

Many of us feel that being "Wal-Mart shoppers" is beneath us, but we meet regularly, sneaking in late at night to enjoy their lower prices. Wal-Mart suppliers are said to be among the most price-pressured anywhere, but do we consumers really care?

Much better to enter the front door of a Canadian company with competitive prices with our heads up.

All this is offered from the perspective of someone living where grocery prices are among the highest in the country.

– *George Asquith, Whitehorse*

Interview suspended

Re U.S. Considers Sanctions After Sony Attack (Dec. 22): Instead of an American comedy about North Korea – Sony Pictures' *The Interview* – what if 30 years ago Canada had made a funny movie about president Ronald Reagan being assassinated and showing his head being blown apart?

What would the Americans have said? President Barack Obama would now be restoring relations with us, not Cuba.

– *M.H. Brown, Vancouver*

Vaccine misspending

Re There's No Point Trying To Outscream Anti-Vaxxers (Dec. 22): You write, "The HPV vaccine, available to adolescent girls and boys and shown to be useful preventing numerous types of cancer, is still ridiculously controversial on the grounds that it might … encourage teenagers to have sex."

Health advocates like me do not object to the money spent on this free program because of the potential for early sexual activity, but rather on the premise that it is a poor use of scarce health dollars.

HPV is mostly self-limiting: some 90 per cent of people infected will clear the virus within two years. High-risk types like HPV 16 and 18, in the presence of co-factors like smoking, can indeed lead to cancer, including cervical, vulvar and anal cancer.

Pap screening has caused a monumental decline in cervical cancer because follow-up and treatment result in the vast majority of cervical abnormalities not progressing to cancer. There is no cervical cancer epidemic in Canada.

There are, however, populations that are more likely to get cervical cancer, in particular, aboriginal women, marginalized women and poor women who are less likely to be screened and/or benefit from follow-up and treatment.

Lumping HPV vaccine with childhood vaccines is an apple-and-orange comparison.

– *Lyba Spring, Toronto*

Irritating, indeed

John Doyle has presented his list of the Top 10 Most Irritating Canadians 2014 (TV-Related) (Life & Arts, Dec. 22).

May I present my list of the Top 10 most irritating Canadians on radio – except I only need one Canadian to cover all 10 spots on the list. And that person is that most irritating individual on CBC Radio who announces, with the excruciating repetition of water torture, that "Canada Lives Here."

And just what does "Canada Lives Here" mean anyway?

– *Craig Gordon, Fonthill, Ont.*

Most irritating Canadians on TV? What about the clowns and trained seals headlining the Question Period circus?

– *Rod Yellon, Winnipeg*

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

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THE GLOBE WAS FOUNDED IN 1844. THE MAIL WAS FOUNDED IN 1872.

DIPLOMACY

The Cuba deal is good for Obama – and for Harper

LAWRENCE MARTIN
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Even Pierre Trudeau, who once tried to paddle to Cuba in a canoe, would have approved. We're never likely to see a member of the Castro clan attending Stephen Harper's funeral, as Fidel did Pierre's.

But Mr. Harper has softened his hard-boned image in tangentially supporting a progressive U.S. president's opening of relations with the island's one-party regime.

A few years ago, Fidel Castro wrote scornfully of Mr. Harper, describing him as "an openly rightist man and the only one to have been ill-mannered toward Cuba." It was prior to the opening of a Summit of the Americas. Mr. Harper did not want Cuba at such summits.

Mr. Harper has displayed a less compromising approach toward Cuba than former Conservative prime ministers John Diefenbaker, Joe Clark or Brian Mulroney.

He wasn't about to start banning our trade in goods and services with the Fidelistas. Economic interests required degrees of co-operation. But his blunter conservatism showed, much to the approval of his political base.

It makes his co-operation with Barack Obama on the ending of sanctions all the more striking. Even frequent critics of Mr. Harper's foreign policy, such as former United Nations ambassador Paul Heinbecker, were applauding. "It's encouraging," Mr. Heinbecker said. "The government played it well and it could help down the road in other respects with Washington."

What drove the Prime Minister? It's not as if Raul Castro was making major strides in moving Cuba away from its authoritarian political system.

It's not as if Mr. Harper, who has clashed with Mr. Obama over the Keystone XL pipleine, owed the President any favours. And it wasn't as if the PM's overarching hawkishness in foreign affairs has been failing him. With Russia's Vladimir Putin, it has been winning him marks.

But from several points of view, the conciliatory turn was advisable. In the first place, Mr. Harper was in no position to oppose Mr. Obama's move, given that the new U.S. policy toward Cuba is in keeping with the traditional Canadian approach.

By assisting with the negotiations, Mr. Harper has eased strains in his relations with the U.S. President. It also appeals to the Canadian middle, where the Conservatives could use more votes. The political consideration is always, to a depressing degree, the dominant one with our Prime Minister – no doubt it was a major factor here.

No one should be of the view that there has been a significant turn in Mr. Harper's thinking. But the pragmatism he showed will stand him in good stead. Ideological politicians are predictable, by definition, their beliefs more rigidly fixed. In this sense, they can come across as threatening, particularly in a country like Canada, where political culture has historically been moderate (as Conrad Black makes amply clear in his book *Rise to Greatness*).

The Cuba move was of that mode. Mr. Harper even had the opposition parties coming out in support, which is a rare sight. "Today is a great day for those who believe in engagement as the most effective tool of diplomacy," said NDP foreign-affairs critic Paul Dewar.

It's "a very good piece of news," said Liberal Leader Justin Trudeau, whose father was once mocked, especially in Washington, for his cozy relationship with Fidel Castro.

Predictably, there is grumbling in the far-right precincts of Mr. Harper's Conservative Party and among core Republicans.

But Mr. Obama's bombshell appears to be gaining wide support in both countries. After suffering a shellacking in the midterm elections in November, the Democratic President has been revitalized. With decisive policy-making on immigration, the environment, Cuba and in other areas, he is wiping away the image of an equivocator and demonstrating the progressive spirit that got him elected in 2008 and that stirred hope in so many Americans – and in many Canadians.

In the foreign arena, the Islamic State threat does not appear what it was trumped up to be. Mr. Putin is no longer seen to be outfoxing his U.S. counterpart. At home, the economy is entering an impressive growth period.

Consequently, the accommodating turn from a Canadian prime minister not highly reputed for accommodation was well advised for both parties.

MIDDLE EAST

The Arab world's vanishing Christians

Observing Christmas, we are reminded of the religious, ethnic and cultural diversity that is disappearing, writes **Christian Sahner**

This Christmas, like every Christmas, thousands of pilgrims and tourists will travel to the Middle East to celebrate the holiday in the land of the Bible. In Bethlehem, the birthplace of Jesus, the Latin Patriarch of Jerusalem will lead a midnight mass, while in Syria – where some Christians still speak dialects of Aramaic, similar to the ancient language Jesus spoke – celebrations are likely to be subdued, curtailed by the dangers of a war that is tearing the country apart.

At a time when the Middle East is aflame with sectarian strife, the observance of the Christian holiday is a sad reminder that the region's distinctive religious, ethnic and cultural diversity is rapidly disappearing. At the beginning of the 20th century, Christians made up roughly 20 per cent of the Arab world – including southern Egypt, the mountains of Lebanon and southeastern Anatolia – they formed an absolute majority. Today, just 5 per cent of the Arab world is Christian, and many of those who remain are leaving, forced out by persecution and war.

Jews, too – once a vital presence in cities such as Cairo, Damascus and Baghdad – have all but disappeared from the predominantly Muslim parts of the Middle East, relocating to Israel, Europe and North America. Even in Muslim communities, diversity has been dwindling. In cities like Beirut and Baghdad, mixed neighbourhoods have been homogenized, as Sunnis and Shiites seek shelter from sectarian attacks and civil war.

A Syrian girl plays near a damaged church in the Christian town of Maalula. Traditionally, religious minorities have served as brokers between the Middle East and the outside world. YOUSSEF KARWASHAN/AFP/GETTY IMAGES

The waning of diversity in the Middle East goes back more than a century, to the bouts of ethnic and religious cleansing that took place during the Ottoman Empire, including the murder and displacement of 1.5 million Armenian and Syriac Christians in eastern Anatolia. After the empire's collapse in 1918, the rise of Arab nationalism placed Arabic language and culture at the centre of political identity, thereby disenfranchising many non-Arab ethnic groups, including Kurds, Jews and Syriacs. For example, many Greeks who had been living in Egypt for generations lost their livelihoods in the 1950s, when president Gamal Abdel Nasser, the great standard-bearer of pan-Arabism, nationalized privately owned businesses and industries. Others were forced to flee the country altogether.

The rise of political Islam after the Arab-Israeli Six-Day War in 1967 dealt another blow to religious minorities. By promoting Islamic revival as a solution to the region's ills, Islamism led to the marginalization of non-Muslims, including groups that had played outsized roles in the region's economic, cultural and political life for centuries. As a result, in places like Egypt, Christians have faced harsh social discrimination and violence, sometimes at the hands of the nominally secular state.

The Arab Spring upheavals have given rise to grave new challenges to cultural and religious diversity in the Middle East. Many of the authoritarian regimes now under threat of collapse cultivated the support of minorities. This was especially true in Syria, where the Alawite-dominated Baath Party fostered ties to Christians and other small communities by presenting itself as a bulwark of secularism and stability in the face of a supposedly threatening Sunni majority. Now that Syria's Sunnis have risen up against their Alawite rulers, Christians' loyalty to the regime has become a liability, even a danger. In some corners, Christians are regarded as complicit in the government's brutal crackdown, making them targets for attack.

The rise of the Islamic State over the past year has sparked even more violence against minorities. Powered by a fundamentalist Wahhabi ideology and a boundless appetite for bloodshed, the Islamic State seeks a return to an imagined premodern caliphate that subjugates Shiites and treats non-Muslims as second-class citizens. When the Islamic State captures a city, its fighters give Christians the choice of paying a medieval tax known as the *jizya*, converting to Islam or being killed. Many simply flee.

Western governments' protection of ethnic and religious minorities in the region has been a controversial matter for more than a century, and it remains so today. Many Sunnis, for example, accuse America of favouritism: The United States intervenes to protect Kurds, Yazidis and Christians in northern Iraq, they say, but does little to stop the slaughter of hundreds of thousands of Sunnis in Syria. In fact, America's complicated history of church-state relations at home has made it reluctant to intervene on the part of any religious groups abroad, especially when the population is small.

The end of diversity in the Middle East is a tragedy not just for those who have died, fled or suffered. The region as a whole will be worse off as a result of their absence. Minorities have historically served as brokers between the Middle East and the outside world, and if they disappear, the region will lose an important class of cultural, economic and intellectual leaders.

How a society handles ethnic and religious diversity can tell us a great deal about its capacity to negotiate disagreements and transform pluralism from a liability into an asset. Yet diversity is all too often considered a source of weakness in the Middle East. It should be considered a strength, and one that is worth protecting.

Christian Sahner is the author, most recently, of Among the Ruins: Syria Past and Present.

MARGARET WENTE will return

END-OF-LIFE CARE

The year we put death above indignity

ANDRÉ PICARD
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In 2014, death came out of the closet.

The end-of-life conversation, which for so long was conducted in apprehensive, hushed tones, finally worked its way into the mainstream media, various legislatures and all the way up to the Supreme Court of Canada.

One of the most poignant contributions to the debate came from Gillian Bennett, an 83-year-old woman in the early stages of dementia who posted a farewell letter on her blog Dead At Noon before lying down on the beach near her home on Bowen Island, B.C., and taking a fatal dose of barbiturates.

Kim Teske, suffering from the degenerative Huntington's disease, chose a different tack, starving herself to death to protest the absurdity of Canadian laws that don't allow for assisted death. Her choice was documented in a powerful story by Sandra Martin in The Globe and Mail.

Margot Bentley, a former nurse with dementia, thought she had done everything right by stating in her will she wanted to refuse all treatment, but she is being force-fed because the courts ruled that is not a medical intervention. The family's appeal will be heard by the B.C. Court of Appeal in February.

Last week, Hamilton journalist Eric McGuinness, an outspoken right-to-die activist who suffered from terminal cancer, travelled to Zurich to end his life legally there. In an earlier essay, Mr. McGuinness said: "I want to die as easily and humanely as a loved family pet."

What all these *cris de coeur* have in common is a demand to have one's wishes heard at the end of life, something that is currently denied by Canadian law, which makes "assisted suicide" a crime.

As Ms. Teske said: "It's ridiculous to have a law so you can't die."

Under the Criminal Code, helping someone to die, no matter how compassionate the gesture, is a crime. But that provision is being challenged as unconstitutional and the Supreme Court will soon release its ruling in the case of Lee Taylor, who took her mother to Switzerland to die.

Also in coming months, Quebec's Bill 52, which allows people to request assisted death from a physician if a number of strict criteria are met, will also take effect.

There is no question the public is well ahead of lawmakers in their views of assisted death, with polls showing overwhelming support for it.

But this doesn't mean Canadians will be opting for assisted death in large numbers. On the contrary – the experience of jurisdictions with right-to-die legislation shows that it remains a marginal choice. That's the key: The debate is really about choice.

The vast majority of people now die of chronic illnesses, in a fairly predictable manner. Patients with terminal illnesses know they're going to die, at least in the abstract. What they want is a more honest conversation about how their pain and suffering (and that of their loved ones) can be minimized.

Physicians, more than anyone else, recognize the limitations of medicine. This point was made eloquently by U.S. doctor Ken Murray, who wrote an essay titled How Doctors Die. The central message was that physicians reject a lot of "life-prolonging" interventions in their final days, opting instead for pain control and maximizing quality of life.

These approaches are slowly – and one hopes surely – being introduced into practice. "Do not resuscitate" orders are now being described more accurately as "Allow natural death" orders. And patients are now being given much more honest information about the benefits (or lack of benefits) of performing cardiopulmonary resuscitation on terminally ill patients.

One of the greatest benefits to come from all these high-profile stories and legal cases is that they have drawn attention to the lamentable state of palliative care in Canada. One of the most important and largely overlooked aspects of Quebec's end-of-life legislation is that it guarantees every patient access to palliative care. That in itself is a monumental change in a country where somewhere between 16 and 30 per cent of patients currently have appropriate end-of-life care.

Palliative care and assisted death are not at odds with one another. They are, or at least should be, choices that people have when they discuss how and when they are going to die.

But the real paradigm shift that needs to occur is a recognition that death is not a failure. Dying without dignity – that is the failure.

FROM PAGE 1

Abortion: Safety concerns raised about mifepristone after septic shock deaths

» "Canada is the only developed country in the world without the gold standard for medical abortion care. It makes no sense," said Vicki Saporta, the Washington-based president of the National Abortion Federation (NAF). "We have responded and the manufacturer has responded to every concern [the regulators] have raised ... we do expect that they will approve it in January."

Health Canada would say virtually nothing about the mifepristone application, citing confidentiality policies. It refused to divulge internal deadlines, the date the application was filed or the name of the drug company.

But The Globe and Mail has learned the applicant is Linepharma International, a small manufacturer based in France and the United Kingdom that makes only two drugs: mifepristone and misoprostol, the second drug required for a medical abortion.

One of Linepharma's advisers and board members is André Ulmann, a French doctor and one of the fathers of medical abortion. He was the international project leader for the development of RU-486 – as mifepristone was originally known – at the French pharmaceutical giant Roussel-Uclaf in the 1980s.

The company donated the U.S. rights to mifepristone to a U.S. non-profit organization called the Population Council, which got the drug approved there in 2000.

At the time, the director of the organization's reproductive health program was Beverly Winikoff. She is now the president of Gynuity Health Projects, a U.S. not-for-profit research group that has been providing pro bono support to Linepharma for its Canadian application.

"There seemed to be a lot of negativity toward this drug in some of the meetings I attended," Dr. Winikoff said. "I've been in a lot of regulatory meetings and the Canadian one was unusual in that people were attacking in a way I wouldn't have expected in a regulatory meeting."

A spokesman for Health Canada declined to address that characterization directly, but said in a statement that, "Health Canada undertakes a rigorous review of every drug submission, holding companies accountable for providing detailed and scientifically defensible information."

Ellen Wiebe, the Vancouver doctor who led the Canadian trials of mifepristone, is seen in her office in December, 2013. JOHN LEHMANN/THE GLOBE AND MAIL

> **Canada is the only developed country in the world without the gold standard for medical abortion care. It makes no sense.**
>
> **Vicki Saporta**
> *President, National Abortion Federation*

In October, 2011, Linepharma International filed a new-drug submission for its Mifepristone Linepharma 200 milligram tablet, which it aims to sell in combination with misoprostol, according to Marion Ulmann, the company's chief operating officer.

After Health Canada requested more "quality documentation," Linepharma resubmitted its application in October, 2012, Ms. Ulmann said by e-mail.

In an earlier interview, she called the Health Canada process "very smooth," and said she had no complaints.

Ms. Saporta, on the other hand, echoed Dr. Winikoff's concerns.

Asked about complaints that the review has been slow and difficult, Health Minister Rona Ambrose said: "I think if you talk to any drug company on the drug approval process, they might say the same thing. I'm not involved in any drug approvals. What I hear from drug companies is the process is very rigorous. But I think it needs to be. Drug safety is very important."

Safety concerns have been raised about mifepristone. A 27-year-old Quebec woman died during a Canadian clinical trial of it in 2001, which anti-abortion activists have raised in their campaign against the pill.

"It's anything but perfectly safe ... it's a deadly cocktail for the baby certainly, but also for the mother," said Mary Ellen Douglas, a national organizer for the Campaign Life Coalition, which puts on the massive National March for Life at Parliament Hill every year. Last year's theme was keeping RU-486 out of Canada.

The U.S. Food and Drug Administration has identified at least 14 deaths after medical abortions in the United States.

In six of the most concerning cases, the women died of septic shock after they were infected with an unexpectedly lethal strain of a bacteria called *Clostridium sordelli*. But the U.S. Centers for Disease Control and Prevention found that strain also killed women during other reproductive events, including surgical abortions, spontaneous miscarriages and births.

Clostridium sordelli was responsible for the Quebec woman's death, and brought an end to the Canadian trials of mifepristone.

"A lot of smart people worked so hard trying to figure this one out and decided that there had been a mutation in the bacteria," said Ellen Wiebe, the Vancouver doctor who led the Canadian trials. "It was one in a million, but still, there's a lot more than a million people around, and so we had those deaths. There haven't been any recent ones."

On the whole, mifepristone is considered extremely safe. A review of 45,000 medical abortions published last year in the journal Contraception found serious complications in just 0.4 per cent of cases.

"Every other developed country in the world has this drug," Dr. Winikoff said. "Why not Canada?"

WEATHER

VANCOUVER AND AREA FORECAST AND ALMANAC

Today	Tomorrow	Thursday	Friday	Saturday	Sunday	Monday
H: 8/ L: 5	H: 8/ L: 4	H: 7/ L: 3	H: 6/ L: 4	H: 7/ L: 2	H: 6/ L: 0	H: 4/ L: -1
Rain in the afternoon, 100% POP	60% chance of isolated showers.	Variably cloudy.	80% chance of light rain.	Mainly sunny with cloudy periods.	Sunny.	60% chance of isolated showers.

TEMPERATURE

in degrees Celsius	High	Low
Today	8°	5°
Yesterday	8.3°	4.1°
Last year	9.8°	4.4°
Normal	6°	0.7°
Record	11.3°/1986	-11.5/1983

PRECIPITATION

in mm	DAY	MONTH	YEAR
Today	21.9 (7 a.m. to 7 p.m.)		
Yesterday	0	150.8	1252.4
Last year	10	55.8	920
Normal	4.9	132.2	1082.1
Record	30.5°/1947		

SUN

Rises at 8:05 a.m., sets at: 4:17 p.m.
Hours of sunlight: 8 hours 12 minutes.

UV READINGS

Vancouver:	0.7 (low)
Whistler:	0.6 (low)
Comox:	0.6 (low)
Port Hardy:	0 (low)
Kamloops:	1 (low)
Kelowna:	1 (low)

MOON

Moon rises at 9:05 a.m., sets at 6:51 p.m.

Wax:	Full:	Wane:	New:
Dec 28	Jan 4	Jan 13	Jan 20

CANADA

	TODAY	WED.	THUR.	FRI.
Banff	-3/-7sf	-2/-11sn	-7/-13sf	-9/-12pc
Calgary	1/-4pc	1/-8sf	-5/-9sf	-3/-8pc
Char'town	1/-3pc	5/2fr	10/0r	3/0pc
Edmonton	-1/-9sf	-3/-14pc	-11/-14sf	-9/-13pc
Fredericton	1/-1pc	3/1r	12/0r	4/-2s
Halifax	0/-2pc	7/5rs	12/0r	5/0s
Iqaluit	-11/-24pc	-20/-22pc	-7/-10sf	-4/-15sn
Jasper	-1/-8sf	-2/-12pc	-6/-13sf	-6/-11pc
Kelowna	2/-1rs	3/-8pc	-1/-10pc	-2/-5sf
Montreal	3/1r	4/1r	9/0r	4/1pc
Ottawa	3/2r	3/0r	7/0r	4/0pc
P. George	1/-4pc	0/-6sf	-4/-5pc	-3/-8sf
Quebec	1/0sf	3/0r	6/-2r	1/-4pc
Regina	-6/-7pc	-1/-17pc	-8/-19pc	-15/-19pc
Saskatoon	-7/-9pc	-2/-20sf	-9/-20pc	-15/-21pc
St. John's	0/-5pc	-1/-5pc	1/0c	7/-1r
Toronto	7/5r	7/1r	4/0rs	6/0pc
Victoria	9/5r	8/3pc	7/3pc	6/4r
Whistler	3/-1rs	3/-2rs	1/-3pc	0/-2sn
Whitehorse	-9/-14pc	-13/-15pc	-12/-14pc	-11/-14pc
Winnipeg	-1/-6c	-3/-11sf	-6/-20pc	-16/-22pc
Yellowknife	-18/-31pc	-26/-35s	-32/-36s	-33/-35pc

NATIONAL FORECAST

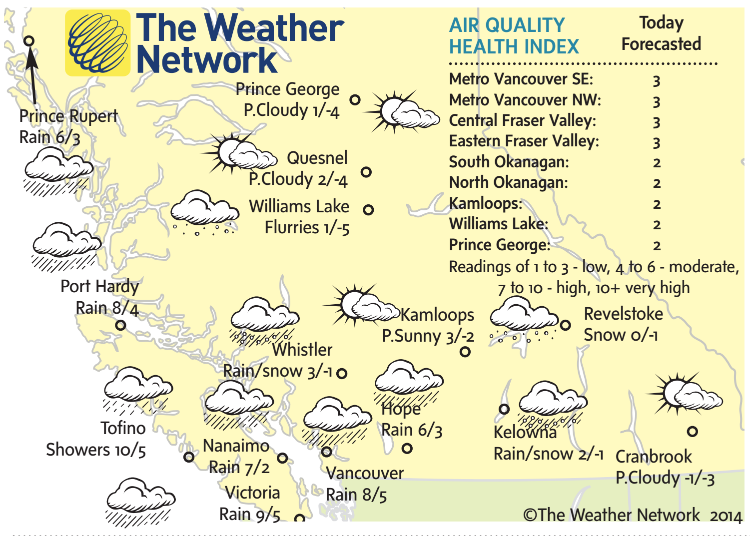
Daytime high, overnight low and conditions:

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–thundershowers
r–rain	w–windy

WORLD

	TODAY	WED.	THUR.	FRI.
Amsterdam	11/10pc	10/7r	7/2r	6/2pc
Anchorage	-3/-9sf	-4/-6c	-3/-5sn	-4/-5pc
Beirut	18/14s	18/13s	19/12s	20/12s
Berlin	10/9r	8/5r	5/1r	1/-1s
Boston	8/5r	13/8r	13/5r	8/3s
Cape Town	24/16r	24/16s	23/17pc	23/16s
Dallas	10/3r	10/2s	16/8s	15/4pc
Denver	2/-5pc	9/-5s	9/-5s	-1/-9pc
Edinburgh	10/6r	9/4pc	6/0pc	10/1c
Jerusalem	12/8pc	13/7s	15/7s	15/6s
Las Vegas	17/9s	15/7pc	14/7s	10/3s
London	12/10pc	11/4r	7/1pc	4/0pc
Los Angeles	25/14s	23/14pc	19/13s	18/10s
Madrid	11/-1pc	11/-1pc	11/-2s	11/0s
Mexico City	21/9pc	16/6r	19/6c	21/6pc
Miami Beach	27/22pc	27/19t	24/16pc	24/20c
Montego B.	29/24s	29/24s	29/24s	28/24pc
Moscow	2/-4sn	-6/-9c	-6/-9sn	-10/-11c
Munich	9/3pc	7/2s	5/3r	2/0pc
New York	9/8r	14/13r	13/2pc	9/4s
P. Springs	24/10s	21/9pc	21/8pc	16/5s
Paris	9/5pc	10/6r	7/3pc	4/2c
Phoenix	20/8s	19/5s	19/8s	15/6s
Portland	12/6c	7/3r	9/4r	8/4r
Rome	15/7s	14/7pc	14/7pc	11/5r
Salt Lake	4/-2s	7/2pc	2/-4rs	-1/-9sf
Washington	11/6r	19/11r	11/6pc	12/4pc

SOUTHERN BRITISH COLUMBIA



BRITISH COLUMBIA FORECAST

	TODAY	WED.	THUR.	FRI.
Abbotsford	8/4r	6/3r	6/3r	5/3r
Cranbrook	-1/-3pc	1/-10sn	-2/-14pc	-6/-11pc
Chilliwack	7/4r	6/2r	5/2r	5/2r
Dawson Crk	-2/-15sf	-10/-19sf	-16/-19sf	-13/-14pc
Ft. Nelson	-15/-21sf	-18/-23c	-22/-23pc	-18/-21pc
Ft. St. John	-7/-16sf	-11/-17sf	-16/-18pc	-15/-16pc
Golden	-2/-6sn	1/-8sf	-4/-10sf	-7/-9sf
Hope	6/3r	5/1r	3/1r	3/0rs
Kamloops	3/-2pc	4/-8pc	0/-8pc	-1/-6sf
Kelowna	2/-1rs	3/-8pc	-1/-10pc	-2/-5sf
Mission	8/4r	7/3r	6/3r	5/3r
Nanaimo	7/2r	6/0r	5/0pc	4/1rs
Nelson	2/0sn	3/-5rs	-1/-6pc	-3/-5sf
Penticton	3/1rs	5/-4pc	1/-7pc	0/-2sf
P. George	1/-4pc	0/-6sf	-4/-5pc	-3/-8sf
P. Rupert	6/3r	6/3r	4/2r	5/2r
Pt. Alberni	8/2r	5/1r	5/1pc	4/1rs
Pt. Coquitlam	7/3r	6/2r	6/2r	4/2r
Pt. Hardy	8/4r	7/4r	7/5r	6/3r
Quesnel	2/-4pc	-1/-7sf	-4/-6pc	-4/-8sf
Revelstoke	0/-1sn	3/-6rs	-1/-7sf	-4/-5sf
Smithers	0/-4sf	-1/-5sf	-4/-5sf	-3/-7pc
Tofino	10/5r	7/4r	8/4pc	8/5r
Valemount	-1/-7sn	-1/-10pc	-5/-11sf	-6/-9sf
Vancouver	8/5r	8/4r	7/3pc	6/4r
Victoria	9/5r	8/3pc	7/3pc	6/4r
Whistler	3/-1rs	3/-2rs	1/-3pc	0/-2sn
Williams Lk.	1/-5sf	-1/-6sf	-3/-6pc	-3/-7sn

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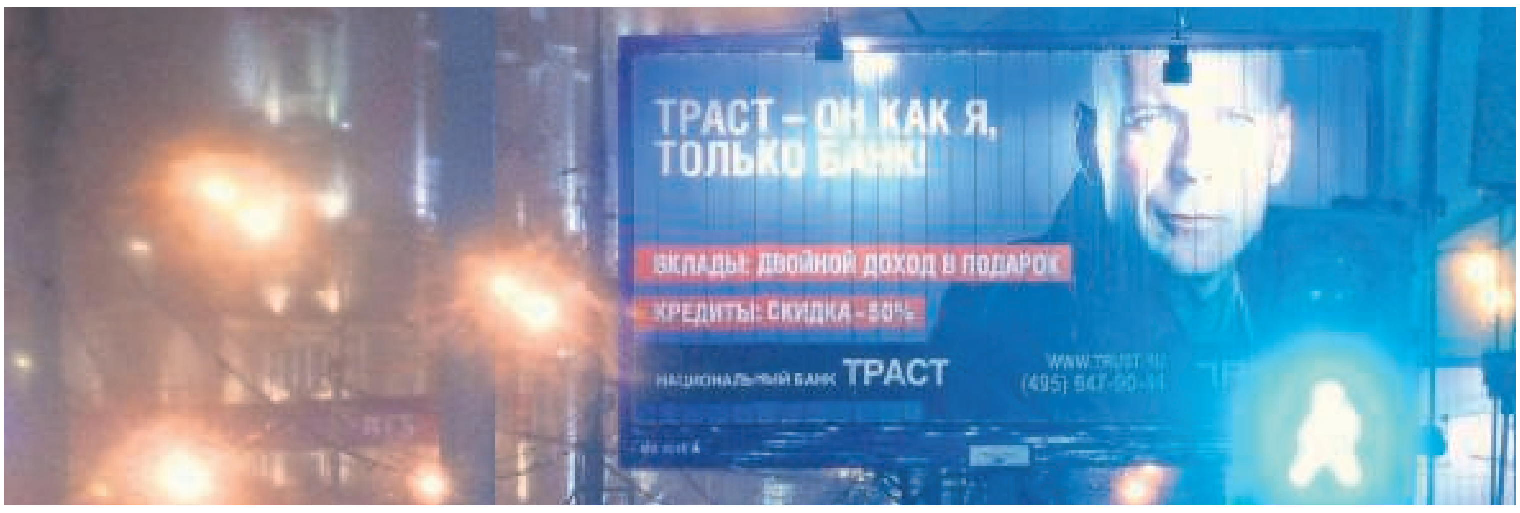

CURRENCY

Russia's crisis deepens

The troubled Trust Bank, which uses Bruce Willis in its ads, is placed under supervision in 30-billion ruble bailout

PAGE 6

THE GLOBE AND MAIL
TUESDAY, DECEMBER 23, 2014
SECTION B

Report on Business

EDITOR: PAUL WALDIE

S&P/TSX	DOW	S&P 500	DOLLAR	GOLD	OIL	GCAN 10-YR
14,432.38 (-35.88)	17,959.44 (+154.64)	2,078.54 (+7.89)	85.93 (-0.22)	1,179.80 (-16.20)	55.26 (-1.87)	1.789% (-0.017)

ENERGY

Oil resumes slide as Saudis stand firm

OPEC's low-cost members seen keeping production flowing to drive out high-cost producers

SHAWN McCARTHY
GLOBAL ENERGY REPORTER
OTTAWA

Crude oil markets were slammed again after Saudi Arabia's Oil Minister indicated the kingdom is prepared to ride out a long price slump without cutting production, and could even increase supply if the opportunity arises.

Saudi minister Ali al-Naimi, along with some of his Gulf states partners, sent a clear signal to traders over the weekend that they can't expect OPEC to reverse course and cut production, and that prices may continue to fall until it is clear that enough producers around the world will cut back to rebalance the market.

After rallying on Friday, U.S. benchmark West Texas Intermediate fell by $1.86 (U.S.) – or 3 per cent – to $55.27 a barrel in the New York futures market Monday, while North Sea Brent fell $1.33 to $60.05. Energy stocks on the Toronto Stock Exchange were mixed, though the leading energy index was down 1.83 per cent after rallying last week.

Prices fell Monday despite news that OPEC-member Libya is once again out of the export market as rival factions battle for control of the government and oil industry. Analysts have pointed to growing production from the war-torn North African country as one reason oil prices began their slide this summer, but the current disruption has not been enough to spark a rally.

Oil, Page 4

Amazon has 10,000 employees at its German distribution centres and hires another 10,000 temporary workers for seasonal demand. REUTERS, AFP-GETTY

LABOUR

Amazon.com's German culture clash

At the height of holiday shopping, warehouse workers strike over wages and conditions

JOANNA SLATER BERLIN

Amazon.com Inc. is getting an unwelcome present in Germany this holiday season: labour unrest.

Workers at seven of the Internet giant's nine German distribution centres began walking off the job last week and some will continue striking up until Christmas Eve.

The dispute is grounded in a cultural clash. Amazon's style is to deal directly with its employees without a union as an intermediary. But that approach is at odds with the system that prevails in Germany, where there is a history of powerful unions collaborating with corporations and forging sector-wide wage agreements.

This month's strikes, timed to coincide with Amazon's peak shopping season, are the largest so far in a series of walkouts that began last year. They mark an escalation of the quarrel between Amazon and Verdi, a large and diversified German union representing employees from the retail sector to the civil service.

The union wants Amazon to begin negotiating a collective bargaining agreement, preferably one where its German employees receive higher wages in line with other such contracts in the retail and mail-order sector. Amazon has refused. It considers its staff part of the logistics sector, where wages are lower, and says its compensation is competitive for such work.

The labour dispute feeds into a much larger discomfort with American Internet and technology companies: In Germany and Europe more broadly, some are uneasy with the tactics employed by titans such as Google Inc., Apple Inc., Facebook Inc. and Amazon.

Amazon, Page 4

FINANCIAL SERVICES

Private equity investors have global vision for DBRS

JACQUELINE NELSON

The U.S. private equity heavyweights set to take over DBRS Inc. have set their sights on international growth for the Canadian credit rating agency.

Carlyle Group LP and Warburg Pincus LLC said Monday that they would acquire DBRS, with plans to invest in the business, potentially bringing on new employees to fuel growth.

Terms of the deal were not disclosed, but the transaction is reportedly worth about $500-million (U.S.), and is expected to close in February or March next year.

To these foreign players, DBRS offers stable cash flow from its Canadian business, where it is best known. But another pull was the opportunity to grow in the U.S. and Europe, where the financial crisis spurred regulators, investors and other stakeholders to seek a more diverse pool of ratings, according to a person familiar with the transaction.

DBRS has a 2-per-cent market share in the oligopolistic business of credit ratings, with Moody's Investors Service Inc., Standard & Poor's Corp. and Fitch Ratings Inc. eating up the lion's share of the business.

DBRS has a 2-per-cent market share in the oligopolistic business of credit ratings, with Moody's Investors Service Inc., Standard & Poor's Corp. and Fitch Ratings Inc. eating up the lion's share of the business.

The challenge now is to find opportunities to grow around these dominant players, the person said.

DBRS, Page 4

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COMMENT & ANALYSIS

WHAT'S ON BNN

BNN looks at how plunging oil prices are having a ripple effect on the broader markets heading into 2015.

BNN

For today's schedule, visit BNN.ca

Business executives such as Prem Watsa and Brian Moynihan are impressed with new Indian Prime Minister Narendra Modi. REUTERS

ROB INSIGHT EMERGING MARKETS

Modi must turn foreign goodwill into results

KEVIN CARMICHAEL MUMBAI

It is difficult to overstate global investors' enthusiasm for India's Narendra Modi.

"For the first time in 67 years, this country has a prime minister who is pro-business," Canada's Prem Watsa said after meeting Mr. Modi in November. Brian Moynihan, the chief executive of Bank of America Corp., said a short conversation with India's leader this month was all he needed to "see why people see the optimism." Masayoshi Son, founder of Japan's SoftBank, met Mr. Modi in Tokyo in September and a month later came to India to announce investments of more than $800-million (U.S.). "He gave us more confidence that India is going to be more transparent and deregulated with a lot of focus and passion to improve India as the environment for investment," Mr. Son told the Economic Times in an interview.

Mr. Modi has accumulated this vast reserve of trust without having to implement any major policy changes. International investors seem encouraged simply by the presence of an Indian leader who has openly embraced the economic orthodoxy of fiscal prudence, low inflation, free trade and investment and minimal regulation.

Now come questions about the Indian government's commitment to fiscal prudence.

The finance ministry's mid-year economic review, released last week, makes a strong case for abandoning the government's current target of a budget deficit that is 4.1 per cent of gross domestic product. A year ago, India was a member of the "Fragile Five" emerging markets. Now, India is a "near-solitary spark," according to the writers of the mid-year review. The country is the only major economy whose growth outlook was revised higher by the International Monetary Fund this year; most forecasts were lowered, including that of the United States.

At the start of 2013, imports and inward financial flows exceeded exports and outward financial flows by an amount equal to 4.7 per cent of GDP. The gap has been closed to about 2 per cent. The budget deficit, which was 7.5 per cent of GDP, has been narrowed to less than 5 per cent. Indian inflation has decelerated from 10 per cent to slowest pace in years. Equity markets were ending the year about 30 per cent higher than they were in March. "Macroeconomic stability has returned," the mid-year review concluded.

But what hasn't returned is the China-like economic growth that Mr. Modi promised voters.

The IMF upgraded India's economic outlook for 2014 to 5.6 per cent, which is okay, but nothing like the 10.3-per-cent expansion the country experienced in 2010. Indian officials talk hopefully of economic growth rates of 7 per cent and 8 per cent. To achieve that, Mr. Modi must generate an investment boom. Foreigners are ready to help, but they can be a picky bunch.

"It seems imperative to consider the case for reviving public investment as one of the key engines of growth going forward, not to replace private investment but to revive and complement it," say the finance officials who wrote the mid-year report.

They admit that India's "weak institutions" are holding back the economy. They also note that India's budget-cutting efforts have exacerbated the effects of a weaker global economy; at a time when India needs faster economic growth and increased investment in infrastructure, the government has been cutting back on its efforts to do both. They argue the fiscal target is hurting budget revenue by constraining growth.

Mr. Modi is interested in seeing what all this international goodwill can buy him. If investors continue to be lured by that "near-solitary spark" in an otherwise gloomy global economy, expect Mr. Modi to continue to put his own spin on economic orthodoxy.

Kevin Carmichael is a senior fellow at the Centre for International Governance Innovation, based in Mumbai.

STREETWISE

CIBC divides steel products maker to conquer

SEAN SILCOFF OTTAWA

Some small caps are trickier to sell than others. **CIBC World Markets Inc.** gets full marks for cleverly pulling off a successful $363-million auction of Oakville, Ont. manufacturer **Vicwest Inc.** Two auctions, to be precise.

When Vicwest converted into an income trust in 2005, the company was a perfect fit for the structure. It had two different businesses with one thing in common: Both bashed steel. One made grain storage containers for farms; the other made siding and roofing for builders. The idea was that their differing business cycles would complement each other, funding steady payouts.

Then Ottawa ended the income trust party. Owning two smallish, different businesses "really didn't make a lot of sense" for post-trust Vicwest, says chief executive Colin Osborne. Vicwest tried to bulk up its agriculture business but it never found the right deal, losing out in the 2011 auction for grain container manufacturer GSI Holdings Corp. It explored selling itself, but prospective buyers typically just wanted one business and would only take the other at a discount. Vicwest was stuck in limbo.

Then on May 27, out of the blue, building products giant **IKO Industries Ltd.** revealed in a securities filing it owned 10 per cent of the stock. The share price jumped and the board realized serious players were willing to look past recent earnings weakness in its building products division and bank on the impact of a strengthening U.S. economy. It was time to put Vicwest on the block.

The CIBC bankers acting for Vicwest surmised there was no logical single buyer, so they ran two separate auctions – one for each division. Only strategic bidders already operating in the respective businesses were invited to bid; with the potential for synergies, they would be willing to pay more than private equity firms. Besides, Vicwest was already highly levered, leaving less room for buyout firms to add debt.

Each auction had its own data room and management presentation led by each division president. Where CIBC would typically have four or five bankers working on a deal this size, it had eight handling the two processes. By the July 25 due date, Vicwest received 12 bids roughly split between the two units. That was narrowed to two competing bids for each, received Sept. 25. Once the successful bidders were selected, "then we had to bring the two together," Mr. Osborne says.

The final deal, announced Nov. 11, is cleverly done. Under a plan of arrangement, Winnipeg-based **Ag Growth International Inc.** pays Vicwest $221.5-million for the grain business, while Irish building products maker **Kingspan Group PLC** simultaneously buys out shareholders for $12.70 a share (20 per cent above its previous closing price), or $224-million in total, covering all the deal closing costs – and ends up with the siding and roofing unit.

Factoring for cash and assumed debt, Vicwest's enterprise value is $363-million. Investors interested in the saga can review the directors' circular, going out this week. But the deal, which goes to a shareholder vote Jan. 23, seems pretty much done: Mr. Osborne says he's talked to investors holding most of the shares and "they're quite happy with the price."

CIBC's key advisers were Richard Finkelstein, executive director, investment banking, Winnipeg-based Jason Stefanson, managing director and head of investment banking for the Prairies, and Mike Boyd, managing director and head of global M&A. Neill May and Ryan Szainwald at Goodmans LLP handled the legal work.

ET CETERA

DILBERT

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Class of 2014

Watch these leaders as they continue to create value in not-for-profit organizations

Lois Fine
Director of Finance and IT
YWCA Toronto

Harjit Gill
Chief Accountant/ CFO
Aspen Family and Community Network Society

David Graham
Executive Director
Brigadoon Village

Christopher Grieve
Head of School
Aberdeen Hall Preparatory School

Gord Gunning
Chief Executive Officer
CANES Community Care

Lorella Hayes
Chief Financial Officer and Treasurer
City of Greater Sudbury

Andrea Hesse
Executive Director
ABC Head Start Society

Jim Janzen
President & CEO
YMCAs across Southwestern Ontario

Paul Johnson
Director, Neighbourhood and Community Initiatives
City of Hamilton

P. Marc Joyal
Vice President, Resources
Université d'Ottawa/University of Ottawa

Ida Kaastra-Mutoigo
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World Renew

Walter Kurz
Chief Financial Officer, VP Shared Services
Canadian Diabetes Association

John Lounds
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Nature Conservancy of Canada

Leah MacKenzie
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Roman Catholic Diocese of Victoria

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Executive Director
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Bruno Marchand
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United Way Quebec Chaudiere-Appalaches

Michael McKnight
President and CEO
United Way of the Lower Mainland

Carol McQuade
Director, Business Operations
Enviros Wilderness School Association

Hugh Mitchell
Chief Executive Officer
Western Fair District

Chris Morrissey
Executive Director
Clean Foundation

Jimmy Mui
Chief Financial Officer
The Canadian Red Cross Society

Catherine Parsonage
Executive Director and CEO
Toronto Foundation for Student Success

Akela Peoples
President and CEO
The Learning Partnership

Laurie Poole
Vice President, Telemedicine Solutions
Ontario Telemedicine Network

Tom Prins
President and CEO
Commissionaires Great Lakes

Alexander Robertson
Executive Director
Camp Oochigeas

Soraya Saliba
Executive Director
McMan Youth, Family and Community Services Association (Calgary & Area)

Dr. Karen Shaw
Registrar
College of Physicians and Surgeons of Saskatchewan

Nav Shergill
Vice President, Finance and Accounting
Calbridge Homes

Alasdair Smith
Vice President and CFO
Bethany Care Society

James Sneddon
Director of Finance
Shepherd's Care Foundation

Nancy Sutherland
Chief Executive Officer
The Sunshine Foundation of Canada

Virginia Trawick
Director, Organizational Development
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ENERGY

Encana sells midstream assets to Veresen, KKR

JEFFREY JONES CALGARY

Encana Corp. is selling gas pipeline and processing assets in Western Canada's Montney region to **Veresen Inc.** and **KKR & Co. LP** for $412-million in a deal that allows Encana to concentrate on drilling while the buyers handle transportation and expansion of the infrastructure.

Veresen, a Calgary-based pipeline and power company, and KKR, the prominent U.S. private-equity firm, have agreed to invest up to $5-billion to support future production in the Montney, a massive liquids-rich natural gas play that straddles the Alberta-British Columbia border.

The buyers have formed a 50-50 partnership called Veresen Midstream LP, which will provide compression and transport service to Encana and its partnerships on a 30-year fee-for-service basis.

> **We are unlocking value from our midstream infrastructure that we can redirect to strategic upstream opportunities …**
>
> **Renee Zemljak**
> *Encana*

The deal has been hammered out with global oil prices in a dramatic slide and financing options getting scarce. Asset transactions are seen as essentially a third-rail funding option as equity and debt markets grow stingier.

The Globe and Mail reported last week that the deal was in the works as investors questioned how, against a backdrop of sharply weaker energy markets, Encana planned to develop $9-billion (U.S.) of assets it has acquired in the past year.

"We are unlocking value from our midstream infrastructure that we can redirect to strategic upstream opportunities while ensuring reliable, efficient midstream service to support our ongoing operations and development in the Montney," Renee Zemljak, Encana's vice-president of midstream, marketing and fundamentals, said in a statement.

The deal gives Encana flexibility to speed up or delay development of the Montney production as market conditions warrant, she said.

In oil-industry parlance, midstream refers to the equipment that transports oil and gas between production, or "upstream," facilities and the major pipelines that carry the hydrocarbons to refineries and end-users, known as the "downstream."

The assets being sold comprise those in the Dawson, B.C., area operated by Encana independently and in a partnership it has with Japan's Mitsubishi Corp. The Montney is seen as one of the energy-sector's next major resource deposits, and Encana is one of the most active drillers there. Veresen said the partnership will be its main unit for expansion of oil and gas liquids transport in Western Canada.

The deal is slated to close in the first quarter of 2015.

KKR, led by Henry Kravis and George Roberts, set up a $2-billion fund to invest in unconventional North American energy this year. It also opened an office in Calgary, adding to a growing roster of private-equity firms investing in Canadian oil and gas.

Encana (ECA)
Close: $15.72, down 69¢

FROM PAGE 1

Oil: There are 'too many headwinds' for crude prices to rebound any time soon

Economist James Williams said a Saudi-led faction in OPEC made up of the low-cost producers is determined to let the market drive out high-cost rivals through rock-bottom prices.

"They are actually behaving like true competitors," said Mr. Williams, with WTRG Inc. consulting. "This is naked capitalism, except they're not really capitalists."

Mr. al-Naimi firmly closed the door on co-operation with leading producers outside the cartel, such as Russia, or with rivals within OPEC such as Iran or Iraq. He said bluntly that Saudi Arabia has no intention of cutting production in 2015 or indeed ever again to boost prices.

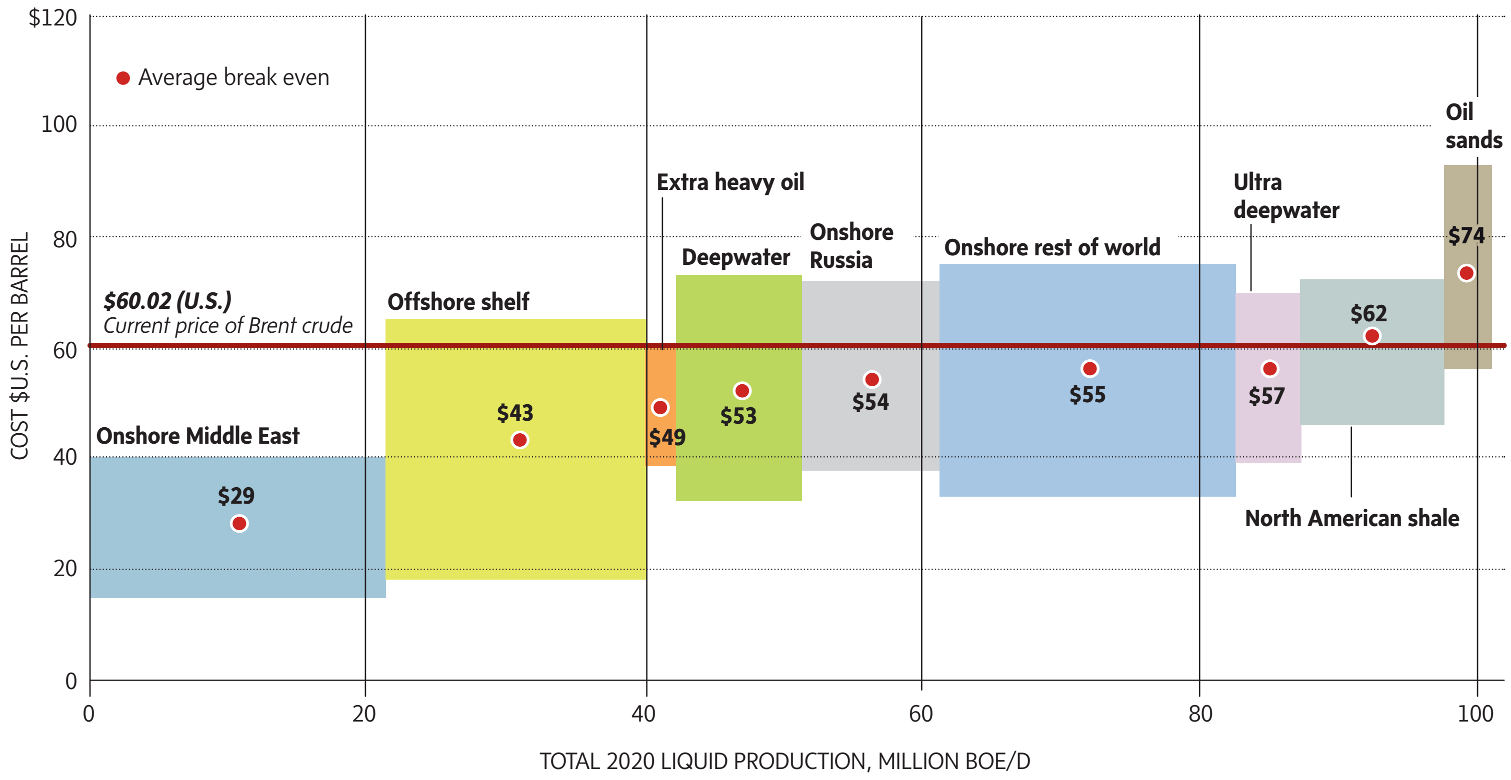
The oil-rich kingdom has plenty of financial reserves to withstand the price slump, though the International Monetary Fund said Monday that it needs $100 a barrel to balance its budget. Other OPEC producers are far more vulnerable, with Venezuela careening towards default on its debt and Iran requiring a price of $120 a barrel to meet its budget needs.

Few analysts expect prices to recover before the second half of 2015, when the industry's budget slashing will begin to affect supply, especially in the U.S. shale oil sector, where companies need to drill continuously in order to maintain production.

"Because of the backlog in [well] completions, it will be the end of the second quarter before the impact of lower prices shows up in production data," Mr. Williams said. "And if prices, where they are or they even go lower till year end of 2015, it will be low enough to halt growth in U.S., as well as in Canada."

COST VERSUS PRODUCTION

A Saudi-led faction in OPEC is determined to let the market drive out high-cost rivals through rock-bottom crude prices



JOHN SOPINSKI/THE GLOBE AND MAIL » SOURCE: RYSTAD ENERGY RESEARCH AND ANALYSIS

> **Because of the backlog in [well] completions, it will be the end of the second quarter before the impact of lower prices shows up in production data.**
>
> **James Williams**
> *Economist with WTRG Inc.*

Economist Adam Longson, with Morgan Stanley, said there are "too many headwinds" for crude prices to rebound convincingly any time soon. Those include brimming storage facilities and the expectation that production will continue to grow early next year in countries such as the U.S., Canada. Brazil and Iraq.

"Any oil relief rally is likely to be limited and short-lived, barring a major outage," Mr. Longson said.

But while producers – and oil-rich provinces and states – suffer, the global economy is expected to benefit, and that will help build demand growth over the medium- to longer-term.

Economists from the IMF calculated the global economy could add 0.7 percentage points to growth next year, and 0.8 points in 2016, with net oil importers gaining ground and net exporters losing. In Canada, economists have made the same point about the national economy – oil-producing provinces will see lower economic growth, while consuming provinces will benefit.

The IMF said India and China would be the biggest beneficiaries. While oil consumption represents 3.8 per cent of GDP in the U.S., it is 5.4 per cent for China and 7.5 per cent for India, and both of those emerging economies import the vast majority of their crude.

FROM PAGE 1

Amazon: 'There's a lot at stake'

The concerns range from how such firms handle personal data to how they approach unions to how they sidestep taxes. Amazon entered the German market in 1998. As in the United States, it has never shown any inclination to allow unions to organize its employees.

"We don't see a need for that," said Tim Collins, director for Amazon's logistics operations in the European Union, in an interview with the Financial Times earlier this year.

"Any friction that gets between us and our associates slows down innovation, slows down change, slows down improvements on the shop floor, and we don't see that as being good at all."

In Europe, such sentiments have contributed to the characterization of American firms as the "Wild West" of employers, where traditional safeguards on pay and work conditions aren't respected.

In Germany, there is a long history of major manufacturers collaborating with unions, whose representatives sometimes hold seats on a company's board of directors.

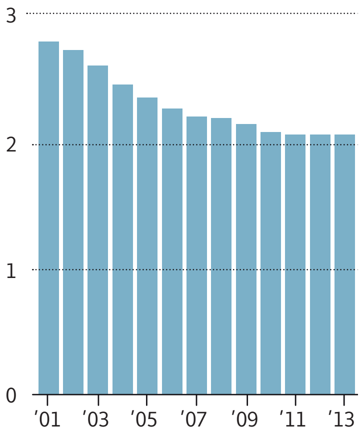
"The Amazon culture is based on a hostile attitude toward unions," said Christoph Schmitz, a spokesman for Verdi. "In Germany we are used to [a] social partnership" between employers and unions.

That partnership helped steer the country through the aftermath of the financial crisis, Mr. Schmitz said, and is "definitely part of Germany's economic success."

The current confrontation is significant for both sides. Germans have proven avid online shoppers and the country is Amazon's second-largest market by sales after the U.S. Verdi, meanwhile, is trying to extend its influence into an industry – e-commerce – of growing importance.

LABOUR STRUGGLE

GERMANY'S VERDI UNION MEMBERSHIP
In millions



JOHN SOPINSKI/THE GLOBE AND MAIL
SOURCE: WALL STREET JOURNAL

"There's a lot at stake," said Hajo Holst, a professor of economic sociology at the University of Osnabrueck. Amazon stands to set a precedent, he noted.

"They challenge the German system and they do that openly."

Amazon has 10,000 permanent employees at its German distribution centres and hires another 10,000 temporary workers to handle seasonal demand. The pay for its workers starts at €9.75 ($13.90) an hour, above Germany's minimum wage. It also offers the opportunity to earn stock grants and has introduced a Christmas bonus, a standard practice in Germany.

"We have attractive packages," said Anette Nachbar, a spokeswoman for Amazon in Germany. "Our compensation is definitely competitive."

Ms. Nachbar added that the company had seen no disruptions in its operations during the critical holiday period as a result of the strikes, thanks to temporary workers and support from distribution centres elsewhere in Europe.

She said that by Monday, fewer than 1,850 employees were participating in the strikes; Verdi said that about 2,000 had walked out on Monday, but that last week the number of strikers hit 2,700.

In October, Amazon opened warehouses in Poland, a country where it does not have an e-commerce presence and where wages are lower than in Germany.

The new Polish distribution centres will serve the Western European market and Germany in particular. Amazon is also opening warehouses in the Czech Republic, another neighbouring country, in 2015.

For now, the two sides have reached a kind of impasse. Amazon is steadfast in its refusal to negotiate with the union. The union is equally resolved to continue the strikes, which are growing bigger and longer as time passes.

Given Amazon's reach among German consumers, this controversy is "close to everyone," Prof. Holst said.

FROM PAGE 1

DBRS: HQ to stay in Toronto

That would include looking beyond the competitive corporate debt space in the United States.

There may also be opportunities for DBRS to expand its business farther into information services and data analytics, an area that could compliment the traditional ratings business, and where other players such as Moody's have grown in profitability.

The U.S.-based investment firms intend to keep DBRS headquartered in Toronto, since Canada is still the dominant source of revenues.

DBRS's founder Walter Schroeder, who formed the business in 1976, will retain a stake in the business as an investment partner. The deal also includes investment contributions from other unnamed Canadian individuals.

"While our Canadian franchise and culture will continue to be at the core of DBRS' operations, the breadth and depth of both Warburg Pincus and Carlyle's international presence will be invaluable to DBRS at it seeks to capitalize upon its growing platforms in the United States and Europe," said Mr. Schroeder in a statement.

Both firms have been active in Canada in the last year.

Washington-based Carlyle Group, which has $203-billion in assets under management, has built up its Canadian presence by forging connections to institutional investors.

In November, 2013, the firm bought Toronto-based asset manager Diversified Global Asset Management Corp., which is focused on selecting hedge funds for pension funds and sovereign wealth funds, for more than $100-million (U.S.).

Carlyle's investment in DBRS will be held in Carlyle Global Financial Services Partners II, a sector-specific buyout and investment fund formed in 2011.

Olivier Sarkozy, head of the financial services team at Carlyle said the company would "continue the build out of the DBRS platform on a global basis."

"The world needs more global ratings franchises that issuers and investors alike can count on to provide timely and insightful ratings on a consistent and impartial basis. As the world's fourth largest agency we believe DBRS is ideally suited to fill that void," Mr. Sarkozy said in a statement. Mr. Sarkozy has worked on several multibillion-dollar bank deals, including CIBC's $2.9-billion (Canadian) capital raise to buoy its balance sheet in early 2008 amid losses from the collapsing subprime mortgage market.

New York-based Warburg Pincus, with $37-billion in assets under management, is one of several private equity groups that has built up its investments in Canada primarily in the oil sands over the last decade, where it now has more than five energy investments, such as Canbriam Energy Inc. and Osum Oil Sands Corp. The company invests across many asset classes, including healthcare, technology and financial services.

The firm will make its investment through its $11.2-billion Warburg Pincus Private Equity XI fund.

Property Report

INVESTING

U.S. developers tread warily on Cuba's property frontier

American hotel operators better poised to enter the island's market than developers seeking to build, real estate experts say

NADJA BRANDT

A taxi stand, above, and an empty shop window, below, in Havana in early December. Real estate companies and hotel chains are assessing their options after U.S. President Barack Obama announced an end to the half-century-long estrangement with Cuba. THE NEW YORK TIMES

Shortly after the announcement of thawed relations between the United States and Cuba, the head of acquisitions at Miami-based Fortune International Realty e-mailed CEO Edgardo Defortuna with plans to investigate any changes to property ownership on the island.

"There is a long way to real estate development by U.S. companies," Mr. Defortuna, whose company builds condominiums and hotels in South Florida, said in an interview. "However, the natural beauty of the area, the great climate, the Latin flavour and the fact that there has not been any significant real estate development in the area for over 50 years make a case for starting to study the possible scenarios."

U.S. President Barack Obama's move to end a half-century-long estrangement with Cuba raises the prospect that U.S. developers and hotel operators such as Marriott International Inc. and Hilton Worldwide Holdings Inc. may be able to enter the tourism-rich market only 145 kilometres from Florida's coast. To do so, they face a long road of navigating an area with unclear property laws and government control, making it likely they will proceed with caution.

Greater transparency about real estate laws, a banking infrastructure and a system of title insurance are needed before U.S. investors will be attracted to Cuba, said Gregory Rumpel, a Miami-based managing director at Jones Lang LaSalle Inc.'s hotels group.

On the flip side, the island's proximity to the United States, one of the world's largest consumer markets, will be a big draw, he said.

"When the travel ban is lifted, there is going to be a tremendous push to go," Mr. Rumpel said. "This is a nation that has a great colonial history. But it also has mountains, rivers, infrastructure."

Tourist arrivals to Cuba rose almost 12 per cent year-over-year in October to 187,311 visitors, according to the Cuban National Statistics Office. About 2.9 million tourists visited the island in 2013, according to the office. Almost one-third of them came from Canada.

Cuba, the second-most visited Caribbean country behind the Dominican Republic, according to a mid-year review of the region, has about 200 hotels with a total of 35,000 to 38,000 hotel rooms, Mr. Rumpel said. Foreign investment is dominated by Canadians and Europeans, he said, with Spain's Melia Hotels International SA, Barcelo Hotels & Resorts and Novotel Hotels among the top operators.

U.S. hotel operators are better poised to enter the market than developers seeking to build, said Eddy Arriola, chairman of Apollo Bank, a Miami-based lender for real estate projects.

"The companies that are there now are the hotel operators that run a business," he said. "U.S. developers will have a much more difficult time because the major land owner is the Cuban government."

Marriott expects to open hotels in Cuba when permitted by the U.S. government, said Arne Sorenson, chief executive officer of the Bethesda, Md.-based company.

"Cuba was once a compelling Caribbean destination for Americans," Mr. Sorenson said. "It is still popular for travellers from many countries in the Americas and Europe. We expect it will again be a popular destination for American travellers when travel restrictions are lifted."

Hilton, the world's largest hotel chain by market value, is open to expanding on the island if an agreement is reached with the United States, Aaron Radelet, a spokesman for the McLean, Va.-based company, said in an e-mailed statement.

InterContinental Hotels Group Plc, the owner of the Holiday Inn and Crowne Plaza brands that this week agreed to buy Kimpton Hotels, also said it will monitor the situation.

"President Obama's announcement on the U.S. and Cuba re-establishing diplomatic relations is quite fresh; therefore, we will continue to assess how this impacts the hotel sector, broader travel and tourism industry and our business for the short and long term," the company, based in Britain, said in a statement.

Possible claims from companies and individuals that had their properties seized by the Cuban government will add to the lengthy mending process, said James Gueits, a partner at Miami-based law firm Levine, Kellogg Lehman Schneider & Grossman LLP.

"It will likely be part of any normalization of relations with the island," Mr. Gueits said in a telephone interview. "It will be one piece of an overall framework necessary to reform the entire legal system."

The property laws have to be clarified to make foreign investment possible for developers, according to Armando Codina, chairman of Codina Partners LLC, a real estate investment and development firm based in Coral Gables, Fla. Mr. Codina is a Cuban-American who came to the United States in 1961 at the age of 13.

"Forget about my roots and heritage for a moment," Mr. Codina said.

"I wouldn't invest in Cuba because there is no constitution, no rule of law, no respect for property rights."

Mr. Codina, a director of home-improvement retailer Home Depot Inc. and formerly a board member at American Airlines Group Inc., said there "is a lot of money" that may flow into the country from other investors and consumer-oriented companies.

"Companies will want to go there," he said. "But for developers, it will take time."

Bloomberg News

> **Forget about my roots and heritage for a moment. I wouldn't invest in Cuba because there is no constitution, no rule of law, no respect for property rights.**
>
> **Armando Codina**
> *chairman of Codina Partners, a Florida real estate firm*

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GREATER TORONTO AREA

SECTOR	MUNICIPALITY	ADDRESS	PRICE	DETAILS
Office	Burlington	3410 South Service Rd.	$6,900,000	$157/sf
Office	Toronto	497 King St. E.	$6,950,000	$321/sf
Retail	Toronto	2409-2425 Yonge St.	$14,650,000	$415/sf ADJUSTED

GREATER CALGARY AREA

SECTOR	MUNICIPALITY	ADDRESS	PRICE	DETAILS
Retail	Calgary-S.W.	1720 Bow Tr. S.W.	$41,649,246	$760/sf
Retail	Calgary-S.E.	3745 Memorial Dr. S.E.	$6,500,000	$333/sf
Retail	Calgary-S.E.	7207 Fairmount Dr. S.E.	$5,075,000	$181/sf

GREATER VANCOUVER AREA

SECTOR	MUNICIPALITY	ADDRESS	PRICE	DETAILS
Hotel	Vancouver	921 West Pender St.	$14,800,000	$174,118/room
Res Land	Coquitlam	509 & 513 Clarke Rd.	$7,128,000	0.885 ac.
Res Land	North Vancouver	3829 & 3919 Dollarton Hwy.	$13,352,210	4.938 ac.

Source: RealNet Canada Inc. (www.realnet.ca) • Information Services Powering the Canadian Real Estate Industry
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REGULATION

Britain to probe PwC over roles with Tesco, Barclays

MARGOT PATRICK

PricewaterhouseCoopers LLP just got the gift no one wants for Christmas: It's been slapped with not one but two probes by the U.K. Financial Reporting Council (FRC), its regulator, over work for two long-time audit clients, **Tesco PLC** and **Barclays PLC**.

In probes announced Monday, the regulator said it would investigate three years' worth of Tesco's accounts after the retailer issued a string of profit warnings this year and the Serious Fraud Office opened a criminal investigation into its accounting.

That's just for starters. The FRC, which sets standards and oversees the U.K.'s accountants, is also probing PwC over its role in reporting to the Financial Conduct Authority (FCA) on how Barclays complied with rules on segregating client assets between 2007 and 2011. Barclays eventually ended up in hot water over the issue: The FCA fined it £37.7-million ($68.4-million) in September for failing to safeguard client assets in its investment bank when it contracted with external custodians.

The FCA's notice to Barclays that month found the bank, among other failings, hadn't adequately squared reconciliations on around £16.5-billion in client assets held with sub-custodians between November, 2007, and January, 2012. That meant the bank failed to submit an accurate valuation of those assets to the FCA for 2010. Monthly reports to the FCA, required from October, 2011, provided inaccurate asset valuations and pricing errors. PwC, or former incarnations of the firm, has been Barclays's auditor since 1896. Barclays declined to comment.

The accounting firm is set to lose the Barclays account within the next couple of years, after the bank said it would put the audit out to tender for 2016 and won't invite PwC to submit a bid amid moves by EU regulators to shake up accounting relationships.

PwC in a statement covering both the Tesco and Barclays probes said: "We take our responsibilities very seriously and remain committed to delivering work to the highest professional standards. We will co-operate fully with the FRC in its enquiries."

CURRENCY

Russia takes over bank as PM seeks financial stability

Top officials gather in special meeting to 'synchronize' economic efforts while ruble rebounds

ALEXANDER KOLYANDR
MOSCOW

A customer exits a Sberbank branch in St. Petersburg, Russia, last week. The ruble was trading at 55 per U.S. dollar late Monday afternoon, well up from levels seen last week. ANDREY RUDAKOV/BLOOMBERG

Russian regulators took over a leading retail bank Monday, as the impact of last week's currency crisis reverberated through the economy even as the ruble recovered.

Russia's Deposit Insurance Agency said it had temporarily taken over OAO National Bank Trust and was prepared to provide up to 30 billion rubles ($625-million) in funding as it sought an investor from among the ranks of Russia's other major banks to take over ultimate control. The agency said the takeover would ensure "normal" operations of the bank, but customers reported huge lines at branches in Moscow and difficulties withdrawing funds.

Banks across Russia reported a surge in depositors taking money out last week as the ruble plunged to record lows early in the week and the central bank hiked interest rates to steady the currency. The crisis was a major blow to the banking system, already weakened by Western sanctions and the souring economic outlook. Authorities scrambled to shore up the banks, with parliament approving laws in a single day to provide 1-trillion rubles in new capital, while the central bank temporarily eased regulatory requirements.

Underlining the urgency of the situation, Prime Minister Dmitry Medvedev gathered top bankers for a special meeting Monday to "synchronize our watches" on measures to stabilize the markets and the financial system.

"There's a long period of holidays coming up and, on the one hand, we all need to be prepared, and on the other, to give people a chance to rest without worrying what will happen in the financial and banking systems," he said at the opening of the meeting, according to a government transcript.

The ruble, meanwhile, extended its rebound Monday, boosted by rising oil prices, high local interest rates and a wave of Kremlin exhortations to major exporters to sell more of their foreign-currency revenue. The ruble was trading at 55 per U.S. dollar by late afternoon in Moscow on Monday, well up from levels beyond 60 per dollar seen last week.

"The frenzy of retail FX buying is receding," Sberbank, the national savings bank, wrote in a note Monday, while corporations are accumulating rubles for year-end tax payments coming up. "However, the market will likely remain tense following the sharp swings last week."

The central bank last Monday hiked its key interest rate to 17 per cent to stem the drop in the ruble and overnight-lending rates spiked to nearly 30 per cent later in the week and banks scrambled for funding.

Even as the ruble stabilized, the economic damage from the crisis deepened.

Former finance minister Alexei Kudrin, who remains an adviser to the Kremlin, warned that Russia is heading into a "full-scale economic crisis" next year, with inflation spiking to as much as 15 per cent and gross domestic product contracting by as much as 4 per cent. He warned that Russia's credit rating could be downgraded to "junk" and the country could face a "cascade of defaults" among companies as the contraction deepens.

That is a more drastic outlook than the government's official position. President Vladimir Putin last week reassured Russians that the economic difficulties would be manageable and last no more than two years.

But signs of pain emerge almost daily.

On Monday, Avtovaz, the country's largest car maker, cut its 2014 sales forecast, saying it expects to sell 30 per cent fewer vehicles than last year. "The volatility of the Russian currency against the dollar and euro impacts the whole Russian market," chief executive Bo Andersson told state television.

Sberbank said it was suspending car lending and some mortgage products, while raising rates on others. Sberbank said most of its auto lending is conducted through a subsidiary, which will continue that business.

COMMODITIES

Rosneft deal to purchase oil facilities falls apart

MOSCOW

Morgan Stanley has scotched a deal to sell an oil-trading and storage business to Russia's **OAO Rosneft**, leaving the Wall Street firm on the lookout for a new buyer of the division.

Morgan Stanley and Rosneft, Russia's largest oil company, said Monday the two sides had terminated their contract after they failed to win U.S. clearance on the deal amid tensions over Russia's intervention in Ukraine.

The agreement won't proceed "due to an objective impossibility to complete the deal that has arisen as a result of regulatory clearances being refused," the companies said in a statement.

A Morgan Stanley spokesman said the firm would "now consider a variety of options for the unit." **Macquarie Group Ltd.**, an Australian bank eager to build out its commodities-trading arm, is among the firms that have expressed interest in the business, people familiar with the matter said Monday.

Rosneft had agreed to buy the assets for several hundred million dollars, The Wall Street Journal reported earlier this year.

Several analysts said they didn't expect Morgan Stanley to find a new buyer quickly, in part because the fall in oil prices could make the business less attractive in the short term.

Morgan Stanley had sought a buyer for the business amid pressure from U.S. regulators to shed physical commodities assets that might pose risks to Wall Street firms and the markets.

State-controlled Rosneft had reached an agreement with Morgan Stanley in December, 2013.

Then the situation in Ukraine deteriorated. In April, U.S. officials added Rosneft president Igor Sechin to a sanctions list that restricts travel and freezes assets. As the U.S. escalated its response to Russia's push in Ukraine, Morgan Stanley executives turned pessimistic that the agreement would win regulatory approval.

REGULATION

Alstom settles bribery charges with record fine

BRENT KENDALL
JOEL SCHECTMAN
WASHINGTON

French engineering giant **Alstom SA** pleaded guilty and agreed to pay $772-million (U.S.) to resolve criminal charges it paid tens of millions of dollars in a "wide-spread" bribery scheme to win energy contracts around the globe, U.S. prosecutors said on Monday.

That amount represents the largest criminal penalty the U.S. Department of Justice has obtained from a company on bribery-related charges. The agreement comes after more than six years of investigations into Alstom from law enforcement in the United States, Switzerland and Indonesia.

"Alstom's corruption scheme was sustained over more than a decade and across several continents," said deputy Attorney-General James Cole. "It was astounding in its breadth, its brazenness and its worldwide consequences."

The record criminal penalty reflects in part what prosecutors say was as a failure by the company to disclose the misconduct or to co-operate with the investigation for several years. Alstom's written plea agreement said the company's lack of co-operation impeded the department's investigation of individuals involved in the bribery scheme. Alstom's bribery schemes took place from at least 2000 through at least 2011, the department said.

Alstom chief executive Patrick Kron said the company regretted "a number of problems in the past." The settlement "allows Alstom to put this issue behind us and to continue our efforts to ensure that business is conducted in a responsible way, consistent with the highest ethical standards," he said.

Mr. Kron said that the bribery came mainly from Alstom's use of outside sales consultants, who received fees for closing deals. To prevent further issues, the company has since stopped using these consultants, he said.

General Electric Co., which is expected to buy Alstom's core assets next year, won't be responsible for any part of the penalty under terms of the settlement.

"That was something we insisted upon," assistant Attorney-General Leslie Caldwell, head of the U.S. Justice Department's criminal division, said on Monday.

Prosecutors also used the Alstom settlement to refute the persistent critique the Justice Department has become too reliant on co-operation from companies to determine misconduct, sometimes waiting years for firms to turn in evidence from their own internal investigations.

"One important message of this case is this: While we hope that companies that find themselves in these situations will co-operate with the department of Justice, we do not wait for or depend on that co-operation," Ms. Caldwell said.

The Justice Department said Alstom engaged in a bribery scheme by funnelling more than $75-million through third-party consultants, who then paid government officials to secure more than $4-billion in projects for Alstom. The company profited to the tune of $300-million, the department said.

Alstom and several subsidiaries paid the bribes and falsified records in connection with power and transportation projects in countries including Indonesia, Egypt, Saudi Arabia and the Bahamas, the department said.

Globe Investor

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REAL ESTATE

The case for REITs in 2015

Investor 'phobia' about higher interest rates may actually be creating a buying opportunity, analysts say

BRENDA BOUW

The threat of rising interest rates has some investors nervous about the performance of real estate investment trusts, but analysts and fund managers believe the sector may be oversold and see some bargains.

The Canadian REIT sector returned about 8 per cent in 2014, as of mid-December. Analysts say REITs should have done better since interest rates didn't rise as expected around this time last year. In fact, the longer-term Canadian bond yields they're often tied to fell in 2014.

"This phobia of higher interest rates has been significantly overreflected in REIT prices," CIBC World Markets analyst Alex Avery says.

REITs are sensitive to higher interest rates because it means they pay more in borrowing costs, which can have a negative impact on their free cash flow and net-asset value.

Mr. Avery recently crunched some numbers showing that rising interest rates will have a minor impact on REITs. He also expects the rich distributions that lure many investors would be sustainable.

"Even if interest rates go up a lot, REITs will probably still deliver positive FFO growth," Mr. Avery says, referring to funds from operations, a key measure of financial performance for REITs.

That doesn't mean investors won't overreact once interest rates do rise. Mr. Avery says the sector could see a price correction similar to what happened in mid-2013, driven by higher bond yields.

That could present a buying opportunity, but Mr. Avery says investors with 12- to 18-month or longer time horizons should feel comfortable getting in now.

Lower oil prices have already taken a chunk out of REITs that have significant exposure to Western Canada such as **Boardwalk REIT** and **Northern Property REIT**.

Avenue Investment Management partner and portfolio manager Paul Gardner says his firm recently bought more of Boardwalk and is looking at other names with properties out west that it believes may have been oversold, especially if oil prices bounce back.

"It's on sale," Mr. Gardner says. "I think it's a good investment at this point in time."

Analysts at Dundee Capital Markets say lower oil prices will help lower utility costs for multifamily residential property owners, and recommend investors look at names such **Canadian Apartment Properties REIT** and **InterRent REIT**, both of which also have little or no exposure to the Alberta market.

CHARTWELL

Close: $12.05, up 8¢

They also say the current drop in oil won't have the same impact on the overall sector as it did during the global financial crisis, when credit was harder to come by.

"This is not 2008," the analysts said in a recent note. "In 2008 credit markets were frozen and banks were unwilling to lend. In 2014, credit, the lifeblood of a REIT, is abundant and cheap."

Kevin Hall, portfolio manager and managing director at Guardian Capital, expects REITs to return in the 5-to-10-per-cent range in 2015. That takes into consideration the potential that interest rates will begin to creep up in the coming months.

"The concerns about rising rates really haven't gone away," Mr. Hall says.

Guardian is keeping and buying more of REITs it thinks will increase in value, including Boardwalk, which it believes has been oversold. It also likes **Chartwell Retirement Residences** in part for its exposure to the fast-growing U.S. economy.

BMO Nesbitt Burns analyst Heather Kirk expects industrial REITs to perform well in 2015, likely getting a boost from a pickup in the manufacturing industry driven by the lower oil prices and a drop in the Canadian dollar.

She's cautious on the office-space sector, citing concerns about overbuilding in many markets.

Over all, Ms. Kirk says valuations across the sector are getting "interesting" for investors.

"Nobody likes to see the sector go down, but it does create better entry points," she says. "We are in the camp of being more patient until the dust settles, but certainly it has created better buying opportunities in some high-quality names."

Special to The Globe and Mail

Boardwalk REIT (BEI.UN)
Close: $62.85, up 73¢
CAP REIT (CAR.UN)
Close: $24.89, up 48¢
Chartwell Retirement (CSH.UN)
Close: $12.05, up 8¢

REUTERS BREAKINGVIEWS

Focus on BRIC woes ignores big picture

The BRIC ideal is worth keeping. While all four members of the most popular emerging-nations club – Brazil, Russia, India and China – face some troubles, the basic idea behind the grouping looks sound.

Strategist Jim O'Neill, then of Goldman Sachs, coined the acronym in 2003. He was often ridiculed for the grouping of Brazil, Russia, India and China. The skeptics said that the only thing that these countries had in common was size – they were the four largest developing economies. The sniping intensifies whenever a BRIC country stumbles.

But Mr. O'Neill has been a lot more right than wrong. He claimed that GDP would steadily grow more quickly in these economies than in the developed world. Since 2003, the BRIC four's share of global GDP, as calculated by the International Monetary Fund, has increased from 20 per cent to 29 per cent, while the share of what might be dubbed the Rich Seven – the U.S., Japan, Germany, France, the U.K., Italy and Spain – has shrunk from 42 per cent to 32 per cent.

The trend has slowed in the past five years and three of the four BRIC lands currently look shaky. Russia, which the IMF expected to provide 3.3 per cent of world GDP in 2014, is likely to fall back sharply in 2015. China is under financial strain and Brazil's deep structural problems have again come into prominence.

But even a severe Russian recession won't change the big picture, not least because the comparison is with an aging and financially impaired Rich Seven. Living standards are very likely to keep rising more quickly in the "BIC" countries, and also in Mexico, Indonesia and other poor economies.

Mr. O'Neill presented the BRIC countries as an investment case as well as an economic thesis. The market side has not worked as well for him recently. The MSCI BRIC index has outperformed the leading stock market indexes in the United States, Japan and the euro zone over the past decade in dollar terms. But it has lagged all of them badly in the past five, falling 5 per cent versus gains of 6 to 13 per cent for the main U.S., European and Japanese equity benchmarks. It looks like markets simply got far ahead of an attractive reality.

Edward Hadas

REUTERS

For more independent financial commentary and analysis, visit **www.breakingviews.com**.

Easy money's already been made in dividend sectors

SCOTT BARLOW
INSIDE THE MARKET
sbarlow@globeandmail.com

Economists have been notorious for predicting Federal Reserve interest-rate hikes when none has materialized during the past five years. Now, however, a Morgan Stanley index that has accurately predicted that the Fed wouldn't raise rates is indicating that tighter monetary policy is only a few months away. This has major negative implications for Canadian investors in popular dividend-paying sectors.

The awkwardly named Morgan Stanley Number of Months To First Rate Hike Index (top chart) uses the interest-rate-futures market to gauge the likelihood of the Federal Reserve raising its all-important Fed funds rate. The index successfully predicted that the Fed would not raise rates in 2014 in opposition to the misguided consensus view.

The Morgan Stanley benchmark now estimates that rates will rise in eight short months as chair Janet Yellen attempts to "normalize" the rate environment, moving away from the ultra-loose monetary policy designed to help the financial system recover from the carnage of 2008.

As I've noted previously, Canadian interest rates follow U.S. rates whether or not the domestic economy warrants it.

This is why rising U.S. interest rates have been historically bad news for Canadian dividend stocks.

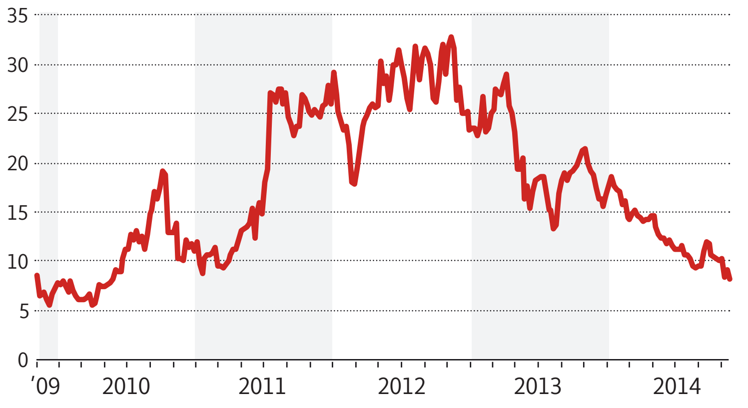
The lower chart uses the S&P/TSX utilities index as a proxy for Canadian dividend stocks (unfortunately, the REIT index history is too short for a longer term view).

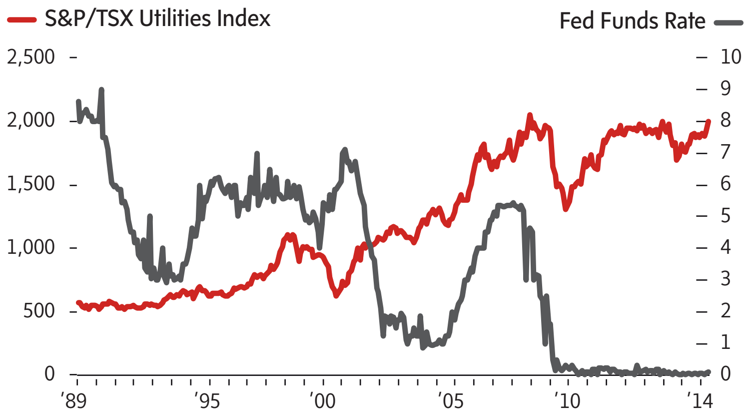
Plotted against the Fed funds rate, there is a clear negative relationship (backed up by correlation calculations) between U.S. interest rates and Canadian dividend stocks.

This was particularly the case in the 1990 to 2004 period, and also in the five years since 2009 when rates went to extremely low levels while dividend stocks climbed. The usual pattern is that when rates fall, the stocks rise and the reverse case has also been true.

TOWARD A 'NORMALIZED' RATE ENVIRONMENT

MORGAN STANLEY 'NUMBER OF MONTHS TO FIRST RATE HIKE' INDEX





JOHN SOPINSKI/THE GLOBE AND MAIL » SOURCES: SCOTT BARLOW; BLOOMBERG

Dividend income is almost always a good investment idea, but there are now signs that the easy money has been made in dividend sectors.

In addition, the stock market's "taper tantrum" of May, 2013, proved without doubt that dividend-paying stocks are not immune to volatility.

Investors will have to be a lot more cautious about how much, and what kind of dividend vehicles they want in their portfolios.

The good news as far as the U.S. market is concerned is that the Fed is seemingly comfortable with raising rates because it is more confident about the economic growth outlook.

Domestic investors who are overweight in dividend sectors – whether Canadian or U.S. – should strongly consider reducing holdings in yield-bearing equities and adding to conservative U.S. growth stocks before the interest-rate hikes are upon us.

Scott Barlow, Globe Investor's in-house market strategist, writes exclusively for our subscribers at ROB Insight and Inside the Market online. Subscribe to Globe Unlimited at globeandmail.com/globeunlimited.

MONDAY'S MARKETS

WHAT HAPPENED

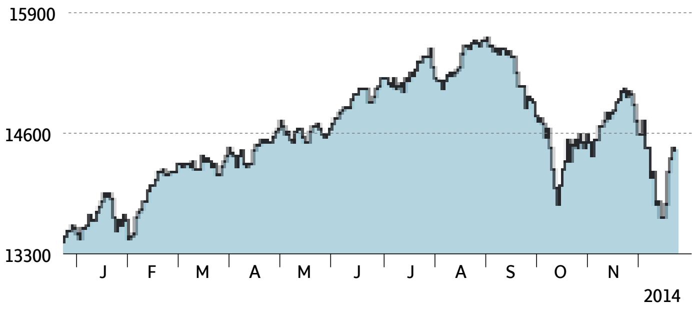
Bay Street falls Canadian stocks slipped as most energy companies fell on oil's downward march, with the retreat muted by gains for some of the country's biggest banks and its main railways. Canadian Natural Resources was off 1.6 per cent and Encana Corp. fell 4.2 per cent.

Wall Street gains U.S. stocks rose, with both the Dow and S&P 500 ending at records as large-cap technology shares gained and offset continued weakness in energy names. The S&P information technology sector was up 1.1 per cent for the day. Intel Corp. rose 2.3 per cent, while IBM rose 1.8 per cent and Cisco Systems rose 1.6 per cent.

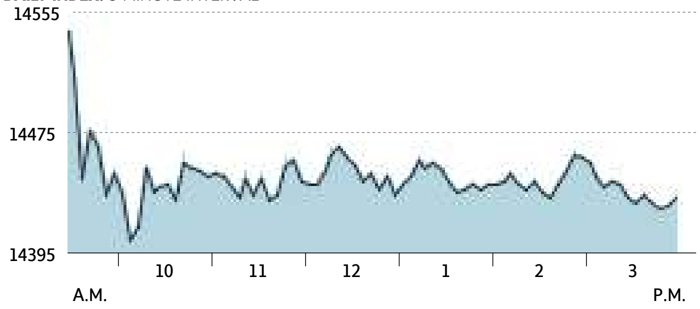
S&P/TSX COMPOSITE INDEX

14,432.38 » -35.88 » -0.25% » 210,367,851 VOL » +5.95% YTD

DAILY INDEX: LAST 12 MONTHS



DAILY INDEX: 5-MINUTE INTERVAL



S&P 500

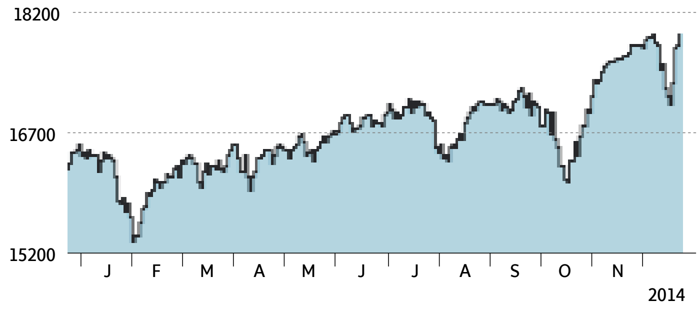
2,078.54 » +7.89 » +0.38% » +12.45% YTD

DAILY INDEX: LAST 12 MONTHS

DOW JONES INDUSTRIAL AVERAGE

17,959.44 » +154.64 » +0.87% » 98,467,317 VOL » +8.34% YTD

DAILY INDEX: LAST 12 MONTHS



MARKET BREADTH

% change indicates increase / decrease from 13-week average

	ADVANCE	%CHG	VOL (000S)	DECLINE	%CHG	VOL(000S)	UNCH.	%CHG	VOL(000S)	TOTAL	NEW HIGH	%CHG	NEW LOW	%CHG	VOL(000S)	%CHG
TSX	767	-1.85	105,567	877	9.60	253,827	668	-4.17	32,565	2,312	72	36.11	42	-12.80	391,958	-1.05
Venture	285	-34.61	39,265	427	-13.50	47,547	1,718	11.88	60,666	2,430	5	-75.47	49	36.72	147,477	-23.12
New York	2,605	29.48	2,352,146	1,875	-1.32	2,187,285	345	-13.52	55,608	4,825	286	63.78	93	-2.45	4,595,038	-6.81
Nasdaq	1,675	25.59	1,165,455	1,068	-22.44	519,883	230	-26.85	22,459	2,973	149	77.26	47	-36.55	1,707,797	-16.02

TSX

INDEXES AND SUB INDEXES

	CLOSE	CHG	%CHG	YTD%
S&P/TSX Composite	14,432.38	-35.88	-.25	5.95
S&P/TSX 60	844.46	.97	.11	7.75
S&P/TSX Completion	928.99	-12.89	-1.37	.89
S&P/TSX SmallCap	560.97	-11.03	-1.93	-8.14
S&P/TSX Venture	668.36	-8.18	-1.21	-28.29
Cons Discretion	170.05	-.27	-.16	25.55
Cons Staples	428.83	-4.75	-1.10	42.67
Energy	222.16	-4.14	-1.83	-18.53
Financials	250.57	1.26	.51	7.46
Health Care	103.71	.44	.43	18.03
Industrials	189.56	1.08	.57	15.05
Info Tech	47.04	.72	1.55	33.83
Materials	207.45	-6.52	-3.05	-8.05
Metals & Mining	644.79	-16.01	-2.42	-18.61
Real Estate	268.88	.84	.31	14.53
S&P/TSX Global Gold	137.81	-7.88	-5.41	-11.91
S&P/TSX Global Mining	60.57	-1.73	-2.78	-16.69
S&P/TSX Income Trust	186.54	-.10	-.05	7.12
S&P/TSX Preferred Share	794.83	-1.66	-.21	-.10
Telecom Serv	128.28	.02	.02	8.30
Utilities	223.80	.33	.15	9.73

INDEX LIFTERS / DRAGS

STOCKS THAT MOVED THE INDEX THE MOST ON THE DAY

	CLOSE	CHG %	MKT CAP ($B)	*INFL.
Suncor Energy	36.88	2.16	53.63	9.8
Canadian National Rail	78.66	1.60	64.08	8.7
TD Bank	54.44	.81	100.42	7.0
Valeant Pharmaceutical	167.77	1.40	56.04	6.2
CIBC	100.76	1.71	40.00	5.8
Alimentation Couche-T	46.84	-4.56	26.51	-8.2
Goldcorp Inc.	20.19	-5.21	16.43	-7.8
Barrick Gold Corp.	12.02	-4.53	14.00	-5.7
Cdn Natural Resource	36.04	-1.61	39.35	-5.5
ARC Resources Ltd.	25.80	-6.56	8.20	-4.9

* Influence: How many points the stock moved the index

INTERNATIONAL INDEXES

	CLOSE	CHG	%CHG	YTD%
Frankfurt Xetra DAX	9865.76	78.80	0.81	+3.28
Hong Kong Hang Seng	23408.57	291.94	1.26	+0.44
London FTSE 100	6576.74	31.47	0.48	-2.55
Madrid IBEX 35	10371.00	7.40	0.07	+4.58
Mexico C IPC	42873.01	343.12	0.81	+0.34
Nasdaq	4781.42	16.04	0.34	+14.48
Paris CAC40	4254.43	12.78	0.30	-0.97
Russell 2000	1201.86	5.92	0.49	+3.28
Russia RTS	811.03	42.97	5.59	-43.79
Sao Paulo BOVESPA	50120.86	469.88	0.95	-2.69
Seoul Kospi	1943.12	13.14	0.68	-3.39
Shanghai Composite	3127.44	18.85	0.61	+47.80
Sydney All Ord	5414.10	101.40	1.91	+1.14
Tokyo Nikkei 225	17635.14	13.74	0.08	+8.25
Zurich Swiss Mkt	9033.45	57.21	0.64	+10.12

VOLUME

TSX

Biggest volume for stocks $5 or more

	CLOSE	$ CHG	% CHG	VOL 000S	YTD %CHG
HBP NYMEX NatGas Bull	6.28	-1.17	-15.7	5969	-50.2
Talisman Energy	9.10	-.04	-.4	5032	-26.3
Cdn Natural Resource	36.04	-.59	-1.6	4924	.3
BlackBerry Limited	12.43	.88	7.6	4701	57.3
Alimentation Couche-T	46.84	-2.24	-4.6	3893	75.9
Suncor Energy	36.88	.78	2.2	3840	-1.0
Canadian Oil Sands	10.90	-.47	-4.1	3453	-45.5
Barrick Gold Corp.	12.02	-.57	-4.5	3401	-35.8
HBP NYMEX NatGas Bear	9.34	1.16	14.2	3127	-9.9
Crescent Point Energy	27.75	-.86	-3.0	3051	-32.7

TSX VENTURE

Biggest volume for stocks $1 or more

	CLOSE	$ CHG	% CHG	VOL 000S	YTD %CHG
Storm Resources Ltd.	4.30	-.15	-3.4	547	6.2
Bear Creek Mining	1.21	.01	.8	475	-17.1
Pine Cliff Energy	1.59	-.05	-3.1	293	52.9
Leucrotta Exploration	1.29	-.12	-8.5	290	n-a
POET Technologies	1.35	.05	3.9	283	159.6
Tamarack Valley Energ	3.15	-.06	-1.9	206	-18.2
QHR Corp.	1.25	.00	.0	198	-1.6
Ikkuma Resources	1.19	-.06	-4.8	105	240.0
Zenyatta Ventures Ltd	1.34	-.06	-4.3	97	-41.2
bioOasis Technologies	1.07	-.02	-1.8	95	25.9

NYSE

Biggest volume for stocks $5 or more

	CLOSE	$ CHG	% CHG	VOL 000S	YTD %CHG
Spdr S&P 500 E.T.F.	207.47	.95	.5	147883	12.3
Mrk Vectr Gold Miners	17.46	-1.07	-5.8	73814	-17.4
Bank of America	17.71	.09	.5	70705	13.7
Ishares Msci Emerg Mk	39.38	.54	1.4	46657	-5.8
Rite Aid Corp.	7.15	.38	5.6	44565	41.3
Ishares Msci Japan E.	11.48	-.03	-.3	43144	-5.4
Petroleo Bras Sa Petr	7.45	.34	4.8	40311	-45.9
General Electric	25.71	.09	.4	35229	-8.3
Spdr Energy E.T.F.	79.75	-.82	-1.0	33182	-9.9
Mrk Vectr Russia E.T.	15.99	-.20	-1.2	30736	-44.6

NASDAQ

Biggest volume for stocks $5 or more

	CLOSE	$ CHG	% CHG	VOL 000S	YTD %CHG
Gilead Sciences	92.90	-15.55	-14.3	72123	23.7
Achillion Pharmaceuti	15.49	1.28	9.0	45486	366.7
Apple	112.94	1.16	1.0	45097	40.9
Powershs QQQ E.T.F.	104.58	.26	.3	33853	18.9
Facebook, Inc.	81.45	1.57	2.0	31363	49.0
Intel	37.21	.84	2.3	29193	43.4
Cisco Systems	28.22	.45	1.6	28605	25.8
Microsoft	47.98	.32	.7	26562	28.3
Yahoo!	51.15	.27	.5	23995	26.5
Blackberry Limited	10.68	.69	6.9	23541	43.5

GAINERS

TSX

Biggest % gainers for stocks $5 or more

	CLOSE	$ CHG	% CHG	VOL 000S	YTD %CHG
Danier Leather	5.50	.69	14.4	1	-50.0
HBP NYMEX NatGas Bear	9.34	1.16	14.2	3127	-9.9
HBP S&P/TSX Glo Gold	18.75	1.99	11.9	635	-14.3
Energy Leaders IF	9.73	.89	10.1	1	-15.0
HBP NYMEX Crude Oil B	10.41	.91	9.6	2849	135.0
BlackBerry Limited	12.43	.88	7.6	4701	57.3
Sierra Wireless	52.87	3.63	7.4	240	105.8
Buhler Industries	5.75	.35	6.5	14	-19.0
HBP S&P/TSX Energy Be	16.02	.85	5.6	84	21.4
Vecima Networks	9.10	.48	5.6	11	76.7

TSX VENTURE

Biggest % gainers for stocks $1 or more

	CLOSE	$ CHG	% CHG	VOL 000S	YTD %CHG
Hemostemix Inc.	1.10	.25	29.4	36	193.3
Abitibi Royalties	2.50	.30	13.6	3	614.3
Largo Resources Ltd.	1.80	.15	9.1	14	-14.3
UGE International	1.67	.12	7.7	1	6,580
Edgefront REIT	1.84	.09	5.1	6	-3.2
Covalon Technologies	1.16	.05	4.5	2	5.5
Stellar Biotechnologi	1.44	.06	4.4	39	-23.4
POET Technologies	1.35	.05	3.9	283	159.6
Advent Wireless	1.38	.04	3.0	3	-31.0
Rifco Inc.	3.96	.11	2.9	4	-42.6

NYSE

Biggest % gainers for stocks $5 or more

	CLOSE	$ CHG	% CHG	VOL 000S	YTD %CHG
DJR MNR Bear 3X ETF	20.21	3.46	20.7	4579	-68.5
eHi Car Services	9.57	1.48	18.3	365	n-a
Direxion Gold Miners	29.37	3.87	15.2	5932	-33.3
Nevro Corp.	39.37	4.60	13.2	244	n-a
Skilled Healthcare Gr	8.80	.74	9.2	536	83.0
Prosh Ultrash Bloombe	72.78	5.84	8.7	944	130.5
Smart & Final Stores,	16.10	1.12	7.5	646	n-a
Direxion Daily China	35.02	2.33	7.1	207	16.4
Halyard Health	43.00	2.86	7.1	1104	n-a
Nord Anglia Education	19.69	1.29	7.0	331	n-a

NASDAQ

Biggest % gainers for stocks $5 or more

	CLOSE	$ CHG	% CHG	VOL 000S	YTD %CHG
Sky Solar Holdings, L	12.34	4.66	60.7	127	n-a
Advaxis	7.31	1.70	30.3	3818	72.4
Xunlei Limited	7.89	1.29	19.6	502	n-a
Iradimed Corporation	12.34	1.79	17.0	78	n-a
Radius Health	37.45	5.42	16.9	2157	n-a
Versartis, Inc.	23.00	3.11	15.6	217	n-a
Tandem Diabetes Care	12.92	1.71	15.3	343	-49.9
Assembly Biosciences,	7.81	.91	13.2	98	-59.1
Foamix Pharmaceutical	6.90	.76	12.4	420	n-a
Juno Therapeutics, In	39.20	4.20	12.0	4206	n-a

LOSERS

TSX

Biggest % losers for stocks $5 or more

	CLOSE	$ CHG	% CHG	VOL 000S	YTD %CHG
HBP NYMEX NatGas Bull	6.28	-1.17	-15.7	5969	-50.2
MAG Silver Corp.	7.64	-1.30	-14.5	669	38.9
TransAtlantic Petrole	6.60	-.93	-12.4	15	-27.5
Crew Energy Inc.	6.10	-.71	-10.4	850	-4.4
Silver Standard Resour	5.22	-.55	-9.5	497	-29.2
Trilogy Energy Corp.	8.50	-.89	-9.5	497	-69.2
HBP S&P500 VIX ST Fut	11.65	-1.16	-9.1	531	-68.4
Seven Generations Ene	17.32	-1.70	-8.9	202	n-a
Precision Drilling	7.22	-.69	-8.7	2257	-27.4
Canadian Tire Corporat	202.20	-17.80	-8.1	1	62.5

TSX VENTURE

Biggest % losers for stocks $1 or more

	CLOSE	$ CHG	% CHG	VOL 000S	YTD %CHG
Questfire Energy	5.80	-1.20	-17.1	2	132.0
Aveda Trans. & Energy	2.15	-.23	-9.7	8	-58.3
Leucrotta Exploration	1.29	-.12	-8.5	290	n-a
Manitok Energy	1.03	-.09	-8.0	56	-51.9
Gold Reserve	3.48	-.27	-7.2	1	-2.0
Donnycreek Energy Inc	1.80	-.12	-6.3	53	-22.1
CERF INC.	2.30	-.15	-6.1	35	-22.6
Orca Exploration Group	2.71	-.16	-5.6	16	15.3
Macro Enterprises	1.94	-.11	-5.4	59	-69.5
Vogogo Inc.	2.61	-.14	-5.1	43	422.0

NYSE

Biggest % losers for stocks $5 or more

	CLOSE	$ CHG	% CHG	VOL 000S	YTD %CHG
Ocwen Financial	16.01	-5.89	-26.9	23819	-71.1
VOC Energy Trust	5.73	-1.62	-22.0	597	-60.6
Direxion Gold Miners	9.69	-1.74	-15.3	20348	-64.7
Pretium Resources	5.07	-.83	-14.1	2116	-1.7
Nationstar Mortgage	28.22	-3.80	-11.9	1013	-23.7
Nuverra Environmental	5.67	-.76	-11.8	627	-66.2
Ultra Petroleum	14.06	-1.71	-10.8	4177	-35.1
Great Northern Iron	20.15	-2.45	-10.8	114	-70.4
Cypress Energy Partner	14.19	-1.66	-10.5	40	n-a
Rice Energy	22.97	-2.60	-10.2	1807	n-a

NASDAQ

Biggest % losers for stocks $5 or more

	CLOSE	$ CHG	% CHG	VOL 000S	YTD %CHG
Altisource Portfolio	31.49	-16.05	-33.8	2672	-80.2
La Jolla Pharmaceutic	16.58	-3.57	-17.7	822	113.9
Calithera Biosciences	23.03	-4.90	-17.5	236	n-a
Corium International	6.63	-1.22	-15.5	12	n-a
Rex Energy	5.53	-.94	-14.5	3731	-71.9
Gilead Sciences	92.90	-15.55	-14.3	72123	23.7
Madison County Financ	19.26	-3.14	-14.0	6	7.0
Momo Inc.	10.83	-1.73	-13.8	2647	n-a
Otonomy, Inc.	31.53	-4.96	-13.6	379	n-a
China Finance Online	5.32	-.78	-12.8	1896	-15.4

HIGHS AND LOWS

	CLOSE	CHG	%CHG
TSX HIGHS			
Alaris Royalty	36.59	-.11	-.30
BMO Discount Bond Ind	15.66	.01	.06
BMO DJ Industrial Ave	31.20	.20	.65
BMO Equal Weight US B	17.16	.08	.47
BMO Long Provincial B	15.61	.09	.58
BMO Low Volatil. Cdn	25.17	-.03	-.12
BMO Low Volatility US	23.47	.15	.64
BMO MSCI USA High Qua	21.05	.04	.19
BMO MSCI World High Q	20.75	.21	1.02
BMO S&P 500 Index ETF	26.77	.13	.49
BMO US Dividend ETF	21.76	.04	.18
BMO US Dividend ETF	19.15	.09	.47
BMO US High Dividend	17.08	.12	.71
Catalyst Paper	3.50	.70	25.00
Catamaran Corp.	58.77	.49	.84
CGI Group	44.55	.34	.77
Dollarama Inc.	58.70	-.66	-1.11
Dorel Industries	41.45	.00	.00
Empire Company	86.74	.54	.63
Enbridge Income Fund	38.40	.60	1.59
F.A. World Low Risk W	23.44	.16	.69
FA USA Low Risk Weigh	12.33	.16	1.31
First Asset MS US Div	13.06	.06	.46
First Asset MS US Mom	12.87	.05	.39
First Asset MS US Val	14.04	.11	.79
First Asset Tech Gian	12.88	.09	.70
FT AlphaDEX US Techno	22.26	.20	.91
Horizons Act. Global	17.05	.11	.65
Horizons Enha. Inc. U	13.25	.02	.15
Horizons S&P 500 (C$	43.12	.21	.49
Interfor Corporation	20.70	-.55	-2.59
iShares China Index E	23.44	.59	2.58
iShares Glb Agricultu	31.73	.20	.63
iShares Glb Real Esta	25.85	.39	1.53
iShares MSCI EAFE Min	28.46	.18	.64
iShares MSCI USA Min.	32.54	.16	.49
iShares MSCI World In	36.97	.13	.35
iShares S&P 500 (CAD-	24.17	.09	.37
iShares S&P 500 Index	30.36	.15	.50
iShares S&P US Div. G	33.21	.17	.51
iShares S&P US Div. G	33.08	.54	1.66
iShares S&P/TSX Cap.	43.36	-.10	-.23
iShares S&P/TSX Cappe	11.42	.16	1.42
iShares US Fndntl non	27.21	.09	.33
iSharesMSCI All Ctry	29.22	.19	.65
Leon's Furniture	17.03	.60	3.65
Linamar Corp.	69.28	-.45	-.65
Mackenzie Master Ltd.	.90	.00	.00
Potash Corp. of Sask.	41.42	-.07	-.17
PowerShares S&P500 Lo	29.91	.14	.47
Purpose Best Ideas Fu	22.08	.69	3.23
Purpose US Dividend F	21.19	.34	1.63
RBC Quant US Div. Lea	24.22	.19	.79
Restaurant Brands Int	46.06	-.97	-2.06
Restaurant Brands Int	45.95	.90	2.00
Sierra Wireless	52.87	3.63	7.37
Thomson Reuters	47.08	.44	.94
Tricon Capital Group	8.79	.06	.69
Valeant Pharmaceutical	167.77	2.31	1.40
Vanguard FTSE All-Wor	26.90	.12	.45
Vanguard S&P 500 Inde	43.06	.24	.56
Vanguard US Div. Appr	32.69	.31	.96
Vanguard US Div. Appr	29.37	.18	.62
Vanguard US Total Mkt	33.93	.18	.53
WPT Industrial REIT	11.10	.08	.73
TSX LOWS			
Advantaged Cdn High Y	8.20	-.11	-1.32
Brookfield High Yield	9.22	.08	.88
China Gold Intl. Reso	1.94	-.20	-9.35
CounterPath	.73	-.07	-8.75
DiagnoCure Inc.	.10	-.01	-4.76
Dundee Energy	.06	-.03	-31.25
Eagle Energy Trust	2.50	-.20	-7.41
First Quantum Mineral	15.48	-.37	-2.33
Forsys Metals	.16	.00	.00
Fortune Minerals	.12	-.02	-14.81
GASFRAC Energy Service	.26	.00	.00
Golden Star Resources	.21	-.04	-14.58
Gran Colombia Gold	.40	-.06	-13.04
Guestlogix	.82	-.01	-1.20
HBP NYMEX NatGas Bull	6.28	-1.17	-15.70
Horizons Natural Gas	6.20	-.37	-5.63
ING High Income Float	8.62	-.03	-.35
Lanesborough REIT	.38	-.10	-20.83
Lightstream Resources	1.22	-.03	-2.40
Minco Silver	.62	-.02	-3.13
Parallel Energy Trust	.78	-.07	-8.24
Rare Element Resource	.43	-.08	-15.00
Tanzanian Royalty Exp	.65	-.33	-33.67
Timmins Gold	1.00	-.02	-1.96
Total Energy Services	13.25	-.47	-3.43
Voya Global Income So	9.70	-.05	-.51

Stocks listed in this table touched a 52-week high or low in previous day's trading. Due to space constraints, companies with lower share prices might not appear on the published list.

STOCK ANALYSIS

A solid foundation for U.S. home builders

PETER ASHTON
NUMBER CRUNCHER

What are we looking for?

Well-valued U.S. home builders with an opportunity to grow in 2015.

The U.S. housing market has continued to recover following the housing bust of five years ago. According to the U.S. Census Department, housing starts in November were 1.03 million – more than double the number of just three years ago. With U.S. mortgage rates at historic lows and a Federal Reserve poised to keep interest rates low for a considerable time, U.S. home builders should see strong growth in their businesses during the coming year.

The screen

We will be using Recognia Strategy Builder to search for large cap U.S. home building stocks with reasonable valuations and strong operating models.

We begin by setting a minimum market cap threshold of $2-billion (U.S.). Unlike the Canadian market, the U.S. home building market has numerous multibillion dollar players. These companies should be best able to scale their businesses to take advantage of an improving economy.

Next, we will use the forward price-to-earnings ratio to select home building stocks with reasonable valuations. Forward P/E uses the mean of analyst estimates for earnings over the coming year and therefore better reflects an improving business climate as part of the valuation estimate. We will select only companies with forward P/E ratios of 20 or less.

Finally, we will choose only companies with efficient operations as measured by their operating margins. Operating margin is a measure of how much profit a company makes for each dollar of revenue. We will select only companies with operating margins of 10 per cent or more. These companies should be best able to turn increased home starts into improved earnings.

U.S. HOME BUILDING STOCKS

RANK	COMPANY	TICKER	MARKET CAP. ($US-BIL)	FORWARD P/E	OPERATING MARGIN %
1	Taylor Morrison Home Corp.	TMHC-N	2.2	9.0	12.7%
2	Brookfield Residential Properties Inc.	BRP-N	2.7	12.6	15.4%
3	Standard Pacific Corp.	SPF-N	2.0	13.0	15.2%
4	Lennar Corp.	LEN-N	9.0	16.8	12.2%
5	D.R. Horton Inc.	DHI-N	8.9	16.3	10.1%
6	Toll Brothers Inc.	TOL-N	5.8	18.7	12.9%
7	PulteGroup Inc.	PHM-N	7.8	19.5	11.7%
8	NVR Inc.	NVR-N	5.0	19.0	10.4%

Source: Recognia Strategy Builder

More about Recognia

Recognia is a global leader in quantitative and technical analysis. It is accessible by more than 20 million investors and traders worldwide through leading retail online brokers. Recognia covers 85 exchanges worldwide, and analyzes 72,000 instruments daily, including stocks, indexes, ETFs, currencies and futures.

What did we find?

Taylor Morrison Home Corp. ranks first on our list and made the news this past week with a deal to sell its Canadian division, Monarch Corp., to Mattamy Homes. Taylor Morrison focuses on home building in the fast growing U.S. southern states such as California, Arizona and Florida. With a forward P/E of just 9.0 and an operating margin of 12.7 per cent, Taylor Morrison looks well valued compared to its peers.

Miami-based **Lennar Corp.** is the largest home builder in the United States by market cap. The company operates in 17 states and posted a seven-year high in its stock price in November on the back of strong financial results. Lennar has a forward P/E ratio of 16.8 and an operating margin of 12.2 per cent.

PulteGroup posted very good third-quarter results in October, with earnings topping analyst expectations and an increasing backlog of unbuilt homes. The stock made a new 52-week high in early December on news of an increased land investment goal for 2015. The stock has a forward P/E of 19.5 and an operating margin of 11.7 per cent.

The investment ideas presented here are for information only. They do not constitute advice or a recommendation by Recognia Inc. in respect of the investment in financial instruments. Investors should conduct further research before investing.

Peter Ashton is vice-president of retail and self-directed investing at Recognia Inc.

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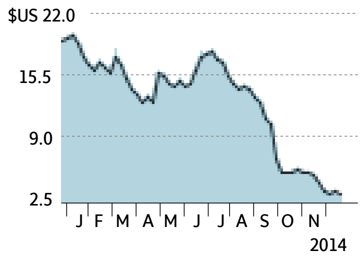
EYE ON EQUITIES STOCKS THAT SHOULD BE ON YOUR RADAR SCREEN » BY LUKE KAWA, JODY WHITE AND TIM SHUFELT

BlackBerry Ltd. (BBRY-Nasdaq)
Close: $10.68 (U.S.), up 69¢

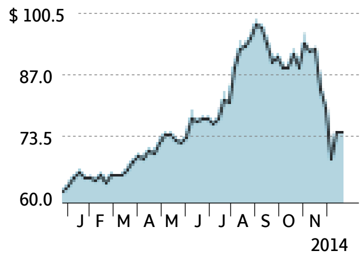
BlackBerry Ltd.'s "financial viability is not in doubt" in the near term, said Raymond James' Steven Li. He noted that while phase one of CEO John Chen's turnaround plan has been successful, BlackBerry must boost mobile device management and value-added services revenue to offset declining service-access revenue.
Target: He raised his target to $11 (U.S.) from $10.50 and maintained a "market perform" rating. The consensus is $9.44, according to Thomson Reuters.

Westport Innov. (WPRT-Nasdaq)
Close: $3.77 (U.S.), down 19¢



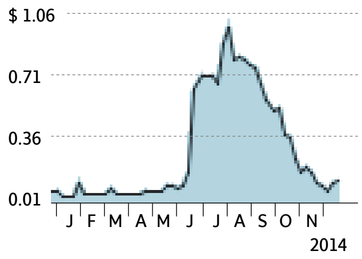
Westport Innovations Inc. faces "an increased risk profile" after its stock price plunged 80 per cent since mid-July, Canaccord Genuity analyst John Quealy said. He noted that Westport's natural gas-powered vehicles sell at a premium and companies may delay upgrading their fleets during a downturn to cut costs.
Target: The analyst slashed his price target to $3.50 (U.S.) from $7 and kept a "hold" rating on the stock. The consensus target is $8.93.

Keyera Corp. (KEY-TSX)
Close: $75.45, down 30¢



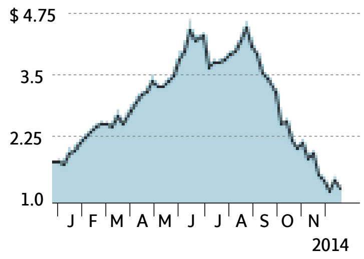
The downturn in energy markets has allowed **Keyera Corp.** to go on a shopping spree, announcing deals to acquire stakes in three gas plants for a combined cost of $187-million, CIBC World Markets analyst Ollie Primak said. "Keyera's acquisitions demonstrate its ability to transition growth from organic opportunities to M&A when the market environment dictates," Mr. Primak said.
Target: He reiterated an "outperform" rating and a $103 price target. The consensus is $95.75.

Elkwater Res. (ELW-TSX Venture)
Close: 15¢, unchanged



Two recent acquisitions have left **Elkwater Resources Ltd.** (to be renamed Striker Exploration Corp.) with a clean balance sheet, Dundee Capital Markets analyst Chad Ellison said. He suggested Elkwater stock is oversold as a result of plunging oil prices, and that it currently trades "at one of the lowest valuations in our coverage universe."
Target: Mr. Ellison initiated coverage of Elkwater with a "buy" rating and a 22-cent target price.

Delphi Energy Corp. (DEE-TSX)
Close: $1.36, down 16¢



A recent operational update from **Delphi Energy Corp.** was "almost universally positive for the shareholder," Raymond James analyst Kurt Molnar said. Increased credit lines give Delphi the power to boost spending as soon as management believes the worst of the slump in commodity prices is over, he said.
Target: He maintained his "strong buy" rating and is lowering his target price to $3 from $3.10. The consensus is $3.17.

For more analyst commentary on these and other stocks, Globe Unlimited subscribers can read our daily upgrades and downgrades roundup at tgam.ca/inside-the-market

ROB 100 LARGEST STOCKS FROM THE TSX COMPOSITE BY MARKET CAPITALIZATION

	CLOSE	CHG	%CHG
♣Agnico Eagle Mines	26.91	-2.06	-7.11
♣Agrium	111.00	.35	.32
♣Alimentation Couche-T	46.84	-2.24	-4.56
AltaGas Ltd.	41.22	-.36	-.87
♣Amaya Inc.	28.85	-1.12	-3.74
ARC Resources Ltd.	25.80	-1.81	-6.56
♣ATCO Ltd.	45.61	-.59	-1.28
♣Bank of Montreal	80.86	.72	.90
♣Bank of Nova Scotia	65.48	.39	.60
♣Barrick Gold Corp.	12.02	-.57	-4.53
♣BCE Inc.	53.35	.33	.62
♣BlackBerry Limited	12.43	.88	7.62
♣Bombardier Inc.	3.91	-.06	-1.51
♣Brookfield Asset Mgmt	57.38	.47	.83
Brookfield Property	26.84	.07	.26
♣Brookfield Renewable	34.61	-.86	-2.42
♣CAE Inc.	14.96	-.03	-.20
♣Cameco Corp.	18.86	-.19	-1.00
♣Canadian National Rail	78.66	1.24	1.60
♣Cdn Natural Resource	36.04	-.59	-1.61
Canadian Oil Sands	10.90	-.47	-4.13
Canadian Pacific Rail	223.00	3.03	1.38
♣Canadian Tire Corporat	122.62	-1.11	-.90
♣Canadian Utilities	39.72	.71	1.82
♣Canfor Corporation	28.46	-.34	-1.18
♣Catamaran Corp.	58.77	.49	.84
♣CCL Industries	122.18	-.82	-.67
♣Cenovus Energy	24.11	.13	.54
♣CGI Group	44.55	.34	.77
♣CI Financial	32.50	.00	.00
♣CIBC	100.76	1.69	1.71
♣Constellation Software	328.01	.98	.30
♣Crescent Point Energy	27.75	-.86	-3.01
♣Dollarama Inc.	58.70	-.66	-1.11
♣Eldorado Gold	6.81	-.56	-7.60
Element Financial	14.31	.05	.35
♣Emera Inc.	38.22	.12	.31
♣Empire Company	86.74	.54	.63
Enbridge Inc.	58.16	.61	1.06
♣EnCana Corp.	15.72	-.69	-4.20
♣Fairfax Financial Hol	611.12	-6.38	-1.03
♣Finning International	24.72	-.20	-.80
♣First Capital Realty	18.76	.11	.59
First Quantum Mineral	15.48	-.37	-2.33
♣Fortis Inc.	38.71	.75	1.98
♣Franco-Nevada Corp.	54.53	-2.29	-4.03
♣George Weston	99.46	.87	.88
♣Gildan Activewear	66.38	.89	1.36
♣Goldcorp Inc.	20.19	-1.11	-5.21
♣Great-West Lifeco	33.07	.04	.12
H&R Real Estate Invest	21.59	-.05	-.23
Hudson's Bay Co.	23.62	-.48	-1.99
♣Husky Energy	27.05	-.28	-1.02
♣IGM Financial	45.91	.04	.09
♣Imperial Oil	51.03	-.14	-.27
♣Industrial Alliance	43.87	-.35	-.79
♣Intact Financial	82.05	.09	.11
♣Inter Pipeline	32.26	.58	1.83
♣Jean Coutu Group (PJC	27.72	-.08	-.29
Keyera Corp.	75.45	-.30	-.40
♣Linamar Corp.	69.28	-.45	-.65
♣Loblaw Companies	61.75	.37	.60
♣Magna International	124.26	1.15	.93
♣Manulife Financial	22.14	-.06	-.27
♣MEG Energy Corp.	19.18	.28	1.48
♣Methanex Corp.	53.25	-1.56	-2.85
♣Metro Inc.	90.34	.14	.16
♣National Bank of Cda	48.56	.53	1.10
♣Onex Corporation	67.57	.97	1.46
♣Open Text	67.53	.36	.54
Pembina Pipeline Corp	40.38	.03	.07
Peyto Exploration	32.92	-1.84	-5.29
♣Potash Corp. of Sask.	41.42	-.07	-.17
♣Power Corp of Canada	31.30	.35	1.13
♣Power Financial Corp.	35.90	.26	.73
PrairieSky Royalty	31.57	-.78	-2.41
Progressive Waste Sol	35.09	.18	.52
♣Quebecor Inc.	31.69	-.02	-.06
RioCan Real Estate In	26.90	-.01	-.04
♣Rogers Commun	44.83	-.29	-.64
♣Royal Bank of Canada	79.47	.25	.32
♣Saputo Inc.	33.80	-.16	-.47
♣Shaw Communications	30.90	.13	.42
♣Silver Wheaton	22.67	-1.10	-4.63
♣SNC-Lavalin Group	42.83	-.02	-.05
♣Sun Life Financial In	41.35	-.21	-.51
♣Suncor Energy	36.88	.78	2.16
♣Talisman Energy	9.10	-.04	-.44
♣TD Bank	54.44	.44	.81
♣Teck Resources	14.95	-.46	-2.99
♣TELUS Corp.	42.01	.44	1.06
♣Thomson Reuters	47.08	.44	.94
♣Tourmaline Oil	39.30	-2.55	-6.09
♣TransCanada Corp.	55.41	.14	.25
♣Turquoise Hill Resour	3.33	-.03	-.89
♣Valeant Pharmaceutical	167.77	2.31	1.40
♣Vermilion Energy Inc.	57.60	-1.18	-2.01
♣West Fraser Timber Co	62.09	-.44	-.70
♣WestJet Airlines	31.82	.52	1.66
♣Yamana Gold Inc.	4.43	-.34	-7.13

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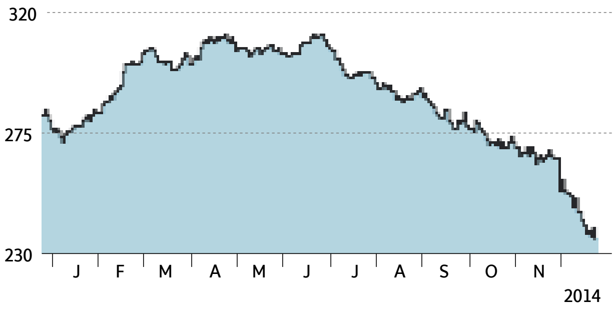
ECONOMY AND MARKETS

COMMODITIES
THOMSON REUTERS / JEFFERIES CRB INDEX

LAST 12 MONTHS



World oil prices resumed their downward trajectory following comments from key Middle Eastern oil producers that they have no plans to cut output. Gold prices fell to their lowest level in nearly a month. The Thomson Reuters/Jefferies CRB Index fell 3.69 points to 237.19.

CLOSING PRICES

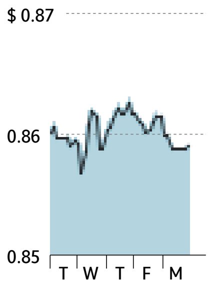
	PRICE	CHG
Oil West Texas US$/bbl	55.32	-1.20
Oil Brent US$/bbl	60.09	-2.26
Nat Gas H. Hub US$ mmbtu	3.17	-0.28
Gold US$/troy ounce	1176.40	-19.50
Silver US$/troy ounce	15.68	-0.39
Copper US$/lb	2.88	-0.02
Lead US$/lb	0.85	0.00
Zinc US$/lb	0.98	-0.01
Aluminum US$/lb	0.85	-0.01
Nickel US$/lb	7.10	0.02
Wheat CBOT US$bsh	6.26	-0.06
Lumber KD W. S-P-F, Mill US$	340.00	0.00
Framing Lumber Composite	378.00	0.00
Corn CBOT US$bsh	4.12	0.01
Soybeans CBOT US$bsh	10.46	0.07
Canola InStr Vn 1Cda C$ tnne	480.50	2.40
Feed Barley Lthbr. C$ tnne	202.00	4.00
Feed Wheat ThdrB C$ tnne	231.00	0.00

SOURCES: REUTERS, AP, BLOOMBERG, RANDOM LENGTHS, WINNIPEG COMMODITIES EXCHANGE, DJ

CURRENCIES
CANADIAN DOLLAR / U.S. EXCHANGE RATE

LAST 12 MONTHS: VALUE IN $US

LAST 5 BUSINESS DAYS



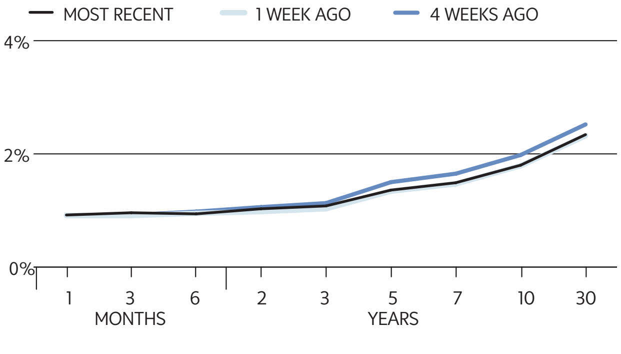
The Canadian dollar closed off 0.22 of a cent at 85.93 cents (U.S.) as oil prices headed back down to near the $55 a barrel level. The U.S. dollar gained against the yen as calmer markets reduced demand for the haven Japanese currency.

FOREIGN EXCHANGE CROSS RATES

	CANADIAN DOLLAR	U.S. DOLLAR	BRITISH POUND	EURO	JAPANESE YEN	SWISS FRANC
Canadian dollar	—	1.1643	1.8182	1.4264	0.009715	1.1829
U.S. dollar	0.8589	—	1.5616	1.2251	0.008344	1.0160
British pound	0.5500	0.6404	—	0.7845	0.005343	0.6506
Euro	0.7011	0.8163	1.2747	—	0.006811	0.8293
Japanese yen	102.93	119.85	187.15	146.82	—	121.76
Swiss franc	0.8454	0.9843	1.5371	1.2059	0.008213	—
Mexican peso	12.5739					
Australian dollar	1.0552					

SOURCES: BANK OF CANADA, BLOOMBERG, DJ, AP, CP
CROSS RATES ARE NOON RATES SUPPLIED BY BANK OF MONTREAL

BONDS
GOVERNMENT OF CANADA BOND YIELD CURVE



Canadian bond prices ended mixed, with shorter-dated issues succumbing to modest selling pressure while five- and 10-year bonds edged higher in quiet trading. Benchmark U.S. Treasury bonds strengthened, underscoring the appeal of highly liquid assets as year-end approaches.

CANADA

	YIELD	CHANGE
2 Year	1.03	+0.011
5 Year	1.36	–0.014
10 Year	1.80	–0.021
30 Year	2.34	–0.005

Rates

	RATE	CHG
BoC overnight target	1.00	Unch.
Canadian Prime	3.00	Unch.

U.S.

	YIELD	CHANGE
2 Year	0.66	+0.02
5 Year	1.66	+0.01
10 Year	2.16	–0.00
30 Year	2.74	–0.01

Rates

	RATE	CHG
Fed Target rate	0.25	Unch.
U.S. Prime	3.25	Unch.

SOURCES: CBID-ATS, PERIMETER MARKETS INC., BLOOMBERG, REUTERS, AP, CP


Michelle
Ceramics Instructor,
Prosserman JCC
Behind every changed life
is someone who made it happen.

THE VIEW FROM HERE
A top sommelier shares her secret spots in Gatineau
PAGE 4

PICTURE PERFECT
Liam Lacey gives Mike Leigh's Mr. Turner four stars
PAGE 2

Globe Life & Arts

TRAVEL

LIFE EDITOR: KATHRYN HAYWARD • ARTS EDITOR: JARED BLAND

Toy stories

Bested by the mall? Take heart: Your hours spent tracking down that Elsa doll were not in vain. As The Strong National Museum of Play reminds visitors, the joy of cherished playthings lasts far beyond Christmas morning

The Strong museum is at once a playground, research centre and repository of artifacts, and houses the largest collection of toys, dolls and games in the world. Each room is a candy-coloured world unto itself.
INTERIOR PHOTOS BY CHRIS HAMPTON

CHRIS HAMPTON ROCHESTER, N.Y.

Circling The Strong museum's opening rooms, I am struck by the tone of the place: It treats the business of play seriously. On one wall is a Ninja Turtles action figure – one I remember getting for my sixth or seventh birthday – pinned, preserved and tagged like a butterfly in an entomological display. A steerable wooden sled with metal runners and the name "Flexible Flyer" emblazoned on its seat sits upright in another glass display case. On small cards annotating the exhibits are thoughts on play – some unrepentantly abstract – from thinkers as diverse as ancient Greek philosopher Heraclitus and contemporary Hungarian psychologist Mihaly Csikszentmihalyi. Meanwhile, all around, kids tear about the room, marvelling at the giant kaleidoscope and mastering the chutes and pulleys of the overhead ball machine. It is unlike any museum I've seen before.

Home to more than 400,000 objects related to the history of leisure, The Strong National Museum of Play in Rochester, N.Y. holds the world's largest collection of toys, dolls, games and other playthings. It is at once a repository of artifacts, a playground for old and young alike, and a leading research centre on how we as a culture play, and the values we prize in those innocent-seeming schoolyard games. For visitors of a certain age, it is also an express shuttle down memory lane – and a reminder that battling Christmas crowds to track down that year's must-have amusement is not for waste. The message here is clear: Toys matter.

The backbone of the museum's holdings were bequeathed by Margaret Woodbury Strong, a wealthy collector who founded the museum in 1968, then donated her estate, including about 27,000 dolls, when she died the following year. The Strong opened its 13.5-acre downtown campus in 1982.

Each room is a buzzing, candy-coloured world unto itself – an ode to the Berenstain Bears, to American comic book heroes, to fairy tales. In a temporary exhibit about Lego, I'm almost trampled by a party of waist-high adventurers in sequined armour, probably in pursuit of a dragon. One room later, a little guy, maybe two or three years old, wrapped in a cape that says "POW," runs square into me, falls over and then flies off again. I can think of no better display of Csikszentmihalyi's notion of "flow" – that is, the highly focused, deeply satisfying state of consciousness achieved when you engage in an all-engrossing activity such as play – than the escapades of these wee knights and superheroes.

Every year since 1998, The Strong inducts our most beloved playthings into the National Toy Hall of Fame, judged on criteria such as longevity, iconicness and innovation.

Museum of Play, Page 3

Avoid schmaltz by watching a creepy new Christmas classic

JOHN DOYLE
TELEVISION
jdoyle@globeandmail.com

It can't be all schmaltz, all the time. Let me introduce you to a new Christmas classic, of the bracingly creepy kind.

Things start innocently enough. Two men are in an isolated house at Christmas. They don't know each other well. They're just stuck there for some reason. One, Matt, decides to make the occasion festive by cooking a Christmas dinner and swapping yarns with the other, Joe. But Joe seems wary, unsure, yet is eventually enthralled by Matt's story.

That's his downfall. This is a cautionary tale, perhaps the most caustic and twisted Christmas special in years. Things get dark in the story. Very dark. In the end, when the two men have swapped stories, and we've seen them unfold, there are five deaths – two murders, one suicide and two deaths that are accidental but preventable.

Black Mirror: White Christmas (Wednesday, SuperChannel, 8 p.m.) is it – and it is several things. First, it's a remarkable feat of acting by the two leads. Jon Hamm (yes, Don Draper from *Mad Men*) is Matt, and Rafe Spall (from *Life of Pi*) is Joe.

The *Black Mirror* series was created by Charlie Booker, and they've been running on Channel 4 in Britain (here on SuperChannel) for the past few years. Each is a blackly comic yarn, a kind of *Twilight Zone* on acid. This one, being the Christmas special, is especially chilling. But brilliantly done.

Joe says to Matt, "What went wrong for you out there that you ended up here?" Matt, all suave charm, replies, "It's a job, not a jail." But tells his story anyway.

Matt worked as one of those guys who teaches other guys how to seduce women. In that, we have the most repulsive of men, and Hamm does a sublime job as the smooth-taking manipulator who is actually nothing more than a pathetic voyeur. The story is set in the very near future and Matt is able to guide his on-the-chase guy through an earpiece and other technology that allows him to see and hear everything as his student crashes a workplace Christmas party in search of a woman to conquer.

Unknown to his client, Matt has sold viewing of his adventures to other guys. Thus, there is a chorus of men egging on the client, who just repeats what Matt says. It's a success. A young woman is interested. She invites the client back to her place. And there, the story takes an appallingly dark turn.

Matt explains that after that, his wife "blocked" him. He became just an anonymous shape to her. What the viewer is seeing is a heightened, scary version of "blocking" on social media.

Joe's story seems more benign, innocent. He had a girlfriend, Beth. They got on well. Her father didn't like him, but that didn't matter. Then Joe discovered Beth was pregnant and she didn't want to have the baby. He was enraged. Beth "blocked" him. He moped and tried to stalk her for several years. And one day he had a realization. It wasn't a happy moment.

In the end, *Black Mirror: White Christmas* is about technology creating a hellish world, because we allow it. And we allow it to become that because we are, essentially, selfish and cynical.

Watch this tomorrow, on Christmas Eve, and you will see a sharp, breathtaking swipe at this digital, social-media-enhanced world we live inside. It just aired in Britain and a review in a local Metro paper included this: "If you like your festive programming with a bit of warmth and cheer, then avoid *Black Mirror: White Christmas* like a post-apocalyptic plague."

Fair enough. But we're all adults, even at Christmas, and it can't just be all schmaltz, all the time.

Airing tonight

One Direction: The TV Special (NBC, 8 p.m.) is, you know, the boy-band performing their "music," doing "funny" things, and "surprising" their "fans" with footage of personally delivered holiday cheer. It is followed by a repeat of *Michael Bublé's Christmas in New York* (NBC, 9 p.m.) and then *Kelly Clarkson's Cautionary Christmas Music Tale* (NBC, 10 p.m.). Choices, choices in the saccharine department.

All times ET. Check local listings.

Follow me on Twitter: @MisterJohnDoyle

FILM REVIEW

There's genius in the mundane

Mr. Turner
Written and directed by Mike Leigh
Starring Timothy Spall, Dorothy Atkinson and Marion Bailey
Classification 14A; 150 minutes
★★★★

REVIEWED BY
LIAM LACEY

At the heart of the film Mr. Turner is an extraordinary performance by the British actor Timothy Spall.

'The man must be loved for his works; for his person is not striking nor his conversation brilliant," the artist Edward Dayes said of his contemporary, J.M.W. Turner. Even his biographer, A.J. Finberg, writing in the 1930s, complained: "Turner is a very uninteresting man to write about."

The gap between the celestial art of the great English romantic painter Joseph Mallord William Turner and the brutish details of his life is vividly explored in Mike Leigh's tragicomic movie *Mr. Turner*. Leigh, himself a somewhat curmudgeonly romantic, is best known for his caustic portraits of contemporary British life (*Naked, Secrets and Lies*). This is only the third time in a long career that he has made a period movie (his others were *Vera Drake*, about a 1950s abortionist, and his Gilbert and Sullivan biopic *Topsy-Turvy*).

Though Leigh's process – using workshops, research and extensive improvisation before forming a finished script – tends to focus on performance, *Mr. Turner*, his first film shot digitally by cinematographer Dick Pope, is one of his most visually powerful films, evoking Turner's yellow-tinged sea and landscape images without mimicking the paintings.

The opening scene is in the Netherlands, suggestive of the 17th-century Dutch painting tradition on which Turner's work was built: Against an evening sky, we see a windmill on a hilltop to the right. Next, a couple of women in white Dutch hats move across the foreground of the scene. Then, on the hill, appears the silhouette of a portly man in a top hat, scrunched over a sketchbook, making jabbing pencil marks on the page. It's Turner, putting himself in the picture.

But performances are still the heart of Leigh's work, and at the heart of this film is an extraordinary performance by his frequent collaborator, the British actor Timothy Spall. When we are first introduced to Turner, back home in London, we find the artist – now around 50 and near the height of his career, but a distinct oddball – living the life of a near-recluse. His jaw gapes open, he waddles more than walks, and he grunts more often than speaks. And he still lives at home with his Daddy (Paul Jesson), who functions as his caretaker and personal assistant. When the two men meet, they growl and hug like a couple of bears awakening from hibernation. They can barely stop touching each other. After shaving a pig's head, roasting it and serving it for dinner, Dad uses the same razor to trim his son's whiskers.

The impression that Turner has piggish attributes is confirmed in his conduct with their housekeeper, Hannah (Dorothy Atkinson), a pathetic, devoted woman whose head hangs at an expectant-dog-like angle. When the urge strikes him, Turner pushes her up against a bookcase to vent his sexual urges. Though he may be a great Romantic, he's not a great romantic: The unmarried Turner has to contend with the occasional intrusions from an angry estranged mistress (Ruth Sheen), her two grown daughters and a grandchild, all of whom he regards as an annoyance.

Yet he's a man of fathomless emotions. After his beloved Daddy dies, he breaks down in a brothel, where a young prostitute posing for him watches in alarm at his constricted groans and blubbering noises. Later, Turner takes a room under a pseudonym in the seaside town of Margate where, unexpectedly, he finds love, or at least a companion to replace his father. The landlady is the jolly, plump, twice-widowed Sophia Booth (Marion Bailey), who becomes his last mistress. She's a sensible, open-hearted woman who seems to have little in common with the rude genius.

As Leigh repeatedly shows, though, Turner's gifts and deficits are inextricably bound together. When he spends time with the other painters in the Royal Academy of Arts, his eccentricities are treated with fond tolerance and his talent with deep respect. Like any artist whose career lasts, he also has a streak of ruthless pragmatism. That's demonstrated in contrast to the painter Benjamin Haydon (Martin Savage), who is racked with bitterness about his poverty and professional setbacks.

Turner's own career isn't without downturns. As he ages, his spiralling, rhythmic images of clouds and skies have a mystical luminosity where ordinary objects have almost disappeared. The effect isn't popular. We see his work mocked in a music-hall revue, and sneered at by a young Queen Victoria who finds his yellows "vile" (as in, rhymes with bile). Yet he also has his champions, including the foppish young critic John Ruskin (Joshua McGuire), a man who later proved a key figure in championing Turner's genius through the late Victorian era. Ruskin is presented here as a simpering ninny, but even critics can be right sometimes. And even artists who resemble inarticulate gargoyles may have access to a grand and liberating vision of light.

Mr. Turner opens on Christmas Day.

Follow me on Twitter: @liamlacey

THEATRE REVIEW

A little Sopranos flavour, a lot of fun

Jersey Boys
Directed by Des McAnuff
Book by Marshall Brickman and Rick Elice
Music by Bob Gaudio
Lyrics by Bob Crewe
Starring Nicolas Dromard, Keith Hines, Hayden Milanes, Drew Seeley
At the Ed Mirvish Theatre in Toronto
★★★

REVIEWED BY
MARTIN MORROW

After the disappointment of Clint Eastwood's bland-tasting *Jersey Boys* film earlier this year, what better way to cleanse the palate than with another draught of the original zesty stage show? Happily, the mega-popular musical is back on tap in Toronto, playing a short holiday-season engagement.

It's no secret that local audiences have a thing for this Tony Award-winning showbiz docudrama, directed by native son Des McAnuff – after all, it played an extended run at North York's Toronto Centre for the Arts from 2008 to 2010. And they'll find the current well-honed touring production to be just as pleasurable.

At which point I have to throw in my two cents and say that personally I've never cared much for the Jersey boys of the title, a.k.a. Frankie Valli and the Four Seasons. I've always found Valli's keening Jerry Lewis falsetto on their early 1960s hits to be just short of laughable, while his later ballads are the epitome of cocktail-lounge schmaltz. When record-industry characters in the show refer to one of the latter, *Can't Take My Eyes Off You*, as some kind of baffling art song, you *do* want to laugh.

Trying to put them in historical context, *Jersey Boys* also suggests that the Four Seasons were American rivals to the Beatles – a rivalry that in fact only existed briefly on the Top 40 charts. Where the Beatles had complexity and genius, the Four Seasons had a handful of hooky pop songs. When another character in the show compares Valli unfavourably to Neil Sedaka, it's a much more accurate assessment.

But hey, I don't want to spoil the party. And *Jersey Boys* is fun just on the crude level of a classic band bio, with all the typical alliances and squabbles, the crummy small-town gigs on the road to stardom, the crumbling marriages back home and – here they do share something with the Beatles – the final ugly breakup over money. Book writers Marshall Brickman and Rick Elice also make much of the fact that the future Four Seasons, tough Italian-American kids from weedy patches of the Garden State, spent their adolescent years dabbling in crime, so that for a while their attentions were evenly split between R&B and B&E's.

That gives the story a *Sopranos* flavour which was especially strong when the musical first landed on Broadway in 2005, just as the HBO series was at the height of its popularity. Brickman and Elice's salty writing also recalls Nick Tosches's brilliant Dean Martin biography, *Dino: Living High in the Dirty Business of Dreams*.

As fans know, the musical divides the band's story into four "seasons," each narrated from a different perspective by one of the four members. Act 1 gives us the viewpoints of Tommy DeVito (Nicolas Dromard), the quartet's domineering, gambling-addicted leader, and Bob Gaudio (Drew Seeley), its songwriting wunderkind. In the second act we hear from Nick Massi (Keith Hines), the group's self-described "Ringo," and finally from Valli himself (Hayden Milanes), the feisty lead singer with a castrato's vocal range and a fierce loyalty to his fellow Jersey boys.

Milanes's voice doesn't quite scale Valli's dizzying peaks in those early hits *Sherry*, *Big Girls Don't Cry* and *Walk Like a Man*, but he does an otherwise bang-up job of mimicking the singer's style, while growing emotionally in the role when the setbacks and tragedy of Act 2 kick in. (Note that Shaun Taylor-Corbett plays Valli at some performances.) Dromard grabs you by the lapels from the get-go as the cheerfully aggressive DeVito. Hines and Seeley are dead-on in their respective parts as the long-suffering Massi and the callow Gaudio. In one of the show's more amusing touches, the giddy Gaudio-penned hit *December, 1963 (Oh, What a Night)* is framed by a scene in which the blushing young composer finally loses his virginity.

Barry Anderson, looking like a young Mike Nichols as the band's fey, astrology-obsessed producer Bob Crewe, and a gruff Thomas Fiscella as their mobster guardian angel, both lend colour to the tale. But the script isn't much interested in the Jersey girls, except for plot purposes, and the main one, Valli's tart-tongued first wife Mary, is embodied without sympathy by an abrasive Marlana Dunn.

The musical numbers are smashing, however, and Sergio Trujillo's witty, walk-like-a-man choreography in particular is as delightful as ever. *Jersey Boys* may have no more depth than those ersatz Roy Lichtenstein comic-strip panels in Michael Clark's projection design, but when Frankie and the boys get to doing their thing, it's a gas, baby.

Jersey Boys runs until Jan. 4 (mirvish.com).

Special to The Globe and Mail

FROM PAGE 1

Museum of Play: 'Like any good history museum, we're teaching social history'

Kids try out race cars at The Strong. Curator Nic Ricketts says the exhibit views social history through play. PHOTOS COURTESY OF THE STRONG, ROCHESTER, N.Y.

In its inaugural year, Barbie was recognized; in 2005, the plain ol' cardboard box – that anonymous vessel for imagination – was honoured. Inductees are celebrated with a permanent exhibition on their history: Upstairs, in the impressive wave-like structure of the Caterpillar Atrium, old favourites, including Slinky, the Duncan Yo-Yo and Play-Doh, enjoy the same reverence and historical consideration elsewhere afforded rare artifacts. Last month, green army men, soap bubbles and the Rubik's Cube joined the roster. Toys are powerful triggers, Strong curator Nic Ricketts tells me. "They help us to remember." More than mere novelties, they are tied into our personal histories – Ricketts can't pass a Monopoly box without thinking of some of his family's more legendary games, he says – and they help tell the larger stories of our time, too. Stationed alongside their more familiar-looking comrades, for example, stands a group of half-melted plastic soldiers, damaged by the desert sun and holding a sign that says "Homeless vet, please help." U.S. Army Major William Hartel reworked the figures when he was deployed in the Middle East – shaping his representation of military service today.

Past the Star Wars figurines, the hula hoop and into the adjoining Game Time! exhibit, I follow a set of displays that wind through the history of games and puzzles, from the playing cards of 9th-century imperial China to Settlers of Catan and Cranium. Photographs of lithographer Milton Bradley, the Parker Brothers and Marvin Glass (the man behind Rock 'Em Sock 'Em Robots, Operation and Mouse Trap), punctuate the chronology; these are the founding fathers of the games industry.

Throughout the exhibits, curators aren't afraid to pull back for big ideas. "Like any good history museum," Ricketts says, "we're teaching social history, and you can view into history through any pathway. We do it through play." One annotation considers the subversiveness of Twister, released in 1966 and already selling sex in a box at the dawn of the sexual revolution. Another positions the board games Risk and Stratego as reflections of the Cold War.

Squirrels play cards in a display at The Strong. Other displays chronicle the history of games and puzzles.

Chasing the ding of pinball bumpers, I make my way to eGameRevolution. Here, the International Center for the History of Electronic Games presents relics such as SimCity creator Will Wright's notebooks, an Apple II that John Romero used to program Doom and Atari founder Nolan Bushnell's first arcade game, Computer Space. An admirable collection of playable arcade games, from Robotron: 2084 to Guitar Hero, surround the displays. It's these exhibits – a Where in the World is Carmen Sandiego? CD-ROM, the Little Professor calculator and a Mortal Kombat cartridge – that at last stirs a fuzzy nostalgia in me, unlocking a bygone world of basement sleepover parties, grape soda and cheat codes.

I challenge my mother (it seemed appropriate to bring the person who bought most of my toys) to a sort of proto-Pong game on a replica Ralph Baer Brown Box console hooked up in the corner. We're both pretty lousy. The dial controls feel unfamiliar, but slowly I begin to understand the movement of the paddle, the sensitivity, the timing, how to apply English. I feel my control tighten. It took nearly all day, but in the temple of toys, I'm finally playing.

Special to The Globe and Mail

GREENLAND

Drinking in Santa country: a bar crawl through the North Pole

KEVIN PILLEY NUUK, GREENLAND

'Santa loves his beers. Look at his face and belly."

There's no denying St. Nick has quite the gut. As a child, I chalked it up to all that milk and cookies. But how to explain his constant state of jolliness? Perhaps my new friend, Bill, was on to something. After all, I was in the North Pole (so to speak) to undertake the world's most northern bar crawl.

Yes, even Santa's back yard has a microbrewery.

"You can't call yourself a beer-mat collector till you've added Greenland to your collection," Bill continued as we downed brewskis at Godthaab Bryghus, a popular pub in Nuuk, the country's capital city.

Godthaab Bryghus brews its own "classic" Greenland beers. The not-particularly-picturesque bar – Building No. 54 in one of Nuuk's industrial compounds – is a magnet for beer hounds and obsessive-compulsive coaster collectors, who come to sample brews such as Snowfox, a Czech pilsner, and Eric the Red, a traditional ale. The town used to be best known for a huge red postbox, once the destination for hundreds of thousands of letters sent to Santa c/o of the North Pole.

As I savoured my Black Sheep beer, trying to get the most enjoyment out of my £10.77, Bill and his friend stared meditatively into their dimpled mugs, mentally composing tasting notes for their blogs.

"Sweet, bready malt. Subdued caramel sweetness," Bill dictated as the other scribbled down his thoughts. "With soapy notes."

He smiled in my direction. "It gets better the more you drink – and it helps you forget the prices," he said before ordering a Kapisilik and a 7 per cent alcohol Moskus for the next round.

After checking out Nuuk – taking photos of Mount Sermitsiaq and the Nuup Kangerlua fjord and visiting the city's 19th-century red and white cathedral – I went up to Ilulissat (formerly Jakobshavn) on the northwest coast to have a beer in the Hotel Arctic, the world's most northern four-star accommodations (250 miles north of the Arctic Circle to be exact). Its Ferdinand Café is a narrow, eight-barstool-long affair kitted out in traditional Nordic minimalistic style, with views of the kilometre-high icebergs on Disko Bay.

Ferdinand beer is made especially for the hotel, but I went for the house speciality – a £16 "Greenlandic coffee with alkohol" in the thermally pleasing, flambéd-in-front-of-you form of whisky, Kahlua, whipped cream and Grand Marnier.

"Got it!" screamed a triumphant voice two barstools along. Its owner was proudly flourishing an Icefiord beer mat, a priceless piece of pasteboard. He told me he had come all the way to the world's largest island which isn't a continent just for a coaster. And I thought Bill had been joking.

The next night I ended up in the English Pub in the Hotel Hvide Falk (White Falcon), where I learned about the local Immiaq Brewery, opened in 2012.

There, you can taste blackberry ale and a strange brew known as The Deep Taste Beneath The Surface. You are offered amuse-bouches such as Arctic shrimps which, so they say, are "specially selected to soothe each beer."

But downtown offers the best choice of beer. In the White Falcon I got talking to a Dane. He told me – I don't know how seriously – that a good night in Ilulissat can be largely judged on how your head feels afterward. If it throbs, it's been so-so. If it dribbles blood it's been great and if, the morning after, you find a harpoon in your leg it's been wild.

Inevitably, the conversation got around to Christmas and Santa Claus, whose workshop is rumoured to be nearby in Uummannaq.

Soon the beer in me was talking. I confessed I thought I would make a rather good Kris Kringle. I have the formulaic florid face and ruddiness, the smiling eyes and the requisite portliness. I've always got on well with ruminants and shoemakers who are on the short side.

I asked the barman what he thought. He shook his head and kept his wrist rotating in a shaker. His next words were not exactly tidings of comfort and joy.

"Have you ever thought of being an elf?"

Special to The Globe and Mail

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GEAR GLOBE TESTED

The shockingly warm Heat 3 Smart Gloves, just making their way into North America, come with an impressive CV: Made in Austria by the Heat Company, the mitten/glove combo was designed to be used by German and Austrian special-forces combat troops. While they're too bulky to be considered chic – underneath the goatskin leather and Primaloft-insulated mitt is a thinner insulated glove – I don't care. On long lift rides up the Alps, wind seared through my ski jacket but my Heat 3-covered hands stayed warm. The zippered mitt top stays open when needed (thanks to magnets), so you can tweak those boot bindings without exposing fingers to the elements. If there's a downside, it's that your hands might get too warm, and pulling the layers off together is tricky. The Heat 3 mitts also come with dorky-looking cuffs to Velcro around your wrists. They are easily removable, but then again, you really don't want to drop these mitts off the ski lift. *$199.99; coolsportinggear.com*

Catherine Dawson March

TRIPPING

Sixteen things I learned at the naked German spa

Sometimes things don't go as planned – and those moments often make for the best stories. Tripping columns offer readers a chance to share their wild adventures.

BERT ARCHER
OBERSTAUFEN, GERMANY

NATE KITCH FOR THE GLOBE AND MAIL

The countryside around Lake Constance in southern Germany is great for driving, and it was on one of several afternoon drives I took this past summer with a friend that we ended up at a popular spa in Oberstaufen. As if suddenly remembering I was Canadian, Renate asked, as a footnote, "It's naked. You don't mind that, do you?"

Sixteen things I learned at the naked German spa:

1. Germans really like being naked.

2. Sixty-year-old breasts can look quite fine.

3. You're not meant to notice things like this.

4. Not everyone suffers from shrinkage.

5. You're not meant to notice that either.

6. It's polite to say hallo upon entering, and *tschuss*, upon exiting a sauna full of naked people, both while making eye contact.

7. You don't talk above a whisper in the saunas and steam rooms. I don't know why.

8. You can go in as a naked couple, but touching should be kept to a minimum. This, I understand.

9. Germans will get naked at the slightest opportunity. Their normalization of naked may be the root of an explanation for the well-known German propensity for the more extreme versions of both porn and sex. If your culture is this comfortable with nakedness, then your porn and sexual proclivities have to offer something more.

10. The average person will strip in the sauna, steam room and jacuzzi, but cover up while moving between them or lounging around, hewing to a sense of propriety understood only by themselves.

11. No matter when you choose to leave a sauna or steam room, it will be within 15 seconds of the hottest person on the grounds deciding to drop his towel and come in.

12. See rules 3 and 5.

13. You've got to confront your own concerns or fears about children, adults and predation, as I realized when I saw two naked seven-year-old girls exit a steam room which, when I entered, I saw was filled with half a dozen naked men, none of whom appeared to be their father. No one was worried.

14. Though it is beyond all comprehension to a North American, it is possible to have naked teen and twentysomething males, in groups, be around naked teen and twentysomething women without so much as a comment or leer.

15. Naked German and Austrian sauna-goers think Swiss Germans, who sometimes hike naked, are ridiculous.

16. If rules 3, 5 and 12 are too much for your post-Victorian self, there is a helpful cold shower outside every sauna and steam room.

I'd been to a naked beach once, in Denmark, that seemed like the set for the world's largest underwear ad (minus the underwear). But Aquaria was different, intimate, without being sexual. (Well, not very, anyway.) It was a good primer in cultural differences, and an effective closet-opener on body issues and sexual hang-ups. And the sauna's pretty good, too.

Got a great road story you'd like to share? Send it to travel@globeandmail.com.

THE INSIDER

Gatineau emerges from the shadow of its large neighbour

KARAN SMITH

Gatineau Park is home to pristine nature and hours worth of cross-country ski trails. A dish from Chez Edgar, below. It is one of several emerging affordable locavore restaurants in the area. NATIONAL CAPITAL COMMISSION

Asking top Canadian sommelier Véronique Rivest to pick a favourite bottle at her new wine bar feels like asking her to pick a favourite child.

"There will be nothing on the wine list that I don't really, really like," she says about Gatineau, Que.-based Soif (soifbaravin.ca). "You're not going to have wines here that you will find in every other restaurant."

In 2013, Rivest became the first woman to reach the podium at the World's Best Sommelier competition in Tokyo (she placed second). Soon after, she decided to open Soif in her hometown of Gatineau, a spread-out city that's often overshadowed because of its across-the-bridge proximity to Ottawa. But that's changing as a growing number of affordable locavore restaurants and boutiques are attracting visitors to explore Gatineau and its nearby scenic villages.

Here are Rivest's favourite spots to seek out.

CHEZ EDGAR

"It's run by this amazing woman, Marysol Foucault. It's open on Saturday and Sunday for brunch. There's always a lineup. It's tiny, but it has amazing food. It's not your basic two eggs with bacon, it's dishes like confit of duck with eggs. It's pretty elaborate, very tasty, very filling. A great thing for after you've been skiing – or before." *60 rue Bégin, Gatineau, chezedgar.ca*

GATINEAU PARK

"Gatineau Park is a national treasure. You can leave your house with your cross-country skis or snowshoes and from the park entrance go for hours and hours. It's pristine nature and clean lakes and rivers." *33 Scott Rd., Chelsea, ncc-ccn.gc.ca*

LE NORDIK

"Spa Nordik is up in the hills of Chelsea. You're two minutes from highway, but it feels very isolated. The grounds are beautiful. You can enjoy all the different baths – hot baths, cold baths, steam baths, the whole gamut. It's fun to go in the winter and sit by the bonfire."

16, chemin Nordik, Chelsea, lenordik.com

LES FOUGÈRES

"It's fine dining Canadian cuisine. They work mostly with local, regional ingredients. It's a beautiful setting, kind of elegant country charm with the most beautiful verandah in the summertime. You sit on the terrace in August and you feel like you're hours away from civilization. It's just so calming. I worked there quite a few years and I love that place. The food is amazing. They have huge gardens – flower gardens and they grow a lot of their own herbs, vegetables and edible flowers." *783 Route 105, Chelsea, fougeres.com*

BLACK SHEEP INN

"It's an old tavern inn. The guy who started it, Paul Symes, is an amazing music fanatic. It's definitely one of the best music venues in the country for small bands. It's a very small stage. There's rock and blues and folk. It scans pretty wide. Arcade Fire played there before they became big." *753 Riverside Dr., Wakefield, theblacksheepinn.com*

This interview has been edited and condensed.

Special to The Globe and Mail

THE GLOBE AND MAIL CANADA Q&A

Question: Is CrossFit a good way to stay in shape?

Zami Salaria of Toronto asks: Is CrossFit good for a person who likes intense workouts? Is it appropriate for folks in their 30s, and what alternative exercise regimen would you recommend?

KATHLEEN TROTTER
trainer@globeandmail.com

I like that regardless of where I am I will get an intense workout that includes multi-joint strength exercises like squats. But CrossFit is absolutely not for everybody. Is it for you?

CrossFit is not for you if you are currently injured, or prone to injury. During my first class I did advanced exercises like deadlifts. If done with bad form and/or a bad back, advanced lifts can cause serious injuries.

If you are new to lifting – maybe a runner or an ex-high-school athlete – CrossFit might not be the place to start your weight-lifting career. CrossFit advocates will tell you that people of all fitness levels are welcome, but the competitive atmosphere doesn't make it easy to scale back a workout, and since the exercises start at an advanced level, for many the scaled-back version is still too advanced. Injuries are way too common.

(Sure – injuries are not unique to CrossFit, and any form of exercise can be unsafe and result in injuries if not done properly, but the typical demands of a CrossFit workout are greater than the typical demands of many mainstream exercise programs.)

If you do decide to try it, consider getting some one-on-one instruction first and do some research in advance: Learn about the coaches, make sure the ratio of coaches to students is appropriate, and that your coach is certified and knowledgeable. Most importantly, don't let any instructor guilt or shame you into doing something that doesn't feel right.

Lastly, CrossFit is not cheap. The facilities are not fancy. You pay for the intensity of the workouts and the non-traditional aspect of the gym. If you want frills, like nice showers and change rooms, CrossFit is not for you.

Women use barbell plates in a CrossFit workout. At CrossFit, there's a new workout each day. LUNAMARINA/GETTY IMAGES

Unless you are an experienced lifter and not easily intimidated, I think the negatives of CrossFit outweigh the possible positives.

That said, CrossFit has training concepts and strategies that are worth borrowing for your regular workout routine.

Instead of relying on traditional machines, use barbells, dumbbells, kettlebells and medicine balls.

Prioritize multi-joint exercises like squats, dead lifts, bench pressing and pull-ups.

Vary your routine. At CrossFit, the workout changes daily. Every class has a different "workout of the day" or WOD.

CrossFit gyms foster a friendly yet competitive and therefore motivating environment. You can learn from CrossFit – being active with others can be motivating.

Also, CrossFit encourages athleticism. Participants focus on getting stronger and achieving a personal best. Stop associating training with achieving a certain aesthetic. Instead, focus on giving your best physical effort.

Kathleen Trotter is a Globe Health fitness expert.

Special to The Globe and Mail

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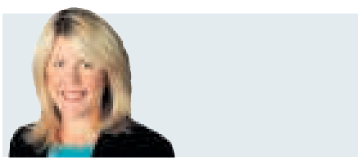
Make your 2015 weight-loss goal a reality

(and eat your cheesecake, too)

ISTOCKPHOTO



LESLIE BECK
FOOD FOR THOUGHT

THE QUESTION

For the past few years, I've made a New Year's resolution to lose weight. But for some reason, I can't seem to stick to it. I really want this year to be different. How can I make my resolution a reality?

THE ANSWER

It's the time of year many people reflect on changes they want or need to make. After a season of too many cookies, chocolates and holiday parties, it's not surprising that weight loss is one of the most popular New Year resolutions. It's also among the top 10 most commonly broken resolutions.

It might be difficult to stick to your goal, but it's not impossible. Assuming you have vowed to accomplish something that's realistic (e.g., your target weight isn't overly ambitious), how you approach your goal will help determine your success.

That's true regardless of which weight-loss plan you choose to follow.

The following strategies will help you turn good intentions into action – and stay motivated along the way.

1. Limit your goals

Multiple resolutions aren't likely to work since most of us have only a limited amount of willpower.

And losing weight already requires many behaviour changes: You have to read food labels, cook differently, exercise more, plan for social events, and so on. That doesn't mean you can't pursue a few different goals in 2015. To enhance your success though, stagger your resolutions and work on one thing at a time.

2. Write it down

If you haven't done so already, commit your goals to paper. Research suggests you'll be far more likely to succeed if you do. It's not endgame, but it certainly helps. Written goals serve as your contract; they engage and motivate you and keep you focused when temptation strikes. Post your goals somewhere you will see them – and review them – often. (e.g., the fridge, your smartphone, your desk).

3. Be specific

It's not enough to say, "I want to lose weight next year." Your goal should outline exactly how much weight you realistically plan to lose. If you need to lose 20 pounds to get to a body mass index (BMI) of 25, set a goal of 20 pounds.

Next, spell out how you are going to lose that weight. What's your strategy? Are you going to follow a certain diet plan? Or are you going to work on replacing bad habits you know are contributing to your extra weight? (Likely a more sustainable approach.)

You might say, for example, "To lose 20 pounds next year I am going to do the following: 1) bring my lunch to work four days a week, 2) substitute peppermint tea for evening snacks, 3) drink wine (one glass) with dinner only on Fridays and Saturdays, and 4) replace starch at dinner with extra vegetables." Reflect on your eating habits and choose tactics that are relevant for you.

4. Break it up

If you intend to lose 20 pounds next year, set monthly targets of five or six pounds. Setting smaller goals boosts self-confidence and motivation because they're easier and quicker to achieve. Your success at achieving each goal will only strengthen your resolve.

5. Enlist a buddy

Many people find it easier to change behaviours when they have an ally to support them. Teaming up with others also holds you accountable; it's our nature to not want to let people down.

Consider enlisting the help of a friend who has a similar goal. You might agree to send a weekly progress e-mail or work out together three times a week.

6. Track your progress

Monitoring how you are doing provides accountability and motivation, two keys for successful weight loss. Keep a daily food and fitness journal, use an app to track calories, wear a pedometer and weigh yourself once a week. Measure your waist size monthly. Consider signing up with a nutritionist or a Weight Watchers group for added accountability.

7. Anticipate obstacles

Identifying your trouble spots will make it easier to side-step them. If you want to cut out late-night munching, purge your cupboards of snacks.

If you cave in to high-calorie fare when dining out, consult the menu (online) before you get to the restaurant. If weekends are spent running errands and missing lunch, carry snacks with you to prevent hunger and cravings.

8. Aim for 8 out of 10

You can't be a 10/10 so don't expect to be. Having an all-or-nothing attitude makes it incredibly difficult to get back on track when you do slip up (and you will, it's perfectly normal). Worse, thinking you always have to be perfect will eventually make you give up completely. If you're on track 80 per cent of the time, you are doing well, really well.

9. Stay positive

Okay, so you didn't intend to order (and eat) dessert, but you did. Big deal.

One 400-calorie slice of cheesecake is not the ruin of all your hard work. Focus on the positive changes you have made so far, how good you feel and how well your clothes are fitting. You'll be much more likely to pick up where you left off if you do.

10. Follow up (over and over again)

Weight loss is not a one-time effort. Once you reach your goal, don't get sloppy. To maintain your new weight, you must continue to follow up on your habits.

Every so often, keep a food journal, measure your food portions and check your body measurements.

Leslie Beck, a registered dietitian, is based at the Medisys clinic in Toronto. She is a regular contributor to CTV News Channel.

TODAY'S SUDOKU SOLUTION

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

TODAY'S KENKEN SOLUTION

10× 5	3+ 1	2	2– 6	36× 3	4
1	2	6+ 5	4	6 6	3
10+ 4	3	1	10× 5	2	6 6
3	6 6	2÷ 4	2	1	10× 5
2 2	24× 4	6	3÷ 3	1– 5	1
90× 6	5	3	1	4	2

FACTS & ARGUMENTS » BY EMILY LOUISE CHAN

In from the storm

For the first time in my life, I wanted weather woes to ground my plane – and give me another chance at Christmas

This is the story of how an ice storm renewed my Christmas spirit. Like most good Christmas stories, it involves a family tragedy, bad weather, a long journey and loved ones.

It happened last winter, at the end of a difficult year for my family. My brother Benjy had died suddenly in the spring of 2013, from causes the coroner ultimately (and vaguely) ruled "natural."

By Christmas time, my family was still struggling with the impossibility of "moving on." Thinking about the holidays reminded us all of the previous holiday season, before Benjy died. At the time, he was living in a rent-controlled apartment on Vancouver's Downtown Eastside, surviving on disability and welfare.

He couldn't afford extravagant gifts for Christmas, but in the spirit of the season, he scraped together the money to give a lottery ticket to each family member, and he drew a Christmas card for each of us.

That's how Benjy was. He gave even when he had nothing, and he did it with a sense of dignity and attention to detail.

Without him, there was an aching gap in our family, a loss so inconceivable that even attempting a "normal" Christmas in Vancouver seemed impossible. So my mother, father, sister and I decided to escape to California for our first Christmas without Benjy. My parents and sister would drive down the coast from Vancouver. I would fly from Ottawa, where I go to school, and meet them in San Diego a few days before Christmas Eve.

The week leading up to my departure was emotional. Exams ended and, in the absence of academic distractions, I found it difficult to look past my feelings of loss and find any Christmas spirit. I cried. Lots. On the eve of my flight, I just wanted to stay in Ottawa and avoid pretending the holidays were possible when my family was incomplete. After procrastinating all day, I went to the bedroom to pack. I opened the front pocket of my dusty suitcase, where I keep my passport when I'm not in transit, and … my passport wasn't there.

KATY LEMAY FOR THE GLOBE AND MAIL

Panicked, I searched a file of other valuable papers, and it wasn't there either. Less than 12 hours before my international flight, on the busiest travel weekend of the year, and I had no passport. My boyfriend and I searched our tiny apartment. We checked everywhere – inside books in the bookcase, under the printer, in his underwear drawer. We shook out the spare towels and linen. Nothing.

At 3 a.m., I gave up. Deflated, I curled up in bed, regretting everything I'd said about wanting to stay in Ottawa and skip Christmas. "My family really needed this vacation and I've ruined it," I told my boyfriend. "I feel like the worst daughter ever."

I woke up four hours later and called the airline. A mechanical voice warned me that waiting times for customers on hold were "Over. Three. Hours." As I waited, I searched the apartment again, although I was now sure I'd somehow lost the passport when we moved in a few months earlier.

Still on hold, I signed onto Twitter, and my news feed was flooded with 140-word accounts of an ice storm in Toronto and massive power outages. My heartbeat quickened. I was supposed to fly through Toronto that afternoon. I checked Air Canada's website. There was a weather advisory for my flight.

For the first time in my life, I hoped for a storm big enough to cancel my travel plans and buy me enough time to get an emergency passport. After four hours on hold, my wish was granted. A cheerful Air Canada agent promptly agreed that the weather wasn't promising and switched me to a Christmas Eve flight. I was elated.

I immediately trekked through the Ottawa cold to take passport photos. My best friend and a close friend's mother agreed to be my references for my application. My boyfriend signed a sheet confirming that my passport photo was "in my likeness," despite the fact he couldn't look at the photo without laughing at my blank expression.

I was at the doors of Passport Canada when it opened Monday morning, and back again at 9 a.m. the next day to pick up the precious document, feeling blessed to have friends and family who would pull together and vouch for me at a moment's notice.

By 3 p.m., I was flying away from Ottawa's frostbite warning; hours later I landed in 23-degree California weather and hugged my little sister tightly.

We went to the loft my family was renting for the week and poured glasses of wine and decorated a small tree. And in the middle of the flurry of family, the laughter and comfortable silences that are only possible with the people you love most, I remembered why this time of year is so beautiful.

I felt grateful for friends and a boyfriend who will support me through lost passports and lost brothers; for my loving – and strong – family; and for an ice storm that tempted even me, a non-believer, to use the adjective "miraculous."

Emily Louise Chan lives in Ottawa.

Submissions:
facts@globeandmail.com

We want your personal stories. See the guidelines on our website
tgam.ca/essayguide

BRIDGE BY STEVE BECKER

Daily horoscopes at http://tgam.ca/horoscopes

East dealer.
Both sides vulnerable.

NORTH
♠ A K 4
♥ J 9 8 5 3
♦ A J 7 2
♣ 7

WEST
♠ 8 6 2
♥ 4 2
♦ 3
♣ Q 10 8 6 5 3 2

EAST
♠ Q J 10 9 7 5 3
♥ 6
♦ K Q 6
♣ 9 4

SOUTH
♠ —
♥ A K Q 10 7
♦ 10 9 8 5 4
♣ A K J

The bidding:

East	South	West	North
3 ♠	4 ♥	Pass	6 ♥

Opening lead — three of diamonds.

Assume you reach six hearts on the bidding shown and West leads a diamond. Considering that only the K-Q-6 of diamonds are missing, and that West is leading that suit rather than the suit his partner bid, it should not take you long to conclude that West's three is a singleton. You therefore go up with the ace of diamonds and, after drawing two rounds of trumps, look for a way to escape two diamond losers.

One possibility is to enter dummy with a trump and lead a club to the jack. If the finesse succeeds, you can then discard two diamonds from dummy on the A-K of clubs and so lose only one diamond trick.

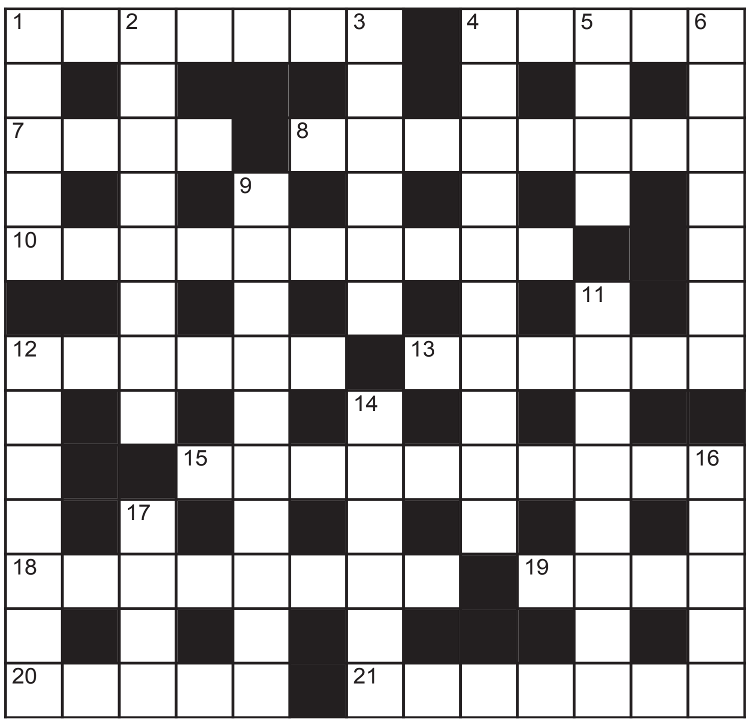
This is not an attractive line of play, however, because East – who almost surely has seven spades and has already shown up with one heart and (presumably) three diamonds – is unlikely to have the queen of clubs.

A much better approach is to assume that West has the queen of clubs and no more diamonds, in which case you are certain to make the slam.

Acting on this assumption, you enter dummy with a trump, cash the A-K of spades, discarding two diamonds, and ruff dummy's last spade. You then cash the A-K of clubs, discarding a diamond from dummy, and continue with the jack. When West covers with the queen, you let him win the trick as you discard a second diamond from dummy.

Poor West has nothing but clubs left at this point and is forced to lead one. This allows you to discard dummy's last diamond as you ruff in your hand, and the outcome, strangely enough, is that the only trick you lose is a club.

CHALLENGE CROSSWORD



QUICK

Across
1 Spiteful (7)
4 In good condition (5)
7 Close by (4)
8 Corresponding (8)
10 Compensate (4,6)
12 Suave (6)
13 Maintain (6)
15 Behaving as expected (4,2,4)
18 Long-legged pink wading bird (8)
19 Facile (4)
20 Unnaturally glaring (5)
21 Give authority to (7)

Down
1 Snake poison (5)
2 Wildly impractical (8)
3 Afraid (6)
4 To champion (5,2,3)
5 Unsightly (4)
6 Stupid person (7)
9 Be the brains behind (10)
11 Severe setback (4,4)
12 Showing deep feeling (7)
14 Deficient in quantity (6)
16 Small piece of glowing coal (5)
17 Dry and fine (4)

CRYPTIC

Across
1 Persistently ask the family for fruit (7)
4 Game birds to note first (5)
7 Do they lead conventional lives? (4)
8 Right in line for being number one in the boat (8)
10 It's taken out in wool gathering (10)
12 Restraint put on union leader in woman's frock (6)
13 Difficult to live up to in one's trade? (6)
15 Subscribe and accept the risk (10)
18 A fruit that won't give a fixed delivery time? (4,4)
19 In the finish I get the girl (4)
20 Spotted as being slightly mad (5)
21 Business in time makes money (7)

Down
1 Animal comes from Asia and is taken in by father (5)
2 Small cars go here for service (8)
3 It's possibly nice to see (6)
4 Cracked up, oddly enough (6,4)
5 Weep when I break the law perhaps (4)
6 Coloured lights set in glass (7)
9 Now is the time to be generous (7,3)
11 I can head this way for the ranch (8)
12 Made to feel small? (7)
14 Cross at having ancient European in charge (6)
16 Provide proper directions first (5)
17 Noted deserter was an ill-behaved child (4)

Yesterday's Cryptic

Across: 1 Silas Marner, 9 Needles, 10 Vista, 11 Ella, 12 Lacerate, 14 Reckon, 16 Behest, 18 Go astern, 19 Part, 22 Token, 23 Jobless, 24 Personality.
Down: 2 Ideal, 3 Ally, 4 Mishap, 5 Reviewer, 6 Enslave, 7 Interrogate, 8 Taken to task, 13 Fortunes, 15 Crackle, 17 Trojan, 20 Alert, 21 Abel.

Yesterday's Quick

Across: 1 Bear witness, 9 Tail off, 10 Trace, 11 Rate, 12 Arboreal, 14 Answer, 16 Magpie, 18 Colossal, 19 Down, 22 Tenor, 23 Bullion, 24 Send packing.
Down: 2 Evict, 3 Riot, 4 Inform, 5 Notional, 6 Shake-up, 7 Eternal City, 8 Well-meaning, 13 Measured, 15 Silence, 17 Gambia, 20 Onion, 21 Flak.

SUDOKU

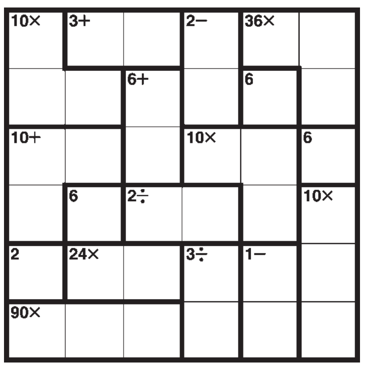
5				8			1	
	4	9			7	2		
7	1		2			4		
		5						1
		2				5		
3						8		
		6			3		8	9
		1	5			6	7	
	9			2				4

12/23

DIFFICULTY RATING: ★★☆☆☆

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.

KENKEN



INSTRUCTIONS
1. Each row and each column must contain the numbers 1 through 6 without repeating.
2. 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.
3. Freebies: Fill in single-box cages with the numbers in the top-left corner.

HOCKEY

Lazar to lead Team Canada

Ottawa Senators rookie Curtis Lazar (left) has been named captain of the squad that will go for gold at the world junior championship

PAGE 4

THE GLOBE AND MAIL

TUESDAY, DECEMBER 23, 2014 SECTION S

Globe British Columbia

EDITOR: WENDY COX

TRANSPORTATION

Both sides gear up for great transit debate

Few residents know much about a proposal by the regions' mayors to implement a 0.5-per-cent congestion improvement tax

GARY MASON
gmason@globeandmail.com

While many of us are sipping eggnog and eating turkey over the next few days, others won't be so lucky. I'm talking about the hapless souls who will be spending the holiday period mapping out final strategies for the great transit debate that is going to break out in Metro Vancouver in the New Year.

At this point, the public doesn't know much about a proposal by the regions' mayors to implement a 0.5-per-cent congestion improvement tax to help fund a $7.5-billion transportation plan. Internal polling done for the mayors' council showed that only 30 per cent of people living in the region were aware of the upcoming referendum on the matter and what it is, specifically, the mayors are recommending.

That is likely to change starting in January as the forces marshalling behind a Yes vote go toe-to-toe with the coalition of the unwilling that has emerged in a common desire to see the plebiscite go down to defeat. Like all things political, this dispute could get ugly before we have a winner.

The No side is being led by the B.C. chapter of the Canadian Taxpayers Federation under the auspices of the No TransLink Tax campaign. Personally, I think they could have found a catchier slogan that gave the group a better acronym. Something like: No Onerous Tax, or NOT!, might have worked. Then again, neither has the taxpayers' federation demonstrated much creativity when it's come to its arguments against the mayors' plan, which calls for a new subway for Vancouver, light rail for Surrey and additional buses throughout the region.

For its part, the federation seems to be completely obsessed with the region's transit provider, TransLink, and the money it wastes and the excessive number of managers it employs and the bungled programs it has attempted to roll out over the years.

Mason, Page 2

With growth having risen 700 per cent in five years, Viking Air president David Curtis is upbeat about aircraft building in B.C. CHAD HIPOLITO FOR THE GLOBE AND MAIL

THINGS THAT WORK

Twin Otter's reincarnation is flying high

JUSTINE HUNTER VICTORIA

David Curtis likes to say that aircraft manufacturing is not for the faint of heart.

But in a Viking Air hangar near Victoria where four Twin Otters are in the final stages of assembly, his company's big gamble on an old workhorse is paying off. The employee parking lots are full – 450 workers in B.C. alone – and the plant is running staggered shifts 21 hours a day.

In 1988, Boeing wrote off the Twin Otter and shut down production of the storied turboprop favoured by bush pilots worldwide. Almost 20 years later, Mr. Curtis, president and CEO of Viking Air, secured the rights to build the plane. It was a leap for a little company to go from making airplane parts to becoming a full-scale manufacturer of aircraft.

For investors, it is a long-term play. Mr. Curtis was bearing good tidings at his recent year-end board meeting, where he reported company growth of "about 700 per cent" over the past five years. "This year was our highest sales in our 44-year history. … I would say we are pretty happy with where we are."

Viking Air's sales this year are projected at $215-million, up from $25-million in 2009, and the order book is full right into 2016.

In the hangar on a recent day in December, a Peruvian Air Force crew was inspecting one of the planes, which they are bringing home this month. The rugged and versatile aircraft are popular in Peru, and the air force ordered 12 of Viking's Series 400 Twin Otters, making it one of the company's biggest customers.

Manuel Lindo, a major in the air force, has landed Twin Otters on rivers in the Amazon rainforest and on dirt runways high in the Andes. Most of his work in the air force is humanitarian – reaching remote communities for medical emergencies and expectant mothers. Babies have been born in the passenger section of Twin Otters flown by five of his fellow pilots.

Major Lindo is fond of the legacy Twin Otters – those built in 1988 or earlier – because they are simple, reliable and versatile. But he prefers the Viking version, with more powerful engines and a superior avionics system. Still, landings can be scary in some of the remote communities, mostly because he fears an unattended child is going to spring out onto the runway.

Things, Page 2

GLOBE SERIES

For much of the year, Globe and Mail journalists in the B.C. bureau worked to reveal the work of policy makers, authority figures and ordinary citizens. Much focus was on safety in British Columbia's mills and mines, concerns over resource development, labour strife between the province and its teachers and the future of transit investment. Our job was to raise questions and look at the impact of weak links.

Over the holiday period, our reporters are turning their attention to the things that are working well in British Columbia.

The first series – Things that Work – takes a look at businesses, services and infrastructure that are not often heralded because, well, they actually work well. We will profile a company on Vancouver Island that has revived the Twin Otter aircraft and a woman who runs a home-based business helping embarrassed and itching families get rid of head lice. We will look at the Sea to Sky Highway improvements and the Point Grey bike lane.

The second series introduces readers to the next generation of innovators, the people you have never heard of but soon will. We asked prominent British Columbians to nominate people they are keeping an eye on. Among our instalments: Grand Chief Ed John has nominated a busy aboriginal doctor, and former premier Glen Clark has nominated an environmental entrepreneur.

THE INNOVATORS

Training the next generation of First Nation health-care staff

MARK HUME VANCOUVER

Nominator: Grand Chief Ed John. A lawyer for more than 30 years, serving his ninth term on the First Nations Summit.

Innovator: Nadine Caron, the first female First Nations student to graduate from the University of B.C.'s medical school. She is a surgeon, an associate professor at the University of Northern B.C. and co-director of the Centre for Excellence in Indigenous Health at the University of British Columbia.

"There is a pool of incredible dynamism and passion within the aboriginal community of young people … [who] are breaking new ground. … The trend is to be strong in the 'modern' world skills and knowledge while deeply rooted in the 'traditional' world with its incredible beliefs, teachings and practices."

Ed John
Grand Chief of the Tl'azt'en Nation

When Dr. Caron looks around her professional circles, she does not see a lot of aboriginal doctors, nurses or dentists. But she is looking forward to the day when that is no longer the case, and she regards UBC's Centre for Excellence in Indigenous Health as the best way to accomplish that goal.

Dr. Caron says the centre, which is just one year old this January, is "the biggest thing on my agenda," now and for the immediate future. The centre has three pillars: mentoring students, curriculum development and indigenous health research.

The goal of the centre is to train health-care workers for native communities and promote a greater understanding of the needs and challenges of native health.

One program that was developed elsewhere at UBC but is now part of the centre's responsibility encourages First Nations high school students to enter the health faculties. Each summer, about 20 native students are brought in.

"They stay in the dorms, they eat on campus, they meet faculty and rotate around. There are in a lab, a dentistry simulation centre, all these areas to get a little glimpse of all these different health areas out there that are theirs to choose if they can just stay in school and believe in themselves," Dr. Caron said.

Innovation, Page 2

ENVIRONMENT

Woman wins fight to seek justice for spill

Judge rules B.C. government and a corporation they contracted to fuel their helicopters will be charged for dumping gas into creek

MARK HUME VANCOUVER

Marilyn Burgoon couldn't believe it when the government failed to charge a company that spilled 30,000 litres of fuel in a British Columbia creek, killing fish, birds and aquatic insects.

So she went to court, seeking judicial approval to lay charges herself.

In a decision handed down last week, Provincial Court Justice Mayland McKimm agreed with Ms. Burgoon's arguments, and ordered summons be issued to the provincial government and Executive Flight Centre Fuel Services Ltd.

The two parties are to be charged for violating a section of the Fisheries Act that forbids the deposit of any deleterious substance into fish-bearing waters.

"I think they need to be held accountable," Ms. Burgoon said Monday. "I want some admission of guilt here and recognition that when you come into a small community and violate the Fisheries Act, there's a consequence."

Ms. Burgoon said her case shows the government is failing to enforce laws meant to protect the environment.

"There's pollution happening in our waterways and basically neither the [provincial] Ministry of Environment nor Federal Fisheries are doing their job," she said.

The spill happened in July, 2013, when a fuel-truck driver from Executive Flight Centre got lost looking for a staging area in the Slocan Valley, in southeast B.C. The driver was taking fuel in for helicopters under contract to the province as they fought a forest fire.

The truck went off the road and tumbled into Lemon Creek, a tributary of the Slocan River.

Two days after the spill, environmental consultants hired by the company reported more than 260 dead fish, a dozen dead water birds and a "vast numbers of deceased benthic invertebrates" in the stream. The report said more fish may have died and been swept away by the stream's fast current, but the damage was not thought extensive because jet fuel evaporates quickly.

The province took the lead in the case, but did not bring charges.

However, Ms. Burgoon argued both the company that owned the truck and the province, which provided directions to the driver, were responsible for the spill and should be charged.

Justice McKimm agreed.

"It was conceded by counsel for the Minister of Justice that there was evidence of a prima facie case against Executive Flight Centre. They clearly had control over the operation of the tanker truck which deposited deleterious substances into a waterway populated with fish," he states in his ruling.

"On the other hand, counsel for the Minister of Justice submitted that process should not issue against the Province of British Columbia, because there was no direct evidence that the Province deposited the deleterious substance into the waterway. I disagree," he states.

Justice McKimm said the B.C. government chose the staging area to which fuel was to be delivered and was responsible for having the jet fuel "brought to the wilderness."

Lilina Lysenko, a lawyer hired by Ms. Burgoon with support from the West Coast Environmental Law Dispute Resolution Fund, said the provincial or federal government could step in to take over the prosecution.

"Because the province has been charged, if they chose to exercise their jurisdiction they would have to appoint a special prosecutor," Ms. Lysenko said. "But the federal Department of Justice also has jurisdiction to take over the file if they wanted to."

If the government doesn't take over the case, Ms. Burgoon plans to prosecute it herself.

The Department of Justice referred questions to the Public Prosecution Service of Canada, but officials there did not return calls. A spokesperson for the B.C. Ministry of Environment declined to comment on a matter before the courts. Executive Flight Centre could not immediately be reached for comment.

Dr. Nadine Caron's hope is for UBC to become the hub for a new generation of aboriginal doctors, nurses, dentists and physiotherapists.

FROM PAGE 1

Innovation: Dr. Caron encourages youth to stay in school

She said her hope is that all health faculties at UBC can recruit aboriginal students to create more native doctors, nurses, dentists and physiotherapists.

"I think we can do it. The faculty of medicine at UBC has been working on that for the past 10 years and showed tremendous success. But I think now our job at the centre is to really facilitate that capacity-building across all the health disciplines," Dr. Caron said.

She said she wants UBC to be the place in Canada that aboriginal students aspire to attend because it is a place "where your heritage is going to be celebrated, and you are going to be in a safe environment, where people understand and respect the indigenous history of Canada and want to embrace you being there."

Dr. Caron, who often goes into native communities to talk about the importance of staying in school, said she tells students to find something they believe in and then to pursue it.

"If there's an inner need to find a solution, even if no one wants to hear you, I think that carries you through some of the challenging days when the course is very hard, the program is very demanding and there's all these glitches in the research," she said. "If you are doing it for the right reason and you keep your passion, everything else follows."

FROM PAGE 1

Things: Peruvian Air Force has given Viking a big lift

"People listen for the sound of the plane, the whole town likes to come out and watch your plane land. You have kids running out to touch the wheels."

His most challenging assignment was testing a runway in the Andes that had not been used for 50 years. The runway was short and rough, but it was the elevation of more than 3,800 metres that put a strain the craft's engines.

Landing was one thing, taking off quite another. His empty Twin Otter lifted off with just 50 metres to spare in the mountainous region near Machu Picchu.

"I told my commander, we need a longer runway."

It was the loyalty of the Peruvian Air Force that helped lift Viking's fortunes. Mr. Curtis said this contract was key, a sign of confidence in a small Canadian company that had never, at that point, built a complete airplane.

"When you look back at the 50 years of the airplane, Peru has been a customer for every variant of the Twin Otter that has been introduced," Mr. Curtis noted.

Although Canada is fifth in the world in the aerospace industry, Viking is the only aircraft manufacturer west of Ontario. "I'm trying to pull the centre of gravity in the industry west," Mr. Curtis said.

Earlier this year, the B.C. government recognized the growing sector, announcing a $5-million contribution to the Aerospace Industries Association of Canada's Pacific Division to help develop the industry.

That money would not buy a Twin Otter, but it is a sign that the B.C. government has woken up to the potential for growth. Mr. Curtis says there is more to be done.

His next target is China, which he believes is a market for 400 of his aircraft. (Viking has finished only 67 Twin Otters to date.) He would like to see Canada and B.C. do more to promote the company internationally.

"Our competitors are doing it. You can bet President [Barack] Obama is talking about Boeing when he is travelling to China. … You need that level of economic diplomacy."

FROM PAGE 1

Mason: Students must back Yes side in droves if it is going to succeed

(Legitimate concerns but ones that aren't completely relevant to this issue.) In fact, the vote-No brigade says little about the mayors' transit vision, which has generally received widespread praise.

Officials with the mayors' council and others at TransLink are now plotting ways to educate people about what they'll get for $7.5-billion. It's unknown what form this information program will take but it could include everything from mail-outs to TV ads. Either way, expect the No side to make a huge fuss about this. It will insist TransLink operating funds should not be used to underwrite propaganda.

The Yes side will counter that all TransLink is doing is informing the public about something that effectively stands as the regional transit plan, which is entirely within its mandate. This is unlikely to satisfy the No camp, which will try to conflate TransLink's involvement with the provincial government's position that no public funds be used to finance the campaign of either side in this debate. That said, given this is the first plebiscite of its kind in B.C., the rules of engagement are unclear. Some of them will undoubtedly be written as we go along.

The Yes forces will have better financial backing than their opponents, which, from my standpoint as a supporter of the mayors' plan, is a good thing. The mayors have been handed a ridiculously short time frame to pull this off so they need all the advantages they can get. Given how important transit is to the future of the region, I would not be surprised to see the Yes side try to access a couple of the top political machines in the region, the one behind Vision Vancouver being among them.

In the end, this is a vote, and winning is all about engaging your supporters. Among other things this will entail building sophisticated get-out-the-vote campaigns on the campuses of all the universities and colleges in the area. Students are going to need to back this measure in droves if it is going to succeed.

"People are going to make individual decisions about how to vote," says Port Coquitlam Mayor Greg Moore. "We need to ensure people know how this plan could impact them at even the neighbourhood level. We need to break it down. When you say the word 'region,' it's a big, nebulous term for a lot of people.

"When you say there are 52,000 more people expected to move into your community in the next 10 years and this is how this plan will help alleviate the influx that's going to occur, they suddenly get it."

The transit vote, ultimately, is a hearts-and-minds campaign. And the war to win them over is about to begin.

> **We need to ensure people know how this plan could impact them at even the neighbourhood level. We need to break it down.**
>
> **Greg Moore**
> *Mayor of Port Coquitlam*

Follow me on Twitter: @garymasonglobe

LOGO IMBROGLIO The clumsy release of the new Raptors logo has strained ties between global ambassador Drake and the team **PAGE 5**

Globe Sports

EDITOR: SHAWNA RICHER

Alvimedica skipper Charlie Enright, above, woke his crew and sailed 50 kilometres to where Team Vestas Wind, top, had wrecked on a shoal north of Mauritius. BRIAN CARLIN/TEAM VESTAS WIND/VOLVO OCEAN RACE VIA GETTY IMAGES (TOP); FRANCOIS NEL/VOLVO OCEAN RACE VIA GETTY IMAGES (ABOVE)

VOLVO OCEAN RACE

A RACE A STORM A REEF A WRECK A RESCUE

On a stormy night in the Indian Ocean, Team Alvimedica was racing toward Abu Dhabi from Cape Town when it veered off course to aid its closest competitor in the second leg of a gruelling, around-the-world sailing race **PAGE 5**

HOCKEY WORLD JUNIOR CHAMPIONSHIP

Senators rookie Lazar to captain Canadian squad

Connor McDavid and Sam Reinhart will serve as alternate captains for the tournament, which gets under way on Boxing Day

KELSEY PATTERSON MONTREAL

Curtis Lazar has every reason to be smiling.

The always good-humoured Ottawa Senators rookie on Monday was named captain of Canada's junior hockey team for the upcoming world championship in Toronto and Montreal.

"I'm very honoured to have this opportunity, and I'm going to take full advantage of it and go out there and play hard for my country," Lazar told reporters at a hockey charity event in Montreal. "I know there's a lot of responsibility that comes along with this, but I'm just going to try to take it in stride and be myself."

Canada's coaching staff gave Lazar the news Monday morning, shortly after the team arrived in Montreal from Ottawa where Canada beat Sweden 5-2 in an exhibition game on Sunday. True to character, the Salmon Arm, B.C., native was grinning from ear to ear when he was told.

"As usual, I was smiling," said the 19-year-old, who was drafted 17th overall by the Senators in 2013. "It's pretty cool. I didn't know it was coming. Anyone could have it. I'm very honoured that my peers and my coaching staff think very highly of me.

"I'm a pretty positive guy for the most part. I'm always smiling and trying to keep the guys light. I like to lead by example. I really focus on little details, and I think that goes a long way.

"I want unity within the dressing room. Regardless of where you're from in Canada, we're part of a team now. No one is bigger than the team."

Team Canada forward Curtis Lazar speaks to the media in Montreal on Monday. The Ottawa Senators rookie has been named captain of the national junior hockey team. GRAHAM HUGHES/THE CANADIAN PRESS

Lazar, who has a goal and six assists in 27 games with Ottawa this season, was loaned to Canada by the Senators last week. He is one of seven returning players from last year's tournament in Malmo, Sweden, where Canada finished fourth.

One year later, Lazar is thinking of redemption.

"I was disappointed with how we played last year and the result we got," he said, looking back on Canada's semi-final loss against Finland, and the defeat to Russia in the bronze-medal game. "Second chances don't come around too often. We're fortunate to have this chance."

Connor McDavid of the Erie Otters and Sam Reinhart of the Kootenay Ice will serve as alternate captains for the tournament, which officially gets under way on Dec. 26. McDavid and Reinhart also represented Canada at the 2014 junior championship and were teammates at the 2013 IIHF Ice Hockey U18 World Championship, where the Canadians won the gold medal.

The 17-year-old McDavid, who is touted as the best forward in the upcoming 2015 NHL draft, had nothing but praise for his new captain.

"He's always positive, and he always has a smile on his face," McDavid said of Lazar. "Nothing seems to bring him down. He's the perfect guy for the job. The ups and downs of this tournament are pretty crazy, but he never seems to go down. He's going to be a good captain."

McDavid, who played for the first time on Sunday since breaking his right hand in November, has a blistering 51 points for the Otters in 18 games this season. Reinhart, meanwhile, played nine games with the Buffalo Sabres at the start of this season before returning to the Western Hockey League in October.

"To wear a letter is something special," said McDavid. "But there are 22 leaders on this team – it's not just three guys. The letter is special, but everyone is a leader."

Head coach Benoit Groulx knows exactly what kind of player it takes to lead a team to victory.

"Sam, Curtis and Connor have the same qualities," said Groulx, winner of three Quebec Major Junior Hockey League championships as head coach. "They're great young men, they want to win, they're great hockey players, and they want to make a difference. This is what you need in your leadership group.

"It was an obvious choice."

Although he's just 19, Lazar wants to use his world junior and NHL experience to guide some of the younger players on Canada's roster. He says he wants them to pay attention to detail, and to really enjoy the tournament.

But over all, Lazar wants to win. He wants to know what it means to wear a gold medal around his neck. "It would be very cool," he said. "That's one thing I want to check off my junior resume."

Canada plays one more exhibition game versus Switzerland on Tuesday before their tournament opens on Boxing Day with a game against Slovakia at the Bell Centre in Montreal.

The Canadian Press

NHL

EASTERN CONFERENCE

ATLANTIC DIVISION

	GP	W	L	OTL	SL	GF	GA	Pts	Home	Away	Last 10	Strk
Montreal	34	21	11	1	1	92	83	44	13-4-0-1	8-7-1-0	5-4-0-1	W-1
Tampa Bay	35	20	11	0	4	113	93	44	12-4-0-1	8-7-0-3	3-5-0-2	L-2
Detroit	34	17	8	2	7	94	84	43	11-4-0-6	6-4-2-1	3-3-0-4	L-6

METROPOLITAN DIVISION

	GP	W	L	OTL	SL	GF	GA	Pts	Home	Away	Last 10	Strk
Pittsburgh	32	22	6	2	2	102	72	48	13-4-0-1	9-2-2-1	7-1-1-1	W-3
N.Y.Islanders	33	23	10	0	0	104	91	46	13-3-0-0	10-7-0-0	7-3-0-0	W-4
Washington	33	17	10	3	3	97	86	40	7-5-2-2	10-5-1-1	7-1-1-1	W-3

WILD CARD

	GP	W	L	OTL	SL	GF	GA	Pts	Home	Away	Last 10	Strk
Toronto	34	19	12	2	1	114	102	41	14-8-0-0	5-4-2-1	6-4-0-0	L-3
N.Y. Rangers	31	17	10	0	4	93	81	38	10-5-0-3	7-5-0-1	8-2-0-0	W-6
Boston	34	17	14	1	2	86	88	37	10-6-1-1	7-8-0-1	3-5-0-2	W-1
Florida	31	14	9	4	4	69	79	36	7-4-0-2	7-5-4-2	5-3-1-1	L-1
Ottawa	34	14	14	3	3	90	94	34	7-4-1-2	7-10-2-1	4-5-0-1	L-2
Philadelphia	33	13	14	1	5	92	99	32	8-5-0-3	5-9-1-2	5-2-1-2	W-2
Columbus	33	14	16	2	1	80	107	31	7-9-1-1	7-7-1-0	8-1-1-0	L-1
New Jersey	35	12	17	1	5	77	102	30	4-6-1-3	8-11-0-2	3-5-0-2	L-1
Buffalo	34	13	18	2	1	66	109	29	9-8-1-1	4-10-1-0	5-4-1-0	L-3
Carolina	33	9	20	1	3	68	92	22	6-7-0-2	3-13-1-1	2-7-0-1	L-2

WESTERN CONFERENCE

CENTRAL DIVISION

	GP	W	L	OTL	SL	GF	GA	Pts	Home	Away	Last 10	Strk
Chicago	34	23	9	1	1	106	67	48	12-3-1-0	11-6-0-1	8-1-0-1	W-1
Nashville	32	22	8	1	1	92	65	46	12-2-0-1	10-6-1-0	7-3-0-0	W-3
St. Louis	33	21	9	1	2	100	81	45	12-3-0-1	9-6-1-1	6-3-1-0	L-2

PACIFIC DIVISION

	GP	W	L	OTL	SL	GF	GA	Pts	Home	Away	Last 10	Strk
Anaheim	35	22	8	2	3	101	96	49	10-3-1-2	12-5-1-1	8-2-0-0	L-1
San Jose	34	19	11	0	4	97	87	42	10-4-0-2	9-7-0-2	9-1-0-0	W-5
Vancouver	32	19	11	1	1	92	90	40	8-5-0-1	11-6-1-0	4-5-1-0	W-1

WILD CARD

	GP	W	L	OTL	SL	GF	GA	Pts	Home	Away	Last 10	Strk
Winnipeg	34	17	10	4	3	83	80	41	8-6-2-1	9-4-2-2	5-1-3-1	L-1
Los Angeles	34	17	11	2	4	94	84	40	13-4-0-1	4-7-2-3	5-4-0-1	W-2
Calgary	35	17	15	2	1	100	95	37	8-6-1-1	9-9-1-0	2-7-1-0	L-8
Minnesota	31	16	12	2	1	91	84	35	9-3-2-1	7-9-0-0	4-3-2-1	L-3
Dallas	32	14	13	4	1	95	109	33	6-6-4-1	8-7-0-0	5-4-1-0	W-4
Colorado	33	12	13	6	2	85	101	32	6-7-2-1	6-6-4-1	4-3-3-0	W-2
Arizona	32	11	17	2	2	74	104	26	5-8-2-1	6-9-0-1	2-6-1-1	L-1
Edmonton	34	7	20	5	2	74	116	21	5-11-1-1	2-9-4-1	1-6-2-1	L-7

Monday's results
Nashville 5 Columbus 1
Washington 2 Ottawa 1
Pittsburgh at Florida
San Jose at Anaheim
Arizona at Vancouver
Calgary at Los Angeles

Sunday's results
Colorado 2 Detroit 1 (SO)
Dallas 6 Edmonton 5 (SO)
Chicago 4 Toronto 0
Boston 4 Buffalo 3 (OT)
NY Rangers 1 Carolina 0
Philadelphia 4 Winnipeg 3 (OT)

Tuesday's games
All Times Eastern
Nashville at Boston, 7 p.m.
Toronto at Dallas, 7 p.m.
Philadelphia at Minnesota, 7 p.m.
Montreal at NY Islanders, 7 p.m.
Carolina at New Jersey, 7 p.m.
Washington at NY Rangers, 7 p.m.
Pittsburgh at Tampa Bay, 7:30 p.m.
Buffalo at Detroit, 7:30 p.m.
St. Louis at Colorado, 8 p.m.
Arizona at Edmonton, 8 p.m.
Winnipeg at Chicago, 8:30 p.m.

Wednesday-Friday
No Games Scheduled (holiday break)

Saturday, Dec. 27
N.Y. Islanders at Buffalo, 7 p.m.
Carolina at Tampa Bay, 7 p.m.
Boston at Columbus, 7 p.m.
Detroit at Ottawa, 7 p.m.
New Jersey at N.Y. Rangers, 7 p.m.
Winnipeg at Minnesota, 7 p.m.
Anaheim at Arizona, 7 p.m.
Washington at Pittsburgh, 7:30 p.m.
Philadelphia at Nashville, 8 p.m.
Dallas at St. Louis, 8 p.m.
Chicago at Colorado, 9 p.m.
Edmonton at Calgary, 10 p.m.
San Jose at Los Angeles, 10 p.m.

Capitals 2, Senators 1

At Washington, D.C.

First Period
No Scoring.
Penalties — Niskanen Wash 3:15, Wilson Wash 6:24, Condra Ott 10:15, Borowiecki Ott 14:44, Michalek Ott 15:38.
Second Period
1. Washington, Beagle 5 (Kuznetsov, Green) 13:59
2. Ottawa, Condra 3, 15:56
3. Washington, Backstrom 11 (Green, Johansson) 19:25 (pp)
Penalties — Greening Ott (misconduct), Latta Wash (misconduct) 3:14, Gryba Ott 18:08.
Third Period
No Scoring.
Penalty — Beagle Wash 1:05.
Shots on goal by
Ottawa 14 10 15—39
Washington 6 10 7—23
Goal — Ottawa: Anderson (L,8-9-4). Washington: Holtby (W,15-7-5).
Power plays (goal-chances) — Ottawa: 0-3; Washington: 1-4.
Attendance — 18,506.

NFL

AFC

EAST DIVISION

	W	L	T	Pct	PF	PA
y-N.E.	12	3	0	.800	459	296
Miami	8	7	0	.533	364	336
Buffalo	8	7	0	.533	326	280
N.Y. Jets	3	12	0	.200	246	377

NORTH DIVISION

	W	L	T	Pct	PF	PA
Cincinnati	9	4	1	.679	311	289
x-Pittsburgh	10	5	0	.667	409	351
Baltimore	9	6	0	.600	389	292
Cleveland	7	8	0	.467	289	317

SOUTH DIVISION

	W	L	T	Pct	PF	PA
y-Indianapolis	10	5	0	.667	431	359
Houston	8	7	0	.533	349	290
Jacksonville	3	12	0	.200	232	389
Tennessee	2	13	0	.133	244	411

WEST DIVISION

	W	L	T	Pct	PF	PA
y-Denver	11	3	0	.786	407	303
San Diego	9	6	0	.600	341	329
Kansas City	8	7	0	.533	334	274
Oakland	3	12	0	.200	239	405

NFC

EAST DIVISION

	W	L	T	Pct	PF	PA
y-Dallas	11	4	0	.733	423	335
Philadelphia	9	6	0	.600	440	374
N.Y. Giants	6	9	0	.400	354	366
Washington	4	11	0	.267	284	394

NORTH DIVISION

	W	L	T	Pct	PF	PA
x-Detroit	11	4	0	.733	301	252
x-Green Bay	11	4	0	.733	456	328
Minnesota	6	9	0	.400	312	334
Chicago	5	10	0	.333	310	429

SOUTH DIVISION

	W	L	T	Pct	PF	PA
Carolina	6	8	1	.433	305	371
Atlanta	6	9	0	.400	378	383
New Orleans	6	9	0	.400	378	404
Tampa Bay	2	13	0	.133	257	387

WEST DIVISION

	W	L	T	Pct	PF	PA
x-Seattle	11	4	0	.733	374	248
x-Arizona	11	4	0	.733	293	279
SanFrancisco	7	8	0	.467	286	323
St. Louis	6	9	0	.400	318	334

x — clinched playoff berth
y — clinched division title

WEEK 16

Monday's result
Denver at Cincinnati

Sunday's results
Miami 37 Minnesota 35
Carolina 17 Cleveland 13
Pittsburgh 20 Kansas City 12
Houston 25 Baltimore 13
Green Bay 20 Tampa Bay 3
New England 17 N.Y. Jets 16
Detroit 20 Chicago 14
Atlanta 30 New Orleans 14
N.Y. Giants 37 St. Louis 27
Dallas 42 Indianapolis 7
Oakland 26 Buffalo 24
Seattle 35 Arizona 6

Saturday's results
Washington 27 Philadelphia 24
San Diego 38 San Francisco 35 (OT)

Thursday's result
Jacksonville 21 Tennessee 13

HOCKEY

2015 IIHF WORLD JR. CHAMPIONSHIP

EXHIBITION GAMES
Sunday's results
At Ottawa
Canada 5 Sweden 2
At Peterborough, Ont.
Slovakia 3 Switzerland 2
At Kingston, Ont.
U.S. 5 Germany 2
At Oshawa, Ont.
Finland 2 Russia 2
Tuesday's games
All Times Eastern
At Montreal
Canada vs. Switzerland, 7 p.m.
At Peterborough, Ont.
Czech Republic vs. Slovakia, 7 p.m.
At Kingston, Ont.
Sweden vs. U.S., 7 p.m.
At Blainville, Que.
Denmark vs. Germany, 7 p.m
End of exhibition games

NBA

EASTERN CONFERENCE

	W	L	Pct	GB
d-Toronto	22	6	.786	—
d-Atlanta	19	7	.731	2
Washington	19	7	.731	2
d-Chicago	17	9	.654	4
Cleveland	16	10	.615	5
Milwaukee	14	14	.500	8
Miami	13	15	.464	9
Brooklyn	11	15	.423	10
Boston	10	15	.400	10½
Orlando	10	20	.333	13
Indiana	9	19	.321	13
Charlotte	9	19	.321	13
Detroit	5	23	.179	17
New York	5	25	.167	18
Philadelphia	3	23	.115	18

WESTERN CONFERENCE

	W	L	Pct	GB
d-Golden State	22	3	.880	—
d-Portland	22	6	.786	1½
d-Memphis	21	6	.778	2
Houston	19	7	.731	3½
Dallas	20	8	.714	3½
L.A. Clippers	19	8	.704	4
San Antonio	17	11	.607	6½
New Orleans	14	13	.519	9
Phoenix	15	14	.517	9
Oklahoma City	13	15	.464	10½
Sacramento	12	15	.444	11
Denver	12	16	.429	11½
L.A. Lakers	8	19	.296	15
Utah	8	20	.286	15½
Minnesota	5	21	.192	17½

d — division leader

Monday's results
Charlotte 110 Denver 82
Toronto at Chicago
Portland at Houston
Utah at Memphis
Atlanta at Dallas
L.A. Clippers at San Antonio,
Sacramento at Golden State

Sunday's results
Toronto 118 New York 108
Cleveland 105 Memphis 91
Phoenix 104 Washington 92
Brooklyn 110 Detroit 105
Miami 100 Boston 84
Philadelphia 96 Orlando 88
Sacramento 108 L.A. Lakers 101
Indiana 100 Minnesota 96
New Orleans 101 Okla. City 99

Tuesday's games
All Times Eastern
Minnesota at Cleveland, 7 p.m.
New Orleans at Indiana, 7 p.m.
Boston at Orlando, 7 p.m.
Chicago at Washington, 7 p.m.
Denver at Brooklyn, 7:30 p.m.
L.A. Clippers at Atlanta, 7:30 p.m.
Philadelphia at Miami, 7:30 p.m.
Charlotte at Milwaukee, 8 p.m.
Portland at Oklahoma City, 8 p.m.
Dallas at Phoenix, 9 p.m.
Golden State at L.A.L., 10:30 p.m.

Thursday's games
Washington at New York, 12 p.m.
Oklahoma City at San Antonio, 2:30 p.m.
Cleveland at Miami, 5 p.m.
L.A. Lakers at Chicago, 8 p.m.
Golden State at L.A.C., 10:30 p.m.

SOCCER

ENGLAND

PREMIER LEAGUE
Monday's result
Chelsea 2 Stoke 0

ON TELEVISION

TUESDAY

All Times Eastern

BASKETBALL
- NBA: Minnesota at Cleveland, TSN2, 7 p.m.
- NBA: L.A. Clippers at Atlanta, NBA TV Canada, 7:30 p.m.
- NBA: Portland at Oklahoma City, SN 360, 8 p.m.
- NBA: Golden State at L.A. Lakers, SN 360, 10:30 p.m.

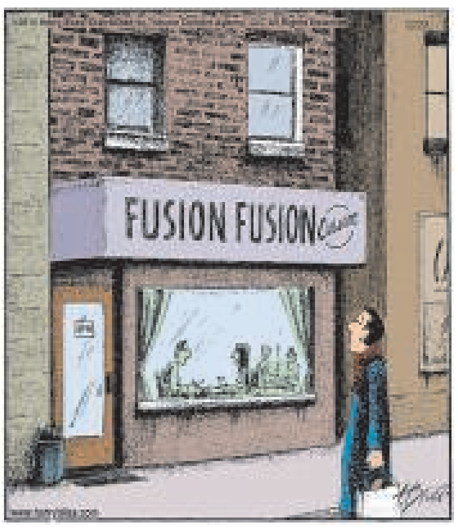
FOOTBALL
- NCAA Poinsettia Bowl: Navy vs. San Diego State, TSN2, 9:30 p.m.

HOCKEY
- NHL: Toronto at Dallas, SN Ontario, 7 p.m.
- NHL: Montreal at N.Y. Islanders, SN East, 7 p.m.
- NHL: Arizona at Edmonton, SN West, 8 p.m.
- NHL: Winnipeg at Chicago, TSN3, 8 p.m.
- World Jr. Exhibition: Canada vs. Switzerland, TSN, TSN4 & TSN5, 7 p.m.

COMICS

CORNERED

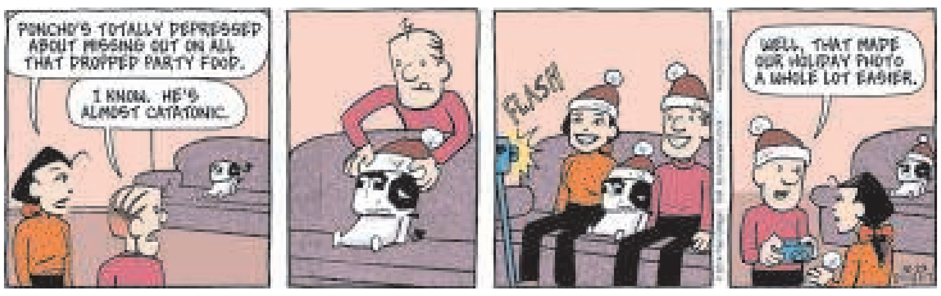
BLISS



SPEED BUMP

BIZARRO

POOCH CAFÉ



BETTY

BASKETBALL RAPTORS

Drake bristles at botched logo rollout

MLSE's efforts to reduce the input of Toronto rap superstar in rebranding are both baffling and entirely predictable

CATHAL KELLY
ckelly@globeandmail.com

TORONTO

The Toronto Raptors and their global ambassador are having a small diplomatic incident.

On Friday, the club clumsily released images of its new logo, part of a complete redesign slated to debut next season.

The fan base had been primed for a big change. There wasn't any. It looks suspiciously like the Brooklyn Nets set-up – a fact wryly noted by the Nets themselves. Reactions were mixed, verging on disappointed. Rap star and team factotum Drake was in the latter camp.

I posted a Tweet at the time: "The Drake-inspired Raptors redesign. Could've been worse. Also, could've been a whole lot better."

Drake – who has 18.8 million Twitter followers – responded to me the next day: "Actually this redesign was executed without me. My collaboration with [clothier] Mitchell & Ness comes out next season."

Drake doesn't respond to people on Twitter, and certainly not to the wretches in the press. This was a serious break with protocol. It speaks to the level of his annoyance.

According to sources within MLSE, Drake is upset about two things.

First, the "execution." By that, he apparently means the way in which the images were released. They were first shown briefly in a video released on Friday afternoon. That was quickly followed by a colour image posted to the team's Facebook page. That was hastily pulled down, replaced by a black-and-white image. Then, much later in the day, a variety of logos was released, in varying colour schemes.

What happened is not clear. What is clear is that the whole thing was an unintended marketing fumble. The new logo is designed by ad agency Sid Lee, the same people behind the We The North campaign.

If he was bothered by the botched release, Drake is apparently more upset by the colour scheme.

Drake pushed for a switch to black and gold, but the Raptors are sticking with the current colours: red, black, white and silver. CHRIS YOUNG/THE CANADIAN PRESS

He had pushed hard for the team to make a holistic switch to black-and-gold. Instead, the Raptors are sticking with their current palette: red-black-white-silver. Drake was part of all these discussions. He just didn't get his way.

"He wasn't overruled," said an MLSE source. "Overruled isn't the right word, because it's not like he had the final say."

It's the first crack in what has become one of the most fruitful brand partnerships in the city's history. It's also one of the most unbalanced.

The Raptors get all sorts of things from Drake's presence – notice, respect, heat, a better shot at wooing high-profile free agents. Upon arriving late last year, he changed overnight the south-of-49 perception of this team. In the franchise's two decades in the league, only Vince Carter has done more to put Toronto on the NBA map.

Drake gets almost nothing in return. As long as I can remember, people laughed at his Raptors' fandom. For a guy who lives and dies by his image, it's been an anchor he wears with inexplicable pride.

So why would you pick a fight with this guy?

Simple: control.

Drake was brought into the fold by outgoing MLSE CEO Tim Leiweke. Justin Bieber's manager, Scooter Braun, made the introductions.

Drake had made overtures to the team before Leiweke arrived. Nobody returned his calls. So the deal to get involved in Toronto was done in Los Angeles.

He arrived at the team's low ebb. They were bad, and intent on getting worse. Drake's star power was going to pull them through that fallow period, which the club thought would last at least three years.

They hit on the idea of an image redesign to distract fans in the interim. Leiweke promised Drake major input.

Then, all of a sudden, the team got good.

The We The North campaign hit in the midst of that rejuvenation, and was a massive success. The club continued to get better. They're the best they've ever been. The fan base is energized.

And a thought began to roll through the offices at 50 Bay St.: "Why change a winning game?"

Drake's ideas for a radical redesign found fewer and fewer listeners in MLSE's corporate suites. He hasn't been helped by the fact that Leiweke has been pushed to the sidelines for months, waiting to be let go.

Back when We The North was released, Leiweke was the campaign's front man, personally doing much of the press. As the logo was released last week, he was on vacation at his home in Vail, Colo.

Drake's lost his touchstone in the organization, and now seems to be losing his own footing as well.

If that's the case, what a horrible miscalculation on the part of MLSE.

You brought the guy in because you believed he could provide a vision that could not be bought. He's Toronto's leading citizen. He's proved his brilliance at leveraging the iconography of the city and translating it into global interest. He isn't some wonky brand consultant looking to fleece you – he's willing to do all this work free. He actually loves this team.

There is no point in hiring that sort of person to work on a committee. You hire him to lead.

But as soon as MLSE got a look at Drake driving the bus, they begin wrestling with him for control of the wheel.

It's baffling and entirely predictable. MLSE spent years hiding behind a wall of corporate caution as their teams trolled the performance depths. They began to panic when it all started bottoming out at once.

Now that things have picked up some, they're turtling again.

They're back to their blurred Goldilocks vision of the future – pleasing everyone, and therefore pleasing no one.

Once they figured out how unhappy Drake was with the logo, the team quickly moved to release it in four different colours – including black and gold.

"It's a compromise where everyone's going to get some of what they want," said the MLSE source.

Let's take a look back in MLSE's history. How often has that route worked out the way they'd hoped?

Follow me on Twitter: @cathalkelly

SAILING VOLVO OCEAN RACE

On the high seas, there's no man left behind

AARON KURILOFF
WALL STREET JOURNAL STAFF

The 65-foot sailing vessel of Team Alvimedica was battling for fifth place as it raced north through an Indian Ocean storm in the second leg of the Volvo Ocean Race, a wild nine-month adventure that bestows team sailing's most prestigious ocean-racing trophy.

Then a distress call came through race headquarters: Alvimedica's nearest competitor, Team Vestas Wind, had run into serious trouble. Could Alvimedica change course and rush to the aid of Vestas?

The Volvo Ocean Race doesn't follow most sporting conventions. Throughout the racing, crews devote nine months of their lives to the often-treacherous pursuit of a victory that offers no financial reward.

Yet at stake is tremendous pride. Unlike the America's Cup, the seven Volvo teams are all competing in essentially the same 65-foot sailboat, making it a true test of skill.

It is also a test of sportsmanship. A basic rule of the sport and of the Volvo race: Never leave a competitor in danger.

"There's a code amongst thieves out there," said Ken Read, who skippered PUMA Ocean Racing's il Mostro team to a second-place finish in the 2008-09 Volvo. "One minute you're trying to beat the guy at all costs, the next you're his life raft."

It was on Nov. 29, amid a storm in the dark, that the Alvimedica received the distress call. Now, asked to rescue his competitor, the skipper of the Alvimedica, a 30-year-old Rhode Island native named Charlie Enright, didn't hesitate.

"I woke everyone up, got them on deck and gave them a rundown," said Enright. "We've stopped sailing to Abu Dhabi.

Team Alvimedica arrives in Abu Dhabi during the finish of Leg 2 on Dec. 14. Alvimedica finished fifth in the leg after taking a detour to rescue their fellow competitors, Team Vestas Wind. VOLVO OCEAN RACE/GETTY IMAGES

We're now heading to a reef, 30 miles out."

At the helm of Team Vestas Wind was Australian Chris Nicholson. His boat had been speeding through the night toward the finish of this leg in Abu Dhabi, surfing big waves at the tail end of a tropical depression. Unknown to Nicholson, his navigation screen was zoomed out toward the open ocean. So he failed to see the chain of about 50 islets that make up Mauritius's Cargados Carajos Shoals.

Onboard video captured what happened next. It was full dark. Suddenly, with a noise like a series of explosions, the boat plowed into a coral reef, throwing the men forward as they shouted expletives. The boat spun 180 degrees and the rudders used for steering sheared off. Waves smashed it against the reef, destroying the stern. Then water began pouring in.

It took about 2½ hours for the Alvimedica to reach the island where Vestas's crew clung to the stricken vessel, which pounded against the coral on the outer reef with every wave, the stern compartment sealed to prevent the rest of the boat from filling.

Alvimedica couldn't pull alongside the Vestas without becoming wrecked itself. So its crew members made their way to a nearby lagoon and, for the next several hours, provided moral and tactical support to the Vestas crew. When the Vestas crew lost power, Alvimedica became their connection to the outside world, relaying messages to race officials and the Mauritius coast guard. That is how the families of Vestas's crew found out they were okay.

"Even just hearing voices on the other end of the radio that you know and recognize – it seems strange, but those comforting voices were a help," Nicholson said.

Alvimedica monitored the Vestas crew members as they evacuated to life rafts. Alvimedica had planned on taking the crew aboard and carrying them to Mauritius. But an arriving coast guard launch took over the rescue, prompting Nicholson to radio thanks and so long to Enright.

Alvimedica finished fifth out of seven in the second leg.

An international jury will meet Dec. 30 on whether to award the Alvimedica a better second-leg finishing score for its display of sportsmanship.

Enright said he wasn't counting on any redress. "We don't know anything, so I'm just going to enjoy my Christmas," he said. "It's out of my control."

The next leg of the race, to Sanya, China, starts Jan. 3.

NBA BROADCASTING

It's the best basketball time of the year

BRIAN MAHONEY
NEW YORK

Nearly two months have passed since the San Antonio Spurs collected their championship rings and began their title defence.

The NBA season may have opened Oct. 28, but Christmas is the real coming-out party.

Football's popularity leaves little room for other sports in the fall. It's enough to make some believe the unofficial opener should be the real opening day, as it was in 2011 following the lockout.

"There could be an argument, and a strong argument, to starting our season later and do it on Christmas Day and go into the summer," ABC analyst Jeff Van Gundy said.

The NBA loads up with a five-game schedule, highlighted by LeBron James's return to Miami. That game follows on ABC after San Antonio hosts Oklahoma City. Washington visits New York in the ESPN opener and, because Christmas falls on a Thursday, TNT has its usual night doubleheader and "Inside the NBA" studio show. Then Chicago hosts the Los Angeles Lakers before Golden State takes on the Los Angeles Clippers.

Van Gundy preferred the Christmas schedule when it was just a couple of games. But Mark Jackson, working the Cavaliers-Heat game with Van Gundy and Mike Breen, is all for five.

"If it was watered down and you're trying to stretch five, that's different," he said. "But I think we've got good teams with quality matchups, and if I'm a fan I like the idea of basketball being played all day."

Associated Press

Stoke's Marc Muniesa, left, gets tangled up with Chelsea's Diego Costa while fighting for the ball during Monday's match. Costa had several good chances – including a breakaway – but failed to score. RUI VIEIRA/ASSOCIATED PRESS

SOCCER PREMIER LEAGUE

Chelsea stays in first place with 2-0 victory over Stoke

Blues restore three-point gap over Man City, putting them in good position for the stretch run – seven of past 10 leaders at Christmas have won the title

STOKE, ENGLAND

John Terry scored his first league goal of the season to help Chelsea beat Stoke 2-0 Monday and restore its three-point lead atop the Premier League.

Terry put his side ahead in just the second minute with a powerful header from a corner, and Cesc Fabregas doubled the lead in the 78th to make sure Chelsea re-established the gap to second-place Manchester City.

In between, it was a feisty and physical game at the Britannia Stadium and Stoke's Phil Bardsley was lucky to escape with just a yellow card after a reckless tackle on Eden Hazard in the 20th minute.

"A victory means a bit more than the three points," Chelsea manager Jose Mourinho said. "We won for sure in one of the most difficult places to win."

Mourinho's side could have had more goals, with Diego Costa failing to finish a couple of good opportunities, and were generally very much in control throughout the game, showing their ability to cope with a combative Stoke outfit on a chilly evening. Stoke beat Arsenal 3-2 here after jumping out to a 3-0 lead by halftime, and won by the same scoreline against Chelsea at home last season.

But the London club had no such problems on this occasion, with Terry providing the visitors with a perfect start. Fabregas swung in a corner and Terry got the better of Geoff Cameron to head in his first Premier League goal since December, 2013. The Chelsea captain has now scored in the previous 15 Premier League seasons.

And the visitors could have added a second goal just after the half-hour mark as Nemanja Matic made a fine tackle to rob Cameron of possession, the Blues broke away and fed the ball to Costa, who was through one-on-one with Asmir Begovic, but sent his shot narrowly wide.

Charlie Adam had Stoke's best chance for an equalizer midway through the second half, but sent his shot from just outside the area curling just wide of the post.

Shortly afterward, Chelsea made the game safe as the ball came to Fabregas in the box from Eden Hazard and the Spaniard took one touch before scuffing a shot that deceived Begovic to roll in.

Stoke is 13th in the table after 17 games. Chelsea, meanwhile, is hoping to continue the trend that the team that tops the standings at Christmas goes on to clinch the title. Seven of the past 10 leaders at Christmas did so, including Chelsea in 2004-05, '05-06 and '09-10.

"What we did in the past is not important," Mourinho said. "What's important is this season, and this season we are top of the league since day one and we are there because we are playing really well."

Associated Press

NFL WEEK 17

Even teams with playoff spots have lots on the line

BARRY WILNER

With five of the six playoff slots in the NFC and four in the AFC decided, some would think much of the drama of the schedule's final week has been removed.

Think again.

All nine teams that have already qualified for the Super Bowl chase have something to play for on Sunday.

Start with the defending champion Seahawks (11-4). Excluding any Week 17 ties in the multitude of scenarios, Seattle not only will get the NFC West title by beating St. Louis, but also home-field advantage throughout the NFC playoffs. Not a pleasant thought for its opponents.

"[The Seahawks] are playing awesome football," Cardinals cornerback Patrick Peterson said. "You can't take nothing away from that ball club. They have a championship pedigree, what it takes to win on the road, what it takes to win the division. Obviously, it's not over yet, but they're one step closer."

New England (12-3) doesn't need anything else to happen but to beat visiting Buffalo on Sunday to clinch home field for the AFC playoffs. The Patriots already are the first team since the current post-season format was adopted in 1990 to get five consecutive first-round byes.

Denver (11-3) headed into Monday night's game at Cincinnati (9-4-1) with the AFC West secured. But a win against the Bengals would give the Broncos a first-round bye, and keep them on the heels of the Patriots for the top AFC seed. Their home game with Oakland (3-12) could have significance if Buffalo (8-7) upsets New England.

The Bengals were in position to grab a playoff berth by beating Denver on Monday night, and regardless will play at already-qualified Pittsburgh on Sunday for the AFC North crown.

Seattle quarterback Russell Wilson rushes for a TD against Arizona on Sunday. The 11-4 Seahawks have won five in a row. JOE CAMPOREALE/USA TODAY

Indianapolis (10-5) has the AFC South title and will be either the No. 3 or No. 4 seed. The Colts are at Tennessee (2-13), which has the inside track for the top overall draft pick through 15 games.

The remaining AFC wild-card spot could go to Cincinnati or Pittsburgh, barring winning the North division; San Diego (9-6); Baltimore (9-6); Houston (8-7); or Kansas City (8-7). The Chargers have the easiest task: win at Kansas City and advance.

But all of them remain alive heading to the weekend, with Jacksonville (3-12) at Houston, and Cleveland (7-8) at Baltimore.

The sixth NFC spot will go to the survivor in the South, where Atlanta (6-9) hosts Carolina (6-8-1). Yes, a losing team will not only make the post-season, but will be the No. 4 seed and host a game on wild-card weekend.

"It says a lot about the guys in here," Panthers tight end Greg Olsen said. "Every year you set out to try to win your division. We have one game left and it is right in front of us."

With Seattle, Arizona, NFC East champ Dallas, Green Bay and Detroit all at 11-4, byes are up for grabs. The Cowboys have the hardest road to get the top seed because the Packers host the Lions and both own the tiebreaker over Dallas. The Cowboys need a win in Washington (4-11), an Arizona loss and a tie at Lambeau. (Oops, didn't mean to throw draws into the mix, but in that case it's essential.)

For Green Bay to get the No. 1 spot in the conference, it must win and have Seattle lose. Detroit must win and have both Seattle and Arizona lose. As for earning a bye, the winner of Detroit-Green Bay gets one.

"It's what you play the game for," Lions quarterback Matthew Stafford said. "You play the game to play extremely meaningful games in December. They'll be excited for it. I know everybody in our locker room will be excited as well."

Associated Press

BIRTH AND DEATH NOTICES

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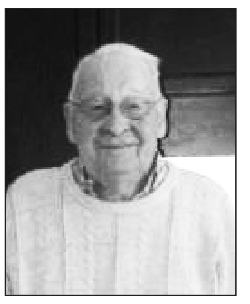
DEATHS

BERNSTEIN, Jenny (nee Stitsky)

On Sunday, December 21, 2014, peacefully at home. Jenny Bernstein beloved wife of the late William Bernstein. Loving mother and mother-in-law of Rochelle and Ronnie Rubinoff, and Jerry and Joy Bernstein. Dear sister of the late Annie Zimmerman. Devoted grandmother of Wendy, David, Daniel, and the late Jeffrey Rubinoff. Devoted great-grandmother of Jayme, and Halle. At Benjamin's Park Memorial Chapel, 2401 Steeles Avenue West (three lights west of Dufferin) for service on Tuesday, December 23, 2014 at 11:30 a.m. Interment Beth Shalom Synagogue section at Mt. Sinai Memorial Park. Shiva at 224 Maxwell Street. Memorial donations may be made to the Jeffrey B. Rubinoff Memorial Fund c/o the Toronto Foundation, 416-921-2035.



J. W. (JACK) BROWN

Passed away In Waterloo, Ontario on Monday, December 22, 2014, at the Grand River Hospital.

Born April 3, 1926, in St. Thomas, Ontario only child of Wesley and Mary Lilian Wainright Brown (both deceased). Dear cousin of Mary L. (Wainright) Davern (deceased).

Loving father of two daughters Pat (John Scherrer) of Elmira and Susan (Venning) of Hamilton and survived by their mother Betty.

Proud grandfather of seven boys, Edward, Andrew and Peter Scherrer; Josh, Jordan and Simon Gorle and Ben Venning; one great-granddaughter Samantha Gorle and two great-grandsons Daman and Keegan Gorle.

Fondly remembered by the Arthurs family and the Alsop family.

Jack graduated from Journalism in 1950, from the University of Western Ontario. Retired in 1991 as Secretary of the University of Waterloo.

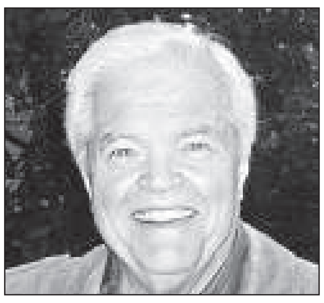
Visitation from 11 a.m. until 12 noon on Saturday, December 27, 2014, at the Erb & Good Family Funeral Home 171 King St. S., Waterloo. The Memorial Service will follow in the chapel of the funeral home at 12 noon with Rev. Brooke Ashfield officiating. Reception in the Fireside Reception Room.

Cremation has taken place with a private family interment at a later date.

Condolences for the family and donations to the Grand River Hospital Foundation or St. Mary's Hospital Foundation may be arranged through the funeral home www.erbgood.com or 519-745-8445.

The family extends their heartfelt thanks to all the Emergency Responders who cared for and assisted Jack.

DEATHS



RODERICK NEIL CAMPBELL
1940 - 2014

Rick Campbell died peacefully in Vancouver, December 17, 2014 after complications from asymptomatic acute pancreatitis.

Rick was a gregarious, kind and generous person. Born in Edmonton, Rick met the love of his life, Ellen Lund when he was 15 and she was 13. They married in 1962 and spent 52 happy years together with rarely a day apart. He is survived by Ellen, his three sons, Rod, Bruce and Derek, of whom he was sincerely proud, his daughters-in-law, Wendi, Kim and Amy, and his eight grandchildren, Mackenzie, Jack, Bronwen, Rachel, Nicole, Lucy, Chloe and Sam, all of whom he loved greatly.

Rick had a successful thirty-year career in the furniture business (Campbell's Furniture). Commerce was not, however, a true passion and he retired at a young age. Rick's real loves were family, friends, travel, art, gardening, cars, motorbikes, food and music. He and Ellen would host big, boisterous, music filled parties where friends of all ages could get together to sing and dance. Few things made him happier than a house overflowing with friends and family enjoying themselves.

Rick and Ellen filled the last twenty years with adventure and traveled to every corner of the earth. In between the trips they spent their retirement years at Bowen Island, Jasper, and Maui – three places they loved.

Rick epitomized one of his favorite sayings: "Living well is the best revenge." He brilliantly followed that advice and did so with style, class, and humility. Those of us lucky enough to call him a friend will remember his sense of humour, his appreciation of beauty, and his deep love for his family. He will be sorely missed.

The Campbell family will be having a small (family-only) service in keeping with his wishes.

The family would like to thank the doctors and nurses at OLVG Hospital (Amsterdam) and St. Paul's Hospital (Vancouver) for their extraordinary care.

Rev. Daniel W. Chui, C.S.B.

Suddenly in his room at the Basilian retirement home, Anglin House, on Sunday, December 21, 2014 after a three-year peaceful battle with esophageal cancer. He was born in Hong Kong on September 19, 1959, the son of the late Pui Chui and Ying Tang. He met the Basilian Fathers at the University of Saskatchewan, was professed on January 2, 1996 and ordained June 29, 2000. He then served as assistant pastor at Assumption Church, Windsor, ON for three years before being appointed as a teacher at St. Michael's College School while assisting in the formation of seminarians in the Congregation of St. Basil for four years. In 2007 he was sent to Holy Rosary Church, Toronto, ON where he became pastor early in the next year until his cancer caused him to leave in 2012. After being diagnosed that he was in remission he returned to Assumption Church in late 2012 until he returned to Toronto early this year to more easily access medical treatment. Daniel was well loved in the parishes in which he worked because he was unfailingly friendly and cheerful. Throughout his illness he impressed everyone with his peaceful acceptance of whatever was happening to him. This obviously demonstrated his deep faith in a loving God. He is survived by his mother Ying, his siblings Goretti, Sr. Maddalena F. M. A., Vincent, Christopher and nieces and nephews. Visitation will be held in the Chapel of the Cardinal Flahiff Basilian Center, 95 St. Joseph Street Toronto on Friday, December 26 from 2 p.m. to 4 p.m., and from 6:30 p.m. until a Wake Service at 7:30 p.m. Visitation will also be held on Saturday, December 27 from 9 a.m. followed by the Mass of Christian Burial at 10 a.m. in St. Basil's Church, 50 St. Joseph Street, Toronto. Burial will be at the Basilian plot at Holy Cross Cemetery, Thornhill, ON. In lieu of flowers, contributions can be made to the Basilian Fathers Retirement Fund, 95 St. Joseph Street, Toronto, ON, M5S 3C2

Rosar-Morrison Funeral Home & Chapel

Dr. Alice E. Courtney

Born 1936 in New York City, died December 3, 2014 in Toronto, Canada. PhD from Harvard Business School; Prof. Emeritus, York University School of Business. Disciple of his Holiness the Gyalwa Karmapa and Lama Namse Rinpoche. A memorial event will be held January 21, 2015, details to be posted at www.ksdl.org.

DEATHS

Ernest Hunter
April 14, 1928 - December 20, 2014

Passed away peacefully at St. Michael's Hospital, Toronto, after a brief illness. Survived by his beloved wife of 52 years Margaret (née Bateman), his sons John and Ian, his marvelous daughters-in- law Ghislaine McDayter and Ann Marie Murphy, and his grandchildren Sasha, Claire, Ciara, and Aidan. Please join the family at a memorial service to be held on Monday, December 29th, at 2:00 p.m., in St. Andrew's United Church, 117 Bloor St. East, Toronto.

Knowles, John "Jack" Devereux
July 26, 1923 - December 17, 2014

Peacefully at Toronto Grace Hospital at the age of 91. Loving brother of the late Douglas Knowles and the late Joan Knowles. Much beloved uncle of Karen (Larry Ryan), Ann (Harry Voorhees), Byard, and Cindy (Mark Kaczmarzyk) Knowles and the late Julie Knowles, Jack was the proud great-uncle of Cody, Kyle, Michaela, Simon and Adrian, and god-father to Barbara Gilles (nee Bennett). Jack was a veteran of the Second World War, serving with the Ontario Regiment of the Royal Canadian Armoured Corps as a Wireless Instructor. A dedicated member of the Royal Canadian Legion Colonel J.E.L. Streight Branch #210 Etobicoke, he served on the legion executive and as bulletin editor for a number of years. True to his life-long passion for street railways, after 30 years employment in the Planning department of the TTC, Jack continued to provide consulting services to the Hamilton Street Railway, as well as being an active volunteer for a number of railway societies, including the Upper Canada Railway Society, Canadian Transit Heritage Foundation, and the Ontario Electric Railway Historical Association, where he was a founding member and past officer of the Halton County Radial Railway. He was an avid and published photographer who will be greatly missed by his family and his many railway colleagues, as well as cottagers on Gull Lake in Haliburton. The family will receive friends at Turner and Porter, Yorke Chapel, 2357 Bloor Street West, Toronto on Friday, December 26, 2014, from 4-8 p.m. and Saturday, December 27, 2014, from 9:00 a.m. until time of Service in the Chapel at 10 a.m. Interment at St. John's Dixie Cemetery, 737 Dundas St. E. Mississauga. In lieu of flowers, memorial donations may be made to the Royal Canadian Legion Branch #210 Poppy Fund, the Ontario Electric Railway Historical Association, or a charity of your choice, and can be arranged by contacting the funeral home at (416) 767-3153. On-line condolences may be made through www.turnerporter.ca

Turner & Porter

RAGONETTI, John Freeman

Suddenly and tragically at the age of 58 years, from a cerebral hemorrhage at the Hamilton General Hospital on Saturday, December 20, 2014. John was born in New York, and grew up in Burlington, Ontario. He attended and graduated from Nelson High School as an Ontario Scholar. Initially postponing university, he joined the Canadian Armed Forces serving in the Navy on both ships and submarines. He then attended Royal Military College in Kingston, Ontario obtaining his Bachelor's and Master's Degrees. He was later commissioned an Officer in the Navy. After leaving the Forces, John attended and graduated from Osgoode Hall Law School. He practiced as a criminal defense attorney until his death. John is predeceased by his parents Frank Ragonetti and Barbara Ragonetti (nee Belling). John will be greatly missed by his many friends and colleagues. Deeply missed by his nieces and nephews that he loved so much: Benjamin, Samantha, Thomas and Kate. Cherished brother of Dr. Chris Ragonetti. "I will miss our weekly dinners, political debates and your history lessons." Visitation will be held at the DODSWORTH & BROWN FUNERAL HOME, BURLINGTON CHAPEL, 2241 New Street (at Drury Lane), Burlington, 905-637-5233 on Tuesday, December 23, 2014 from 4-8 p.m. Private cremation to follow. In lieu of flowers, donations may be made to the Joseph Brant Hospital. Online condolences may be made at
www.dbburlington.ca

FRANKLYN SCHWARTZ
12/22/2014

On December 22, 2014, Frank beloved husband of Lyla. Loving father and father-in-law of Brian and Robbie, Shalom and Debbie, David and Judy, Stuart and Fannie. Devoted grandfather of twenty-eight and loving great-grandfather of two. Frank is survived by his brothers Leonard (Jocelyn), Irwin (Myra), and his sisters-in-law, Esther (the late Jack Moldofsky), and Yetta (the late Harnold Martin). He will be missed by his entire family and friends. Funeral service will take place at Steeles Memorial Chapel at 1 p.m. Tuesday, December 23, 2014. Interment at Beth Tzedec Cemetery. Donations may be made to Aish Hatorah (901) 764-1818, Project Aseret (905) 477-0363 ext.224, or charity of choice.

DEATHS


JOHN GRAHAM 'JACK" SUTHERLAND

John Graham 'Jack" Sutherland passed away peacefully at home, December 16, 2014 in the presence of his family after a full life well lived. Son of the late Donald Gordon Sutherland and the late Charlotte Kidd of Bristol England, Wales and Winnipeg. Jack is the last of his generation that included his brothers Gordon and Hugh and his sister Majorie. Cherished by his loving wife of 67 years Mary-Louise (Nighswander) Sutherland, three children Anne (Gordon), Graham (Carole), Leslie (Ron), seven grandchildren Melissa, Lindsay, Robert, Michael, Alexandre, Jennifer and Andy, and two great-grandchildren, Elena and Ember.

Born August 21, 1923, Jack graduated from Gordon Bell High School and the University of Manitoba, where he completed a Bachelor of Science in Electrical Engineering in 1945 followed by graduate studies at Queens University. At the U of M, he was an active member of the Glee Club specializing in lead roles in many musical productions with a particular love of anything to do with Gilbert and Sullivan. It was in his role as Robin Oakapple in Ruddigore where he first met Mary-Louise playing Mad Margaret, a meeting that would lead to marriage September 6, 1947. Throughout their 67 years together, music was a common interest and avocation.

Jack started his professional career with RCA Victor in Montreal Quebec, becoming Vice President - Telecommunications at the young age of 39. Jack led the high tech and research division that resulted in, among other things, the research, development and launch of the Alouette and Anik communication satellite series. He was also associated with the development of the DEW line and mid Canada Radar communication line. During his 27 years with RCA, he worked in 27 countries often for extended periods up to 6 months.

In 1971, Jack became President of RCA Iran, where his main responsibility was to establish telecommunications via microwave stations to connect Iran, Turkey, Afghanistan and Pakistan. He also led the establishment of the communication network necessary to support the celebrations of the 2500th anniversary of Persian Empire in 1973. Upon return to Canada the following year, he joined Canadian Pacific and became President and CEO of the newly formed CNCP Telecommunications, an organization which was one of the first in Canada to provide pan-Canadian telephone, television, and telex communication systems. Jack retired in 1987 and throughout 28 years of healthy, active retirement, enjoyed participating on many boards, communicating with global friends through his HAM radio moniker VE2 AAQ, voracious reading, and world travel all the while ensuring that his children knew that he continued to be the "Master of the Game" in all family matters. A man of sharp intellect, fierce loyalty to his family and friends and a well-developed wry wit he will be remembered with great affection and warmth.

Private funeral services have been held. A celebration of life will take place Saturday January 17th, at 10:30am in Toronto at St George's on the Hill Anglican Church, 4600 Dundas Street West, Etobicoke, Ontario, M9A 1A5 (416 239 2341) with a reception to follow. In lieu of flowers, donations to the Dorothy Ley Hospice, 220 Sherway Drive, Etobicoke, M9C 0A7 would be gratefully received.

JANET ALEXANDRA THOMPSON
(NEE RAYSBROOK)

Janet will be lovingly remembered by her husband John, children Chris (Jennifer), Hilary (Glen Barisoff) both of North Vancouver, grandchildren Jack Thompson, Ben and Molly Barisoff, and her sister Margaret Joy of Ancaster. Janet lived life to the fullest and treasured her many friends. She enjoyed golfing, tennis, skiing, painting and bridge. In the manner that she coped with her illness, she inspired many people. The family would like to express its sincere appreciation for the strong ongoing support and excellent medical care of her physicians and nursing staff at the LRCC as well as her visiting VON nurses and her palliative care team. Everyone who would like to share memories of Janet and join the family in celebrating her life are invited to the London Hunt and Country Club, 1431 Oxford Street West, London on Tuesday, December 30 from 4 to 7 p.m. In lieu of flowers, memorial contributions to the Women's Christian Association, Victorian Order of Nurses or a charity of your choice would be appreciated. (www.HarrisFuneralHome.ca)

Thomson, Henry Vincent

Peacefully on Saturday, December 20, 2014 in Tweed, Ontario in his 92nd year. Vincent, beloved husband of the late Eileen. Dear father of Bev Thomson and Gail, and her husband Steve Anderson. Loved grandfather of Jacqui, Cait and Owen. Survived by his sister Sylvia Kennedy. Visitation will take place at the Kopriva Taylor Community Funeral Home, 64 Lakeshore Road West, Oakville (one block east of Kerr, 905-844-2600) from 1-3 p.m. Saturday, December 27, 2014 with a service celebrating Vincent's life at 3 p.m. in the Kopriva Taylor Chapel. In lieu of flowers, memorial donations can be made to the Alzheimer Society of Canada, www.alzheimer.ca/en.
Condolences through
www.koprivataylor.com

JOSEPHINE ANN (JOANN) WOODS
(NEE GREGORY)

Passed away peacefully on December 20, 2014 in Windsor. Predeceased by her loving husband, Robert (2010) and her sister, Mary E. Turnbull (2005). Dear sister of Ruth Gregory and Carol MacNicol and sister-in-law of George Turnbull and Nicol MacNicol, all of Toronto. She will be missed by her nieces and nephews and their families. Born and raised in Windsor, JoAnn attended Walkerville Collegiate, the University of Toronto and the Sorbonne. She began her teaching career at W.D. Lowe Vocational School, then joined the Canadian Foreign Service and served at the Canadian Embassies in Belgrade and Cairo. Returning to Windsor, she taught French at Patterson Collegiate until it closed in 1973. At her request, cremation has taken place. A graveside service followed by a celebration of JoAnn's life will be held in the spring of 2015 at Greenlawn Memorial Gardens (Hwy 3) (details to follow closer to the date). In lieu of flowers, memorial tributes in her name may be made to the Windsor Symphony Orchestra or the Windsor Regional Hospital Foundation. Arrangements entrusted to Victoria Greenlawn Funeral Home (519-969-3939).

DEATHS

MICHAEL STEWART SHAW
SEP 15, 1932 - DEC 21, 2014

A gentle man and a gentleman, Michael died at home with family at his side. He will be missed dearly by his soul mate Robina - "Bobbi" - and their cherished children Yasmina-Hilary (Norbert), Alexa-Frances (Brian), Patrick (Leea) and Ian, and by his beloved grandchildren, Simone, Devon and Harris. He will be remembered lovingly by his extended family in Ireland, Australia and New Zealand, especially by brother Philip (Sally), nieces Paddy, Carey and Tracey, and nephew Thomas.

Born in New Zealand, Michael's career began as a reporter at the Wanganui Herald and then the Dominion, Wellington's principal daily. His interest in Canada was sparked and nurtured by reading the books of Grey Owl as a child. Michael worked his passage as a deck hand on a freighter bound for Liverpool, finally arriving in Canada in 1954. Here he continued his career in journalism as a newspaper reporter, then as a writer, editor and public relations and communications consultant in Montreal, Windsor and Toronto. A member of the Royal Canadian Yacht Club for 30 years, Michael was an avid sailor and spent his last 10 working years in Kingston where he served as the Executive Director of the Ontario Marina Operators Association.

While professionally successful, Michael was devoted to his family and friends, always keen for the next adventure. He and Bobbi travelled widely, taking backpacking trips to the Greek Islands, visiting both the Arctic and the Antarctic and volunteering in Bolivia with Canadian Executive Service Overseas. Closer to home, he was an active contributor to community life in Barriefield and Amherst Island and an enthusiastic member of the Kingston chapter of the Taoist Tai Chi Society. He eagerly embraced new experiences and new acquaintances, and his friends were many. All will miss his infectious zest for life, his graciousness and lively sense of humour. His unflagging courage while living with cancer these past few years will never be forgotten.

The family sincerely thanks all the wonderful friends who gave Michael their commitment, compassion and support during the last year of his illness. Along with the love of his wife, children and grandchildren, your presence brought a tremendous joy and comfort to Michael on his final voyage. The family thanks the caring staff of the KGH Cancer Centre, and is especially grateful for the kindness shown to Michael by the palliative care team. Thank you also to Saint Elizabeth, Care Partners, VON, CCAC and to Hospice Kingston whose services were invaluable. In lieu of flowers, donations in Michael's memory to Médecins Sans Frontières / Doctors Without Borders would be appreciated.

A funeral service will be held at St. George's Cathedral, 270 King Street East, Kingston, on Saturday, December 27, at 12:00 noon. A reception will follow in the Great Hall of St. George's. All are invited to attend. Arrangements entrusted to the Robert J. Reid and Sons Funeral Home 309 Johnson Street, Kingston 613-548-7973. ReidFuneralHome.com

FUNERAL SERVICES

BASDEKA, Dwan
Service Tuesday 2 p.m.
Calvin Presbyterian Church

LANSDOWN, Edward L., M.D., F.R.C.P. (C)
Celebration of Life
Sunday January 11 3-6 p.m.
The Donalda Club

LITCHFIELD, Mary Margaret
Arrangements to be announced

McCUTCHEON, Elizabeth
Private Arrangements

McLEOD, Keith Alwyn, Ph.D.
Service Saturday January 10 1 p.m.
Visitation Centre Mt. Pleasant Cemetery

RUSSELL, Marlene
Service Tuesday 3 p.m.

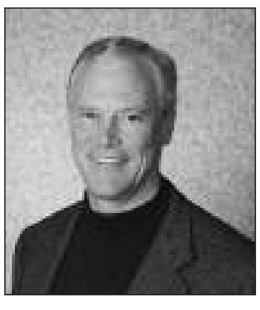
SAWYERS, Stuart Leonard
Service Monday, January 5, 4 p.m.
Rosedale United Church

TEIXEIRA, Joao (John)
Service Tuesday 1 p.m.

Humphrey Funeral Home
A.W. Miles-Newbigging Chapel
416-487-4523

IN MEMORIAM

In Memoriam



JOHN KEITH MACDONALD
MAR 15, 1943 - DEC 23, 2013

To our dear husband, father, and grandfather,

One year ago today, you slipped away - as always, preparing the way for your family. Everyday, we miss your powerful presence in our lives and your kind and loving ways. We know you always will be with us in spirit. We miss you and love you.

April, Sheryl, Kimberly, Susie, Jenny and families

IN LOVING MEMORY

Marjory Elizabeth Warburton
April 2, 1905 - December 23, 1982

Edmund Arthur Warburton
May 5, 1900 - December 26, 1983

At this time of year we reflect on our years with both of you with love and caring.

We miss you and use your wisdom daily.

– Love, Joan, Ted and families

FUNERAL SERVICES

BENJAMIN'S
PARK MEMORIAL CHAPEL

MONDAY
GOLD, Sarah - 10:00 Chapel.

TUESDAY
BERNSTEIN, Jenny - 11:30 Chapel.
LOBEL, Goldie - 1:00 Jewish Memorial Gardens, Ottawa.

SHIVA
WAISGLASS, Helen - 1 Clark Avenue West, # 710, Thornhill, Ontario.
FAYMAN, Ralph - 1545 Jarvie Crescent, Milton, Ontario.
GOLD, Sarah - 11 Townsgate Drive, #1006, Thornhill, Ontario.

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Obituaries

JOE COCKER SINGER, 70

His raspy voice was just part of his legend

He stood out for his memorable Woodstock performance of With a Little Help From My Friends and his manic movements on stage

DAVID BAUDER NEW YORK

Joe Cocker, the raspy-voiced British singer known for his frenzied cover of *With a Little Help From My Friends*, the teary ballad *You Are So Beautiful* and a contorted performing style uncannily parodied by John Belushi on *Saturday Night Live*, has died. He was 70.

His London-based agent, Barrie Marshall, said Mr. Cocker died Monday of lung cancer in Colorado, where he has lived for the past two decades.

Mr. Cocker, an interpreter more than a writer, became a star through his dazzling transformation of the Beatles' *With a Little Help From My Friends*. Featuring a gospel-styled arrangement and furious call and response between Mr. Cocker and the backing singers, the song became a No. 1 hit in England and the highlight of his characteristically manic set at the Woodstock festival in 1969.

His appearance there, captured in the 1970 concert film *Woodstock*, established him as one of pop's most powerful and irrepressible vocalists. With his tie-dyed shirt and shaggy mutton-chops soaked in sweat, Mr. Cocker, then 25, pleadingly teased out the song's verses – "What would you do if I sang out of tune? Would you stand up and walk out on me?" – and threw himself into repeated climaxes, lunging and gesticulating in ways that seemed to imitate a guitarist on a heroic solo.

In a statement Monday, Paul McCartney remembered hearing Mr. Cocker's cover of the song he and John Lennon co-wrote for Ringo Starr and finding it "just mind blowing," a "soul anthem."

"I was forever grateful for him for doing that," Mr. McCartney said. "I knew him through the years as a good mate, and I was so sad to hear that he had been ill and really sad to hear today that he had passed away."

On Twitter on Monday, Mr. Starr wrote: "Goodbye and God bless to Joe Cocker from one of his friends."

Mr. Cocker's "Mad Dogs & Englishmen" tour and travelling party of 1970, featuring Leon Russell and numerous top session musicians, produced a film and a recording that went gold. But future success was more sporadic, and Mr. Cocker suffered from both drug and financial problems.

He had a top-10 hit in 1975 with *You Are So Beautiful*, his voice cracking on the final, emotional note, and won a Grammy Award in 1983 for his *Up Where We Belong* duet with Jennifer Warnes, the theme of the movie *An Officer and a Gentleman*.

His cover of Canadian singer Bryan Adams's *When the Night Comes* was featured in the film *An Innocent Man* and became a top-20 single in 1990.

Mr. Cocker, who received an Order of the British Empire in 2011 for his contribution to music, released 40 albums and continued to tour after the hits stopped. His other popular covers included *Feelin' Alright*, *The Letter* and *Cry Me a River*, a song previously recorded by one of his greatest influences, Ray Charles.

Joe Cocker, seen here in 2002, began performing in clubs with bands that covered R&B performers such as Ray Charles. FABRICE COFFRINI/ASSOCIATED PRESS

Joe Cocker's cover of With a Little Help From My Friends was the highlight of his characteristically manic set at the Woodstock festival in 1969. DON HOGAN CHARLES/THE NEW YORK TIMES

Mr. Cocker's voice, at times so worn it seemed in danger of shredding, was just one part of his legend. No fan could forget his intense, twitchy stage presence, his arms flailing, his hips stretching, his face contorting. Among those watching were Mr. Belushi, whose expert imitation became a feature of his early National Lampoon shows and eventually a part of popular history when he joined Mr. Cocker in 1976 for a duet of *Feelin' Alright* on *Saturday Night Live*.

Years later, Mr. Cocker said in an interview that he was playing an imaginary piano and air guitar while singing – the elements that contributed to this unique style. "That was the frustration of not being able to play, really," he said.

He was born as John Robert Cocker on May 20, 1944, in Sheffield, England, the younger of two sons of Harold and Madge Cocker, according to a 2003 biography by J.P. Bean.

His father, who was away serving in the Royal Air Force, didn't see the child until he was three months old. After the war, his father was a civil servant and his mother worked as a waitress, Life magazine reported in 1971.

Joe Cocker left school at 16 and began studying for a trade. He also started performing in clubs with bands that covered American R&B performers such as Ray Charles. His early groups included Vance Arnold and the Avengers and the Grease Band, which backed him on *With A Little Help From My Friends*.

"He told me he didn't want a job where he worked for years and years and then got presented with a gold watch at the end," his mother said, according to the Life article.

Mr. Cocker moved to Crawford, Colo., a town of fewer than 500 people, in the early 1990s. He and his wife, Pam Baker, whom he married in 1987, ran a children's educational foundation, the Cocker Kids Foundation, that raised funds and made grants for education, recreation, the arts and athletics. They also ran the Mad Dog Cafe for several years in town, said Tom Wills, publisher of The North Fork Merchant Herald, a local newspaper.

Mr. Wills said Mr. Cocker bought about 40 acres of property and built a hillside mansion – which he called Mad Dog Ranch – when he moved to Colorado.

He leaves his wife, Pam; a brother; a step-daughter and two grandchildren.

Mr. Cocker stepped back from performing by the mid 1970s. He returned in the 1980s with a smoother-edged style. His version of Randy Newman's *You Can Leave Your Hat On* was a highlight of the 1986 film *9½ Weeks*.

His most recent album, *Fire It Up*, was released in 2012.

"Making an album, to me, is a bit like making a painting," Mr. Cocker said in his website biography. "You've got 12 songs, and it's colour – I don't like everything to be one mood."

At a concert earlier this year, singer Billy Joel referred to Mr. Cocker "a great singer who is not very well right now." He added, "I think he should be in the Rock and Roll Hall of Fame. I'm amazed that he's not yet, but I'm throwing in my vote for Joe Cocker."

Associated Press, with files from Bloomberg News and New York Times News Service

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LIVES LIVED

Josephine Feairs

Wife, mother, grandmother, veteran newspaper correspondent. Born on Jan. 17, 1917, in Mankota, Sask.; died on Oct. 21, 2014, in Mount Forest, Ont., of natural causes, aged 97.

For nearly 70 years, Josephine Feairs wrote a weekly column of social notes from the tiny hamlet of Cedarville, Ont., for two local newspapers. She was perfect for the job, living her entire adult life in the small community.

Martha Josephine McGladdery was born in Mankota, Sask., the eldest of seven children. Josie often talked about her early life "out west" with stories of driving her brothers and sisters to their one-room school by horse and cutter, sometimes racing with other students. They loved softball and cricket, even playing in the snow in winter.

In 1937, when Josie was 20, she and her siblings and their widowed mother crossed the country by passenger train, with all their possessions in one boxcar and their horses and livestock in another. They settled on a farm near Cedarville, where the family joined Morrison United Church.

Through the church youth group, which put on plays, musical events, garden parties in the summer and skating parties in the winter, Josie met her future husband.

James Feairs, who worked as a plumber, tinsmith and a linesman for the local phone company, also loved to read, sing and write poetry.

The couple married in 1941 and settled in Cedarville where they raised five daughters and a son. Their family eventually grew to include six grandchildren and six great-grandchildren.

Josie was deeply involved in her community. She served as an elder and a Sunday school teacher at Morrison United, and was a member of groups such as the United Church Women and the Cedarville Women's Institute. She helped to organize dances, euchre parties, quilting bees and variety concerts, as well as to raise money in support of the church and its missions both locally and overseas.

She shared Jim's love of music, writing and history. In 1943 the couple began writing a weekly news column – free of charge – for the Mount Forest Confederate and the neighbouring Dundalk Herald. Each week, their "Cedarville News" welcomed new babies, chronicled weddings, gave updates on the sick and shut-ins in the community, and provided a synopsis of the Sunday church service. Sympathy was expressed to those who had lost loved ones, along with a succinct biography of the deceased.

They didn't just write the news, they crafted the column. Their children remember them reading aloud what they had written to make sure it flowed nicely, that they had not repeated words too often and that it was accurate, before calling the newspaper office and dictating it to the person who answered the phone.

After Jim died in 1994, Josie continued the column. She often began her pieces with a poem, either a classic remembered from her school days or an original verse written by her husband. She kept on as the correspondent until ill health forced her to retire in 2011.

In 2000, the Ontario Community Newspaper Association commemorated its 50th anniversary by recognizing 50 individuals who had made memorable contributions to the industry in the previous half-century. Josephine Feairs was among the honorees, along with newspaper owners and publishers.

The Cedarville News is no longer part of the Mount Forest Confederate and the Dundalk Herald. Both newspapers are poorer for the loss.

Lynne Turner is a long-time friend of Josie and former editor of the Mount Forest Confederate.

To submit a Lives Lived: lives@globeandmail.com

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