

### Timepiece is on your side

Cellphone etiquette demands that you not interrupt a face-time conversation to see who's bugging you now. Thus Sony Ericsson has developed a wristwatch that communicates wirelessly with your cellphone: It can vibrate and light up with an incoming phone number, or caller ID. A quick glance at your watch, which is still considered polite, will tell you if you can ignore the call and may even get that chatty acquaintance to move along.

THE VANCOUVER SUN

SECTION  
**E**  
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# BUSINESS BC

THE RICH GET RICHER IN CHINA | E3

SMART MONEY PERSONAL FINANCE GUIDE | E5

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FRIDAY, JANUARY 19, 2007

E-mail sunbusiness@png.canwest.com

#### WORKING IT OUT



'I'm just a junior honcho. The head honcho's office is down the hall.'

#### FLYING UNFRIENDLY SKIES

**Generous U.S. defence contractor** Northrop Grumman is testing an anti-missile system on a FedEx jet that it expects to one day install on commercial airliners. The Guardian system is attached (it looks like a giant egg with eyes) to the underbelly of a FedEx MD-10 cargo jet even as we write this. Guardian is designed to detect a missile launch and then direct a laser to the seeker system on the head of the missile and disrupt its guidance signals. The idea is to protect airliners from shoulder-fired missile launchers. The laser is eye-safe, Northrop Grumman says, meaning we're not going to be blinded by any test firings. Gee, we feel safer already. (No passenger plane has ever been downed by a shoulder-fired missile outside of a combat zone. But terrorists linked with al-Qaida are believed to have fired two such missiles that narrowly missed an Israeli passenger jet in November 2002.)

#### BUSINESS BC SATURDAY

**HOLD THE IPHONE:** Apple's iPhone won't be in stores until June, but already the complaints are pouring in.

#### B.C. SNAPSHOT

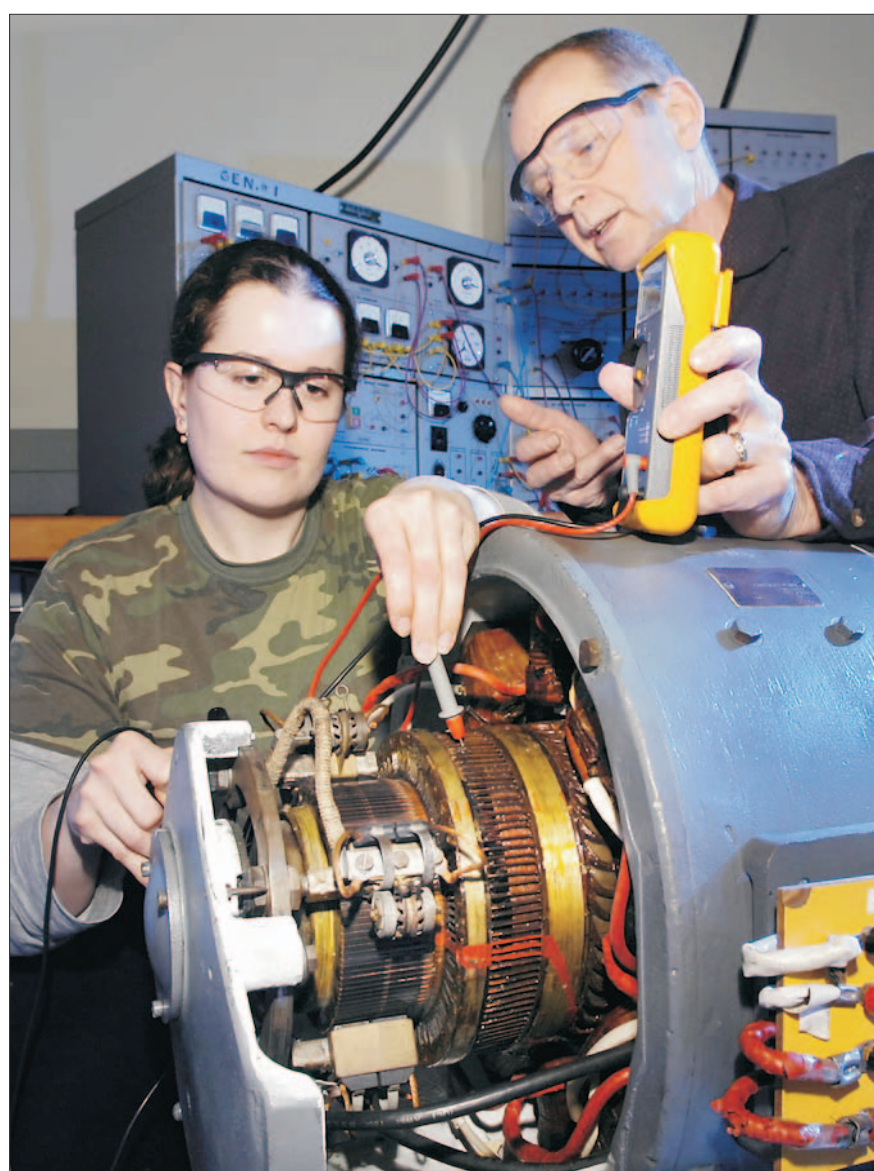
##### Keeping pace

In a recent Pollara Inc. survey, B.C. had the second-lowest percentage of respondents saying they thought their household incomes would keep pace or more than keep pace with the cost of living in 2007. Blame double-digit percentage increases in B.C. home prices last year, for starters.

Household income will keep pace/more than keep pace with cost of living in 2007

B.C.	56%
Alberta	63%
Prairies	63%
Ontario	59%
Quebec	70%
Atlantic	53%
Canada	61%

Source: Pollara Inc.



MARK VAN MANEN/  
VANCOUVER SUN

**Student Michelle Philpott, 26, works with instructor Dag Stenerud on a generator as part of the BCIT electrical program that has a waiting list of up to three years.**

#### Desperately seeking trades skills

These numbers indicate many more young people in B.C. are responding to the need for trades skills during the province's construction boom. The question is, will they be enough?

**18%**

Of B.C. high school students plan to pursue a trades program or apprenticeship.

**7%**

Of B.C. high school students planned to pursue a trades program or apprenticeship four years ago.

**4,000**

Young British Columbians are in apprenticeship programs now.

**861**

Young British Columbians were in apprenticeship programs in 2004.

**18,135\***

Number of new construction workers the Canadian Construction Association estimates B.C. will require by 2009 to build all the expected projects. Unfortunately that number doesn't take into account . . .

**22,644**

Number of B.C. construction workers the association estimates will retire between now and 2014.

Sources: Industry Training Authority, Canadian Construction Association

## Trades trainees face long delays

**EDUCATION | People wishing to learn construction skills may have to wait as long as three years**

BY BRIAN MORTON  
VANCOUVER SUN

Michelle Philpott knows the meaning of patience. The 26-year-old student, who is now training to be an electrician, waited three years to get into B.C. Institute of Technology's electrical trades program — a wait that, although shorter now, is not unusual for students hoping to enter the trades in B.C.

"It was frustrating because they don't tell you it'll be three years," Philpott said in an interview. "They just call. You have no idea how long it will be, and there's no guarantee you'll get in the program. "I just found out a month before I started," added Philpott, who began classes in September. "It was panicky, but I was ecstatic. I was absolutely excited to get it started."

While Philpott's wait was longer than most in the electrical field, the demand for training in the trades is creating a

bottleneck for students with little relief in site, according to the dean of BCIT's school of construction and the environment.

"We have wait lists in just about all areas," John English said in an interview. "It comes down to capacity, and there are only so many buildings, tools and instructors."

"We are at capacity with the resources we have at the moment."

In some cases, he said, the wait to get into programs at BCIT, the largest institution of its type in B.C., can be years.

"Electrical, plumbing and carpentry are the major ones," he said. "[The wait] can be months to years. If we wanted to add more carpentry, we'd be challenged for space. If we wanted to add electrical, we'd be challenged to find equipment."

English said that demand is so high that companies are increasingly training their own people.

See **CONTRACTORS OFFER** E4

## Slower growth expected after 2010

**B.C. | But disposable incomes forecast to be up by 15.4% by then**

BY MICHAEL KANE  
VANCOUVER SUN

B.C.'s robust economic growth will slow after the province hosts the 2010 Olympics, according to a five-year economic forecast released Thursday.

But disposable incomes will be up by 15.4 per cent by then, the best five-year performance in the past three decades, the province's Credit Union Central says.

And economic growth in 2011 will still be a healthy 3.4 per cent after inflation, not far short of the 3.8 per cent expected this year and 3.6 per cent forecast for 2008.

"I think a growth spike in 2010 is just a normal consequence of a one-time event like the Olympics," Helmut Pastrick, the Credit Union Central's chief economist, said in an interview. "We have seen these kinds of situations in the past, and it is no cause for alarm."

The forecast calls for growth over the next five years to match the pace of the past five years, peaking at 4.6 per cent in 2010.

More importantly, total investment spending, excluding residential spending, is expected to grow by more than 45 per cent, almost double the rate of the previous five years. More investment is considered critical to improving productivity and incomes.

Along with consumer spending, Pastrick says business investment will supplant slowing residential investment as the largest contributor to overall growth. No major housing market correction is expected, with in-migration and rising incomes sustaining demand.

While machinery and equipment investment appears to be on a strong growth trend, he cau-

See **MODERATE RISE** E2

## Higher prices fuel real estate record

BY FIONA ANDERSON  
VANCOUVER SUN

**2006 FIGURES |** The value of residential real estate sales in B.C. reached a record \$37.8 billion in 2006, up seven per cent from 2005, fueled by higher house prices at a time when the number of sales dropped.

In 2006, B.C. realtors sold just under 97,000 homes through the Canadian Real Estate Association's marketing network, the Multiple Listing Service, a nine-per-cent drop from 2005's record of 106,000. But an 18-per-cent increase in the average price of a home in the province — from \$332,137 to \$390,760 — pushed the value of the sales to the record.

The British Columbia Real Estate Association, which represents the province's 12 regional real estate boards, expects the number of

See **MORE 'BALANCED'** E2

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## NOTICE OF SETTLEMENT PRE-86/POST-90 HEPATITIS C CLASS ACTIONS

### The Settlement

The Government of Canada has agreed to settle several Class Action lawsuits commenced on behalf of people who became infected with the Hepatitis C virus from receiving Blood and Blood Products in Canada prior to 1986 and after July 1, 1990. The proposed Settlement is not yet final and must be approved by the Courts. Courts in British Columbia, Alberta, Ontario and Quebec will hold public hearings to approve the Settlement. Class Members and their families are entitled to give their views on the fairness of the Settlement to the Courts. If the Courts approve the Settlement, further notices will be mailed to Class Members, posted on the Internet and published in newspapers explaining how Class Members may apply for compensation under the Settlement or choose to be excluded from the Settlement.

To settle the lawsuits, the Government of Canada has agreed to establish a Compensation Fund in the amount of \$962 million. People primarily or secondarily infected with Hepatitis C as a result of Blood received in Canada during the period from January 1, 1958 to December 31, 1985 and the period from July 2, 1990 to September 28, 1998 may apply for compensation under the Settlement. Estates of infected Class Members who have died, family members of infected Class Members, and dependants of infected Class Members whose death was caused by their infection with the Hepatitis C virus may also apply for compensation.

Under the terms of the Settlement, the Government does not admit liability.

Approved claimants will receive lump sum compensation based upon their age, current disease level and the probability of disease progression in the future. Compensation is also available for people who have lost income or household services as a result of their infection with Hepatitis C, for estates of infected Class Members who have died, and for dependants of claimants whose death was caused by their infection with the Hepatitis C virus. If the Settlement is approved by the Courts, Class Members should be able to apply to receive compensation from the Settlement in the first half of 2007.

At the Settlement approval hearings, Class Counsel will request that their legal fees of approximately \$37.29 million (plus GST and PST, where applicable) be approved by the Courts. The Government of Canada has agreed to add that amount to the settlement fund, as well as an amount for the administration of the settlement, so that no legal fees or administration expenses will be deducted from the \$962 million negotiated for Class Member compensation.

To read a complete version of the Settlement Agreement and for more information please visit: [www.pre86hepc.com](http://www.pre86hepc.com)

The Courts in Québec, Alberta, Ontario and British Columbia must still approve the settlement. Hearings will be held in the following cities on the following dates:

Toronto	Vancouver
<b>February 5, 2007</b> The Courthouse 361 University Avenue Toronto, Ontario	<b>February 21, 2007</b> The Law Courts 800 Smythe Street Vancouver, B.C.
Montreal	Edmonton
<b>February 7, 2007</b> Palais de Justice de Montréal 1, rue Notre-Dame Est Montréal (Québec)	<b>February 28, 2007</b> Court of Queen's Bench of Alberta Edmonton Law Courts Building 1A Sir Winston Churchill Square Edmonton, Alberta

### How to Comment on the Proposed Settlement

Class members who wish to make submissions to the Court in support of or in opposition to the Settlement or class counsel fees should provide notice to the court by sending a written submission to the address below. Class members should choose where to send their submissions based on where they live. Submissions are optional and must be made no later than three business days prior to the applicable hearing date. The written submissions should include:

- the Class Member's name, address and telephone number;
- the date and place that the class member received Hepatitis C contaminated blood;
- if the Class Member is secondarily infected, the date and place that the primarily infected person received Hepatitis C contaminated blood;
- a brief statement of the reasons that the Class Member is supporting or opposing the Settlement;
- whether the Class Member plans to attend at the Settlement approval hearing.

The Representative Plaintiffs and their lawyers in each jurisdiction will all recommend that the Courts approve the proposed Settlement.

### More Information

Please do not contact the Court or the Government of Canada directly about this Settlement as they are not permitted by law to answer your questions. For more information about this Settlement or these class actions, please contact:

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## Forestry employers honoured for completing safety audits

BY MICHAEL KANE  
VANCOUVER SUN

Sixteen B.C. forestry employers will be honoured by Premier Gordon Campbell today for being the first to successfully complete comprehensive independent safety audits.

The firms have been certified under the SAFE (Safety Accord Forestry Enterprise) Companies program announced a year ago to combat persistently high death and injury rates in the industry.

Developed by the BC Forest Safety Council in conjunction with industry and WorkSafeBC, the program requires firms to build a culture in which the health and safety of all workers is an overriding priority.

Earlier this week, the forest safety council reported that 12 lives were lost in the woods in 2006, down considerably from 43 in 2005 and the lowest toll ever

recorded.

However, Roger Harris, the council's ombudsman, noted that 12 deaths were still unacceptable, and warned that safety could be severely compromised by growing labour shortages and unresolved liability concerns.

More than 250 companies have applied for SAFE Companies registration since November. The first 16 to be certified will be recognized today at the Truck Loggers Convention in Vancouver.

"The success of these companies in achieving certification in just one year is a sign of their commitment to safety," Campbell said in a release.

"Forest safety is everyone's priority and we all share the same goal of having zero fatalities in the forest industry."

Certified companies benefit from reduced injuries and lost time, and are eligible for an annual rebate on their WorkSafeBC

assessment premiums.

The first SAFE-certified companies (with the number of employees in brackets) are:

Balcaen Consolidated Contracting in Vernon (56); Canadian Forest Products in Fort Nelson (37); Canadian Forest Products in Prince George (90); The District of Mission (7); HFN Forestry in Bamfield (9); Ivy Green Log Scaling in Nanaimo (8); JoR Contracting in Black Creek (16); Lo-Bar Log Transport in Prince George (29); Mecredy Cruising and Forest Consulting in Campbell River (11); MOH Creek Contracting in Parksville (16); Munson Equipment in Chase (17); Sibola Mountain Falling in Prince George (17); Sitka Silviculture on Quadra Island (17); Westpine Contractors in Quesnel (16); Weyerhaeuser in Kamloops (65); W.R. Addison Loading & Hauling in Nanaimo (12).

mkane@png.canwest.com

## More 'balanced' conditions ahead

From EI

sales to continue to slow, dropping to 93,600, or by three per cent, in 2007. Prices, however, are expected to keep heading upward, albeit at a slower pace.

"The market is certainly trending toward more balanced conditions," BCREA's chief economist Cameron Muir said in an interview. "Underpinning the market today are some pretty solid fundamentals. Employment growth is strong, we have unemployment near record lows, we have wages in many sectors growing several times the rate of inflation, and we have fairly good migration numbers to the province."

At the same time, mortgage rates are expected to remain flat in 2007, Muir said.

"The one thing that's not as positive is home prices," he said. "Some home buyers are feeling the squeeze, and as a result we're in a priced affordability squeeze. As a result, some potential home buyers are finding themselves unable to afford to buy the home they desire."

While the slowdown in activity began last July, the number of sales in 2006 was still the second-highest on record, behind only a record-breaking 2005.

"So there is still a high number of sales from a historical perspective. It's just we're no longer ramping up to ever-new records of home sales in the province," Muir said.

The most active market in 2006 continued to be Greater Vancouver, with 36,479 sales worth \$18.6 billion, compared to 42,222 sales worth \$18 billion in 2005. That's a 13.6-per-cent drop in volume, yet a 3.4-per-cent increase in value.

The slowest market was Powell River, which had only 293 sales, down 30 per cent from the 421 sales in 2005. The value of those sales were also down, from \$70.1 million in 2005 to \$60 million, a 15-per-cent drop.

The greatest increase in activity was in Northern B.C., which includes Prince George and Prince Rupert. There sales were up nine per cent, to 5,609 from 5,130, with the value of sales up 31 per cent.

fionaanderson@png.canwest.com

## Moderate rise in migration seen

From EI

tions that productivity improvements are likely to be gradual. "It's not like in 2012 all of a sudden there will necessarily be a big boost in productivity."

Business investment is being encouraged by a labour market that will continue to tighten as economic growth and the aging population drives the unemployment rate below 4.0 per cent. Migration from other provinces is forecast to rise only modestly because Alberta's economic attraction will continue to be stronger.

Labour shortages are expected to hold back overall growth while pushing up wages. Pastrick forecasts personal incomes to grow by more than six per cent a year during the next five years, aided by moderately higher interest rates that will boost investment income.

After-inflation disposable income per person, in 1997 dollars, is estimated at \$21,549 in 2006, up 3.3 per cent from \$20,861 in 2005. By 2011, the forecast calls for this to rise 15.4 per cent to \$24,857, the best five-year growth performance in 30 years.

While investment and consumer spending will drive growth, Pastrick anticipates further deterioration in external trade. B.C.'s international competitiveness is waning due to a stronger dollar and higher internal costs, along with more competition and slowing demand in traditional export markets.

Industries with above-average growth prospects are construction, retail and wholesale trade, non-resource manufacturing, and finance, insurance, real estate and leasing services.

Growth in transportation-warehousing and electric utilities will accelerate through to 2010, as more capacity is added, while output in accommodation and food services is expected to shoot up during the Olympics.

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## SURVEY OF MORTGAGE RATES

Source	1st Mortgage Rates (closed)								1st Mtg. (open)	
	6mo	1yr	2yr	3yr	4yr	5yr	7yr	10yr	6mo	1yr
Bank of Montreal	6.45	6.50	6.60	6.60	6.60	6.65	6.95	7.40	8.25	8.65
Canadian Western Bank	6.45	6.50	6.60	6.60	6.60	6.65			8.25	8.65
CIBC	6.45	6.50	6.60	6.60	6.60	6.65	6.95	7.40	8.25	8.65
Coast Capital Savings	5.40	5.40	5.35	5.35	5.30	5.20	5.55	5.75	6.40	6.40
Concentra Financial	6.30	6.30	6.40	6.40	6.40	6.45	6.85	7.20	8.15	8.45
Envision C.U.	6.45	6.50	6.60	6.60	6.60	6.65	6.95	7.40	8.25	8.60
Firstline Mortgages			5.72	5.54	5.51	5.39	5.73	5.94		
First National Financial	5.75	4.99	4.99	5.15	5.15	5.09	5.45	5.60		
G&F Financial Group	6.35	6.30	6.40	6.40	6.40	6.45	6.85		8.15	8.45
HSBC	6.45	6.50	6.60	6.60	6.60	6.65	6.95	7.40	8.20	8.55
Investor Group Trust	6.35	6.30	6.40	6.40	6.40	6.45	6.85	7.20	8.15	8.45
Laurentian Bank	6.40	6.45	6.60	6.60	6.60	6.65	6.95	7.40	8.25	8.65
Maple Trust	6.30	6.40	6.60	6.60	6.60	6.65				
MCAP	6.30	6.30	6.40	6.40	6.40	6.45	6.85	7.20		8.45
<b>The Mortgage Group</b>	<b>5.40</b>	<b>4.99</b>	<b>4.99</b>	<b>5.15</b>	<b>5.15</b>	<b>5.09</b>	<b>5.35</b>	<b>5.55</b>	<b>8.15</b>	<b>8.45</b>
National Bank	6.35	6.30	6.40	6.40	6.40	6.45	6.85	7.20	8.15	8.45
North Shore C.U.	6.45	6.50	6.60	6.60	6.60	6.65	6.95	7.40	8.25	8.65
Prospera C.U.	6.35	6.30	6.40	6.40	6.40	6.45	6.85		8.15	8.45
Royal Bank	6.45	6.50	6.60	6.60	6.60	6.65	6.95	7.40	8.25	8.65
Scotia Bank	6.40	6.55	6.60	6.60	6.60	6.65	6.90	7.75	8.25	8.60
TD Canada Trust	6.20	6.40	6.40	6.40	6.40	6.45	6.80	7.05		8.55
VanCity Savings	6.40	6.50	6.60	6.60	6.60	6.65	6.95	7.40	8.25	8.65

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