

Merci Michel pour l'honneur de cette invitation.

Je me considère toujours comme le kid voté au *high school* « least likely to address the Chamber of Commerce » et, en même temps, comme l'adulte le plus chanceux de le faire. Michel a également invité Donald Trump, mais il joue au golf aujourd'hui et ne peut pas se joindre à nous. Mais... il a quand même répondu à l'invitation avec quelques *tweets* :

@realdonaldtrump : Little Mitch Garber n'a rien d'intéressant à dire et les gens paient 95 \$. *Sad!*

@realdonaldtrump : Mitch Garber n'est même pas né au Québec. Écoutez son accent et demandez-lui son certificat de naissance. *Loser!*

Comme vous le savez peut-être, ces dernières années, je fais une allocution par année sur un sujet qui m'intéresse et qui, je l'espère, vous intéresse aussi. Pour comprendre le sujet d'aujourd'hui, je passerai trois minutes sur le chemin qui m'amène ici devant vous :

Il y a quelques années, la menace de la Charte des valeurs québécoises me préoccupait pour des raisons très personnelles et fondamentales. J'ai eu peur que cette charte soit adoptée, et non pas que le Parti Québécois soit réélu en soi. L'adoption de la charte, selon mon opinion, aurait été comme tirer une balle dans la tête de la croissance économique et culturelle du Québec et de Montréal, et je suis aujourd'hui convaincu que la défaite de la charte a sauvé la croissance économique et la réputation internationale du Québec. Ce matin, la loi 62, une version diluée, se trouve sur la table et je suis contre, parce que c'est un projet de loi anti-femmes et anti-musulmans, mais déguisé en autre chose. *Call it what it is: a bill to ban Arab women's face coverings. It's wrong. As a Jewish Quebecer, I'm embarrassed. We are not a racist province, but this is a racist bill.*

Au Cercle canadien, j'ai parlé des deux solitudes et du fait qu'à un certain moment, la province doit devenir une province unie, convaincue de la nature distincte de notre société, engagée à protéger de notre langue française, mais en même temps, consciente de l'importance du bilinguisme pour notre prochaine génération et de la capacité à être compétitifs sur le marché du travail mondial, dans un monde complètement branché en commerce et en relations d'affaires et sociales. De plus, si chaque solitude adopte des aspects culturels de l'autre, le Québec sera plus fort. Ces positions sont pour moi évidentes, et on le constate en voyant le nombre de téléchargements de l'allocution – le nombre le plus élevé dans l'histoire du Cercle (plus de 40 000). Donc, au minimum, j'ai stimulé un débat sur les solitudes et sur le futur de nos jeunes, et je suis très fier de cela.

Plus récemment, après avoir établi un prix honorant le 50<sup>e</sup> anniversaire de mon épouse Anne-Marie à son école secondaire, où le taux de décrochage est le plus élevé dans la province, j'ai suggéré à une journaliste la notion d'encourager les décrocheurs potentiels avec des prix en argent. D'où le fameux 1 000 \$.

Le fait que la réaction a été vraiment mixte et a été un sujet de débat à l'Assemblée nationale (pas gros débat, il faut l'admettre – le ministre Proulx l'a tué en cinq minutes), et le fait que le sujet a fait la une pendant plusieurs jours, sont plus importants que l'idée en soi. C'est la provocation du débat et la mise sur la table des sujets importants qui m'intéressent, et non pas que le monde prenne ma position, laquelle n'est qu'une façon de voir des choses. C'est plutôt important que les gens s'impliquent, s'intéressent et qu'ils prennent une position.

The common thread between fighting the Charte, seeking a rapprochement between the two solitudes and working to reduce our drop-out rate is that I simply love Montréal and Québec enough to use whatever voice I have to point out its weaknesses, and, today, mainly its strengths. What I hope to accomplish today is to take an objective look at where we are as a province and city and how we need to avoid letting this latest positive momentum slip away either through nonchalance, dirty politics or disingenuous journalism.

Et donc, la Chambre de commerce m'a demandé, vu qu'on a une élection à la mairie dans quelques semaines et une élection provinciale dans moins d'un an, si je pouvais donner mon opinion sur l'état de notre économie et notre environnement d'affaires. La réponse a été oui, mais oui dans un contexte spécifique. Les chiffres ne décrivent qu'une partie de l'histoire. On peut décrire une maison par son nombre de pieds carrés et son nombre de toilettes, mais pour être intéressé à faire une offre, il faut voir la maison, faire le tour de l'intérieur et de l'extérieur, poser des questions et constater comment on se sent dans la maison. Et là, on aura assez de données pour prendre une décision.

Alors, après avoir fait le tour de la maison, je peux dire que jamais en 40 ans une maison n'avait été si belle, si fonctionnelle, avec tant de potentiel d'expansion et avec tant de bon karma que notre maison que sont Montréal et la province de Québec d'aujourd'hui!

We are today witnessing before our eyes the decline of America as the world's gold standard of leadership and integrity. Like in business, culture is dictated from the top, and never before in modern democratic politics have we seen an erosion of the respect for the rule of law and for the truth, and a targeting of foreigners and immigrants, than what we are seeing daily from the White House. I'm not here to argue Trump versus Clinton or Republican versus Democrat; I'm here to make an observation, one which was shared with me by both former Attorney General Sally Yates, former U.S. Attorney for the Southern District of New York Preet Bharara as well as former Secretary of State John Kerry two weeks ago in Los Angeles. Sally Yates went furthest by saying that as exhausting as it is to read every tweet and react to every bit of nonsense, it is important for people of conscience to continue to challenge this phenomenon (in particular, the President firing his attorney general, his chief of staff, his head of the FBI, his senior advisor, his press secretary, his communications director, his secretary of the interior, and the district attorney for the Southern District of New York, as well as belittling judges and bullying opponents, and foreign leaders) and failure to do so will normalize the behaviour and make it the new standard. We can't let it become the new standard for

our children, and we in this room can't let the level of partisan politics and fake news and disrespect, creep into our Canada, our Québec, our Montréal. We are so much better than that. And since these are our first elections since Trump and since Brexit, we have to be extra careful not to simply rely on our great values to keep us from succumbing to the new American reality. We have to take proactive responsibility to make sure it doesn't happen. What looks like chaos in America represents an opportunity for Montréal and Québec. Like never before, people want to come here, and we need to seize this opportunity and not drop this ball. We dropped the ball on the 1976 Olympics, we dropped the ball losing baseball in 2004, and we dropped the ball letting ourselves be defined internationally by the perception of political instability for decades. I believe that today we are on a winning streak.

As we head into a mayoral election in Montréal and a provincial election in less than one year in Québec, let's keep this in mind and hold our politicians and our media to the highest standard. The media cannot go negative simply because positive sells fewer papers. And politicians can't go negative simply to get votes. And as leaders of our business community, we need to be mindful that an increasingly cynical view of politicians and the disrespect with which many are treated will discourage our good politicians from staying in politics and our great leaders of the future from entering politics.

Mr. Mayor, let me start by saying unequivocally as someone who does not have a vote in the Montréal mayoral election (a topic I will address in a few minutes), that you have almost single-handedly brought pride and credibility and governance back to the city of Montréal, and you've carried our flag, our new indigenous inclusive flag from China to Israel to South America and elsewhere and you've told your counterparts that Montréal is open for business, and you have brought 150 mayors to visit our metropolis. And if that comes with accusations of ego, well we absolutely needed someone who wasn't afraid to shake things up and cheerlead, and take selfies, clean up corruption, promote baseball games, roll up their sleeves, and ride Bixies and settle labour disputes, and work for us, given the situation you inherited. Thanks to you, there are very few people that can dispute that Montréal is back!

Et, Valérie Plante, je vous ai vue dimanche soir à *Tout le monde en parle*, et je vous ai trouvée excellente face au maire Coderre. J'applaudis votre candidature et la classe que vous démontrez. Cela étant dit, je soutiens tout de même Denis Coderre, car en tant que PDG ou *chairman*, si je regarde le maire de Montréal comme le PDG de notre ville, et si je regarde les actions de Montréal comme les actions d'une entreprise, je dirais que les actions transigées aujourd'hui ont une valeur beaucoup plus élevée que les valeurs d'il y a quatre ans. Si vous êtes capable de convaincre le grand public que vous êtes la meilleure personne pour ajouter à cette valeur et gérer un budget de 5 milliards de dollars par année, vous méritez de devenir notre mairesse. En même temps, vous êtes tous les deux très chanceux que Dan Bigras ne participe pas à la course à la mairie...

Between 1971 and 1981, the population of Montréal was under 1 million. This year it will be 1.8 million. About 80% of our population growth in 2017 will come from immigration. That's how I got here. My great grandmother got on a boat from Russia in 1907 with

nothing to offer this country, but Montréal played the long game, and here I am 110 years later. Montrealers have been complaining about the brain drain since 1976. That's 41 years ago. Peter Munk, in one of the greatest speeches I've heard, last month in honour of his \$100 million donation to the Toronto General Hospital, said that 30 years ago Toronto's biggest problem was brain drain. So, apparently, everyone uses brain drain. Well, 40 years later, we have two options; we remain brainwashed about brain drain or we let it go and realize that we have plenty of brain inflow and plenty of homegrown brains here.

And while we are on the subject of Toronto, a city I've come to respect greatly, I will gladly put Montréal up against Toronto in the entrepreneurship Olympics. And it won't even be close: Saputo, Bronfman, Molson, Bouchard, Chagnon, Taillefer, Boyko, De Gaspé, Cesvet, Lutfy, Stroll, Laliberté, Desmarais, Schlemm, Marcoux, Reitman, Beaudoin, Steinberg, Coutu, Rossy, Pomerleau, and depending how much time we have, I could fill 20 minutes, because the list is that long. So, that's enough about the brain drain. We have the highest number of university applications in the history of Montréal. The baseline for admission has reached its highest level ever, and we've collected the most money for charity, including for Centraide and for the Combined Jewish Appeal this year, (more than \$100 million in Montréal between the two). We need to be proud and change the narrative from "no one wants to come here" to "everyone needs to be here." And the great names of families and individuals that I just mentioned have the same pride in Montréal and Quebec that I do and represent a network of contacts to help the next generation find opportunities. And like the Chamber of Commerce does so well, we need to use that network for ourselves and our children and ensure our children stay in Montréal or return to Montréal.

Chaque semaine, on entend des annonces de nouveaux événements qui se tiennent à Montréal : première édition du Deep Learning Summit à Montréal; Championnat de gymnastique artistique internationale à Montréal; Série mondiale de plongeon jusqu'à 2021 à Montréal. Et ça continue.

Est-ce qu'il y a un indice plus clair que l'addition des routes aériennes? Des nouvelles routes directes à destination de Shanghai, de Tokyo, de Lima, de Tel-Aviv, de Bucarest, de Lisbonne, de Phoenix, de Casablanca. Et en plus, on a eu 10 % de plus de trafic aéroportuaire en août 2017 par rapport à 2016. Merci beaucoup à Calin, qui a donné une allocution inspirante ici il y a deux semaines!

Selon la Fédération canadienne de l'entreprise indépendante, le niveau moyen de satisfaction des PME au Canada est de 57 % et au Québec de 72 %. Il y a actuellement une réduction d'à peu près 14 % des faillites sur l'île de Montréal par rapport au même moment l'an dernier.

On a 5,2 % de plus de personnes occupant un emploi qu'à pareille date l'an dernier, et le taux de chômage est d'à peu près 6 % au Québec. Notre cote de crédit est plus élevée que celle de l'Ontario pour la première fois dans l'histoire. De plus, on a un budget équilibré pour la troisième année consécutive. Les critiques vont peut-être parler des coupures, mais j'ai géré différentes entreprises pendant près de 20 ans partout

dans le monde, et les coupures sont toujours une partie importante de la bonne gérance d'un bilan. Notre province ne fait pas exception. Quand vous êtes critiqué pour avoir équilibré un budget gouvernemental, ça fait dur.

It does concern me that with a situation this good, it will be hard to have electoral campaigns that don't turn dirty, but we should insist on clean, open and intelligent debate, and while America goes through this sad time, that we remain the beacon of civility. But as I said, Sunday's meeting between Valérie and Denis was a first show of respectful democracy. They are here today, and they have their debate tomorrow. 😊

Now, the news is not all good: while we enjoy the best quality of life in the world, there are three areas provincially that will be interesting topics of debate. We have the lowest median household income in the country. As I've mentioned in other forums, we also have amongst the highest drop-out rates in the country. This must be fixed. Better and higher levels of education = higher household income = a better life, and it starts with the drop-out rate, and I would hold this provincial government and the next provincial government to that one metric as perhaps the most important measure of our collective success, which is how have we improved the high school graduation rate? If we can show that, we will show a rise in median household income, the government will collect more taxes and pay out less welfare, and more money will circulate into the retail economy. This is cause and effect 101. But there is an even bigger problem on the horizon. If we have low unemployment and the lowest median household income, it means we have a disproportionate number of low-paying, low-skilled jobs. With an aging work force and increased automation, those are the first jobs that will become obsolete. Public company CEOs think quarterly. Politicians think in four-year incremental terms. So who is thinking 20 years in advance to protect the economy of Québec for the year 2037, and will the public vote for the party that commits money today to take care of the generation of tomorrow? I'm hopeful that the answer is yes, since municipally we have bought into massive infrastructure investments for the future. Today's orange cone is tomorrow's new metro stop, light rail train and better roads and highways.

On another positive note, we have become one of the world hubs of artificial intelligence, the world hub of computer game development, a must for Google and Facebook to open innovation offices and a strong candidate for Amazon. I will talk about Netflix and Amazon in a moment.

The third topic of debate after median household income and the graduation rate is healthcare. Contrary to what I consider the prevailing mythology, our healthcare system is one of the most admired in the world. Canada is ranked 16<sup>th</sup> in the world in terms of healthcare and among countries with more than 30 million people, ranking behind only Germany, France and Japan. Everyone has access to quality healthcare. There are many valid points to debate, but exaggeration and hysteria should not be part of them. The claim that our waiting times are at the level of the Third World makes good headlines and tells me that whoever is saying it has never been to the Third World. I have been. Waiting times this Saturday at 2 p.m. at the Montreal Children's Hospital emergency: 0 minutes for a serious emergency, 5 minutes for less serious cases and 58 minutes for a non-critical emergency. The average emergency wait time in Québec is

2.34 hours. Montréal is better than the rest of the province, and it is true that as a province we are amongst the worst in the country, but we are improving. There are measurable signs that the current overhaul and reorganization of the hospital system are having a positive impact, but we are far from every Quebecer having a general practitioner and every Quebecer seeing a specialist as quickly as we'd all like. Dr. Barrette must listen to his critics who demand clearer communication and explanations on the status of healthcare changes. The latest board overhaul at the MUHC is a major move in the right direction, but there is no room for either ego or misunderstanding of the goals and milestones with one third of our provincial budget going to healthcare.

At the same time, we the citizens also abuse the system. Just because it's free, it doesn't mean we can treat it like an all-you-can-eat buffet. Very sick people get treated urgently. Less sick people and people who are not sick at all drain resources. If McDonald's were free, I can assure you there would be many people in the line who were not even hungry. Sixty percent of emergency room visits are not emergencies. That's an incredible load to manage.

I'd also like to point out that, while we complain, we should also consider whether there is another economy in the world where the hospitals are government owned and government run and where after paying high taxes, private individuals and institutions donate hundreds of millions of dollars a year? That's an incredible notion. We should celebrate our contributors, especially those who despite government-funded services, give money to make those government services better.

The drop-out rate, median household income and healthcare are worthy provincial election debate topics next year.

Back to Netflix and Amazon for a minute. I am supportive of the Netflix deal, mainly as part of the branding and goodwill of Québec and Canada. We need the F1, we need Facebook, we need IATA, we need the Grands Ballet, and I will argue we need baseball, we need the Formula E. Is the Netflix deal perfect? No, but large deals are rarely perfect. I've done many imperfect deals that were better than no deal at all. Could I have gotten more money? Yes. Could I have capped the earn-out? Yes. Could I have picked up something in due diligence that I missed? Yes. Every single deal. So when you get Netflix, who are spending money in Canada and in Québec without obligation, to sign a paper committing a minimum of \$500 million of investment in our communities, and when you know they have options and that those options are offering incentives, I think you take it and you leverage that we have Facebook, we have Google, we have Netflix. This is the opposite of brain drain. The tax concessions are definitely imperfect, but probably not worth walking away. The communication has bordered on disastrous, but Netflix attracts other companies to invest here, and with anchors like Facebook and Netflix, we will make better deals with the next companies. Ask commercial real estate owners what gifts and incentives they give to get anchor tenants, whom they use to get the rest of the tenants at higher rates. Ask them. There's a line by Ray Kroc in the movie *The Founder* when he realizes the only way McDonald's will be more than a local hamburger joint in California. He says, "franchise, franchise, franchise!" And for us here in Montréal and Québec, it's incentives, incentives, incentives. There is no other way we

are going to get new investment to come here. And we are working 24/7 to bring in foreign investment, but it takes incentives. I'm thinking about Amazon as an example. We have the most perfect imperfect political economic situation in the world. No one has figured out how to blend socialism and capitalism and make it work as well as we have. But it means that some people need to be treated differently than others, and in ways which may seem on the surface unfair, in order to attract them. And that's where incentives come in. How do we think we attracted the pharma companies all along Côte de Liesse. Incentives. One of those incentives was an agreement to keep drugs on patent for 15 years instead of 7. This was great for big pharma but costs Quebecers over \$100 million a year in higher drug costs. But does Québec benefit more than \$100 million a year from all the employees taxes, consumer spending, private and commercial real estate, and all the spin-off employment and travel in and out of Dorval and so on. Of course we do.

Montréal International, an organization chaired by Jacques Ménard and on the board of which I sit, helped bring in \$578 million in foreign investment in 2010 and just under \$1.4 billion in 2016 and more than that in 2017. That's the big picture. Montréal and Québec have hit an all-time high. An imperfect all-time high, maybe, as regards the median household income and the drop-out rate, but an all-time high nonetheless. We are flying, literally. Between the new airport routes and the approximately 150 cranes in downtown Montréal, we are making great news headlines:

\*Québec's economy is growing faster than Canada's

\*Montréal's unemployment rate hits lowest levels in a

\*Montréal se classe devant Chicago, Boston, et San Francisco dans le palmarès des centres financiers mondiaux

\*Québec credit rating surpasses Ontario for first time ever

Et parlons de nous, les Québécois. Mettons de côté nos allégeances politiques pour une minute.

Le premier ministre du Québec et le maire de Montréal sont deux Québécois bien sûr, mais deux Québécois qui font rayonner le Québec à l'international et qui ont beaucoup d'expérience.

Le premier ministre du Canada est un Québécois.

La gouverneure générale du Canada est une ancienne astronaute québécoise.

La ministre fédérale du Patrimoine est une Québécoise.

La ministre fédérale du Revenu national est une Québécoise.

Le ministre fédéral du Commerce international est un Québécois.

Le ministre fédéral de la Famille est un Québécois.

Le ministre fédéral du Transport est un Québécois.

La ministre fédérale de la Francophonie est une Québécoise.

Je ne suis pas un expert en politique ni un historien politique, mais est-ce que nous, les Québécois, avons déjà été mieux représentés et dans une aussi bonne position pour réussir, avec une telle combinaison de représentation et de bons indices économiques? Je crois que non.

Et donc, je reviens à ce que je disais au début, soit qu'on puisse passer les élections municipales et provinciales avec une dignité et une maturité côté politique et médiatique? Des élections qui représentent les valeurs montréalaises, québécoises et canadiennes, et qui ne ressemblent non pas aux dégâts aux États-Unis. J'aimerais penser que oui.

Et, Monsieur le Maire et Madame Plante, je reviens à vous. J'ai deux choses à mettre sur la table maintenant que j'ai votre attention :

Je trouve inacceptable de me considérer comme Montréalais, d'apporter le drapeau de Montréal partout avec moi, de travailler au centre-ville de Montréal, mais de ne pas avoir le droit de voter pour le maire de Montréal. Nous qui habitons sur les bornes de ce qu'on appelle « grand Montréal » devrions être capables de voter pour notre maire municipal et pour le maire de Montréal. Je peux voter pour le maire de Westmount et de Montréal, où 50 % de mes taxes municipales sont virées, et me sentir bien représenté. S'il vous plaît, je ne demande pas un changement de structures municipales, mais plutôt le droit de voter pour notre maire.

On a dépensé énormément d'argent pour moderniser nos hôpitaux, mais on reste parmi les seules villes au Canada et aux États-Unis à ne pas avoir un service d'urgence par hélicoptère pour nos hôpitaux pour les urgences graves qui sont nombreuses. On peut sauver des vies et ajouter un autre service qui mettra Montréal au sommet et qui laissera Montréal aider les autres communautés québécoises, qui, elles, ne bénéficient pas des mêmes niveaux de services, de médecins et d'équipement pour traiter les traumatismes.

We are among the elite in the world. Canada tops almost every list of best countries to live in. Even the poorest amongst us is luckier than they may be most anywhere else. This imperfect marriage of socialism and capitalism puts us in a unique situation, and I would be remiss if I didn't briefly address the new federal tax reforms proposed.

The new federal tax proposal has provisions which threaten our perfect imperfection. I have been in personal contact with Bill Morneau's office to provide consultation on the proposed tax reforms, to try to make sure we don't let the government back itself into a corner where it discourages entrepreneurship by taxing those who take risks and create employment and have no guarantees of salaries or benefits, as ordinary employees do. We must encourage entrepreneurship. If we eliminate holding company passive income and double-tax it, we will kill both local entrepreneurship and foreign investment. Especially as the Americans seek to lower taxes.

As a person of means, I agree that people like me should not be able to income split unless our family members are truly contributing to our business. I would go further and say that people like me could forgo the RRSP deduction. Define wealthy Canadians at a level that is sensible, and tax those people at a level that is fair. But cutting out the entrepreneurial spirit and incentive that drives the economy, both big business and SMEs, will have the opposite effect than that which is intended. It will cost the



government more money in bankruptcies and drops in new business start-ups and foreign investment than the government will collect in incremental taxes.

En conclusion, je pense que le message n'est pas un message politique ni un message économique, mais plutôt un message d'attitude et de *momentum*. Avec les chiffres qui noir sur blanc sont très positifs, avec les défis reconnus, soit le décrochage et le bas niveau de revenu des ménages, avec tous les événements et les entreprises de l'étranger qui viennent vers nous, avec les grues au centre-ville et avec un grand nombre de nouveaux vols vers des destinations importantes, on devrait être capable de jeter aux poubelles nos anciennes insécurités par rapport au *brain drain*, à la température, aux taxes, etc., et tirer parti de nos succès, de nos réseaux, de notre fierté, et du fait que le reste du monde nous regarde aujourd'hui avec un plus grand respect que jamais. C'est assez rare d'avoir une autre chance de rayonner et on est en train de le vivre. Je me considère comme l'une des personnes les plus chanceuses au monde d'être parmi vous, de faire partie de cette communauté d'affaires et de partager avec vous le rôle de porte-parole de Montréal, du Québec et du Canada. Merci.