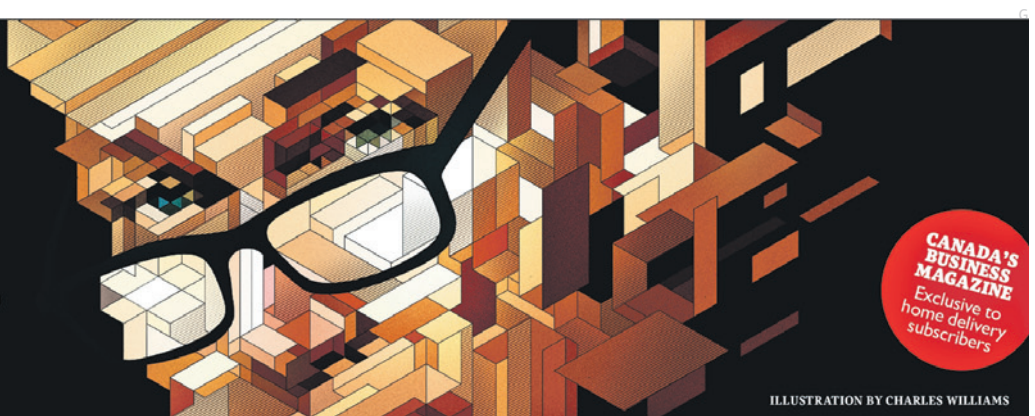


MICHAEL PEARSON'S DRUG-FUELLED DISASTER

Meet the three outsiders who told the truth about Valeant—when no one else would



CANADA'S
BUSINESS
MAGAZINE
Exclusive to
home delivery
subscribers

ILLUSTRATION BY CHARLES WILLIAMS

THE GLOBE AND MAIL

CANADA'S NATIONAL NEWSPAPER • FRIDAY, MARCH 31, 2017 • globeandmail.com

U.S. sets out demands for NAFTA talks

Draft letter to Congress outlines more than 40 objectives in 'America-first' approach to trade ahead of Canada, Mexico negotiations

STEVEN CHASE OTTAWA
ADRIAN MORROW WASHINGTON

President Donald Trump's administration wants across-the-board changes to the North American free-trade agreement that would tilt the rules of cross-border commerce more clearly in favour of U.S. busi-

ness. A draft eight-page letter to Congress from acting United States Trade Representative Stephen Vaughn outlines more than 40 negotiating objectives the White House is seeking as the U.S. prepares to reopen NAFTA in talks with Canada and Mexico.

The revisions sought go far beyond the modest "tweak" for Canada that Mr. Trump promised when he received Prime Minister Justin Trudeau in Washington last month. Instead, they would imprint Mr. Trump's "America-first" approach to trade on the 23-year NAFTA accord.

The document, which appears designed to impress Congress with how exhaustive the White House's NAFTA rewrite ambitions remain, also serves as a reminder to Canada and Mexico that Mr. Trump has not yet taken any demands off the table. Some of the objectives carry

little explanation, using coded language recognizable to Republicans. One that jumps out is a vow to "level the playing field on tax treatment," a phrase associated with Republican calls for a border adjustment tax that would be imposed on foreign imports. **NAFTA, Page 7**

Looking to the future

Government and business leaders attend launch of the Vector Institute, a research hub devoted to artificial intelligence, which many believe will revolutionize everything from education to the economy **PAGE 4**



Finance Minister Bill Morneau wears Accenture's AI-enabled DAQRI Smart Helmet at the launch of the Vector Institute for AI at the MaRs Discovery District in Toronto on Thursday. J.P. MOCZULSKI/THE CANADIAN PRESS

Special prosecutor joins political fundraising probe in B.C.

SUNNY DHILLON VANCOUVER

A special prosecutor will assist the RCMP with its investigation into political contributions in British Columbia, a probe launched after a Globe and Mail investigation into BC Liberal fundraising.

Thursday's announcement of a special prosecutor to provide legal advice to the Mounties is the latest development involving political donations in a province that has come to be described as the "wild west" of campaign finance and where voters go to the polls in less than six weeks.

The Globe and Mail report, published earlier this month, found some lobbyists made political contributions under their own names and were later reimbursed by clients or companies. Indirect donations are illegal in British Columbia. The Globe report prompted Elections BC to launch an investigation into the fundraising efforts of the province's political parties, which was subsequently handed over to the RCMP.

In appointing Vancouver lawyer David Butcher as special prosecutor, the assistant deputy attorney-general for British Columbia's Criminal Justice Branch chose a lawyer with experience in political cases. Mr. Butcher, who is in private practice, has served as a special prosecutor in the past, perhaps most notably in the case of a B.C. government communications director charged last year with breach of trust.

The RCMP, which has not offered a timeline for its investigation, requested the appointment of a special prosecutor earlier this week.

"The [assistant deputy attorney-general] concluded, based on the request and the information available about the alleged circumstances of the case that the appointment of a Special Prosecutor is in the public interest," the Criminal Justice Branch wrote in a statement.

Donations, Page 18

Toronto eyes Vancouver's vacancy tax to rein in real estate speculation

JEFF GRAY CITY HALL REPORTER

Toronto Mayor John Tory says he is open to following Vancouver's lead by imposing a tax on vacant homes to crack down on speculators, as pressure mounts on governments of all levels to rein in the runaway real estate market.

"Vancouver recently implemented a vacant-home tax. And I am open to exploring whether this would be the right measure for Toronto," Mr. Tory told reporters on Thursday after a closed-

door meeting with housing experts that he convened to discuss the city's accelerating affordability crisis.

"I look at housing as a place to live for people in this city," Mr. Tory said. "That is what I view as my responsibility, not to look after the investment needs of people who chose real estate as their investment target. They'll look after themselves."

The idea comes amid continued warnings that Toronto's real estate market, where the average

price of a detached single-family home is \$1.6-million, is a bubble waiting to burst.

An RBC Economics report released Thursday warns that house prices haven't been so unaffordable in Toronto since 1990, just before housing markets went into a "deep and prolonged slump." Ontario Finance Minister Charles Sousa has signalled some sort of action on the housing market is coming in his government's budget, expected next month. **Vacancy, Page 18**

INSIDE

CIBC sweetens bid for U.S. bank
CIBC has raised its offer by 20 per cent, valuing PrivateBancorp at \$6.6-billion.

Report on Business

No excuses for Toronto FC
At the start of the FC's 2017 season, this is the no-alibi, no-excuses year, John Doyle writes. **Globe Sports**

SECUREDROP

The Globe's SecureDrop service provides a way to securely share information with our journalists. tgam.ca/securedrop

ONTARIO EDITION | FULL WEATHER FORECAST: PAGE 18 | MONDAY - FRIDAY: \$3.00. SATURDAY: \$4.50. HIGHER IN SOME AREAS.

Connect with us: [@globeandmail](https://twitter.com/globeandmail) facebook.com/theglobeandmail linkedin.com/company/the-globe-and-mail



Enriched Thinking® isn't just about seeing the big picture, but all the little ones too.

It's your thinking, combined with our thinking, to create Enriched Thinking.

Visit ScotiaWealthManagement.com



* Registered trademark of The Bank of Nova Scotia, used under licence.™ Trademark of The Bank of Nova Scotia, used under licence. Scotia Capital Inc. is a member of the Canadian Investor Protection Fund and the Investment Industry Regulatory Organization of Canada. For more information visit www.scotiawealthmanagement.com