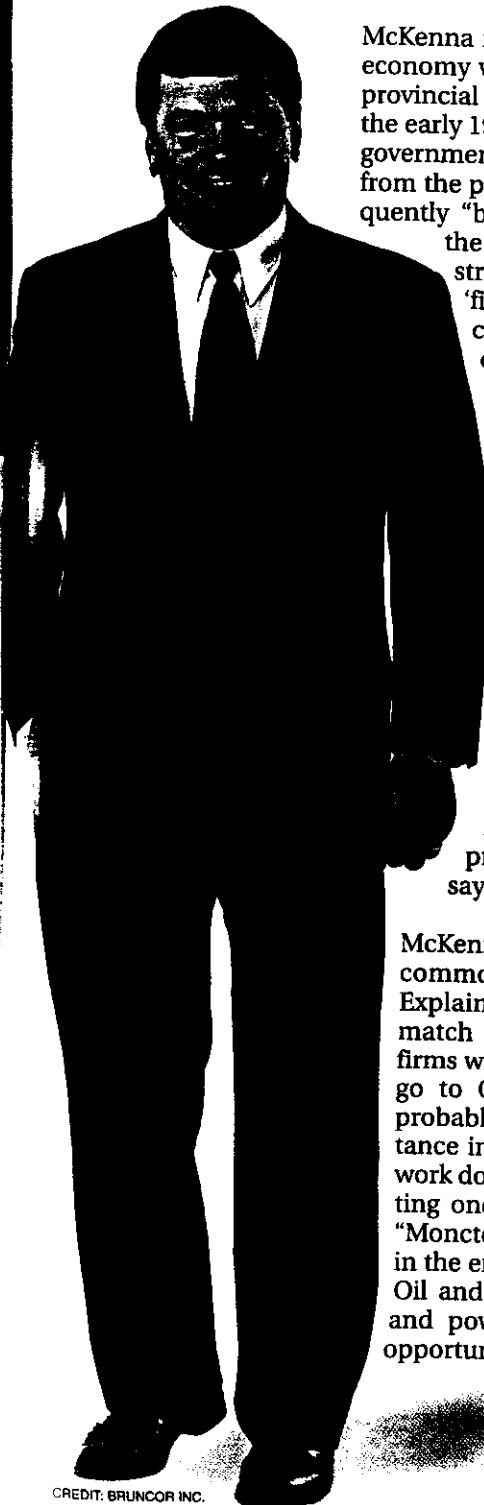


NEW SHOES FOR FORMER PREMIER

Brian McLaughlin

Frank McKenna finds sure footing as venerable legal eagle.



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Last Fall, exactly 10 years after being elected premier of New Brunswick, Frank McKenna engineered his political departure. He ended his public service career on a high-note - leaving his legacy embedded on government and that province's economy.

McKenna is credited with leading a provincial economy which actually out-performed larger provincial economies during the recession of the early 1980s. Upon taking office in 1987, his government inherited a \$370.1 million debt from the previous governing Tories and subsequently "balanced the books" and improved the province's rating from financially-strapped to moderate surpluses. As a 'fiscally-conservative' premier many criticized him, but just as many lauded his accomplishments, and public stewardship as the longest reigning ex-premier in Canada's history.

Atlantic Canada law firm nabs former legislator

Since his resignation, McKenna has been vigorously working as a senior partner with one of Atlantic Canada's most venerated law firms: McInnes Cooper Robertson (MCR). Bernard Miller is a partner and associate of McKenna's with MCR in Moncton. "We were ecstatic...[when Frank] decided to remain in Atlantic Canada and practice law with our firm," Miller says.

McKenna was an aggressively sought after commodity by numerous law firms. Explains Miller: "We definitely couldn't match what many [Upper Canada] law firms were offering him...Had he chosen to go to Central Canada, McKenna would probably have been of tremendous assistance in getting much of the region's legal work done [up there]." For now MCR is betting one of the chief orchestrators of the "Moncton Miracle" can generate legal work in the emerging areas of Atlantic Canadian Oil and Gas, onshore work, development and power projects, "and other exciting opportunities."

McKenna still directing New Brunswick business

He's garnered directorships on the boards of Major Drilling Inc., a Moncton-based international mining company; Bruncor Inc.; Leroux Steel; and the Bank of Montreal. He is Chairman of the Board of AlphaNet Telecom Inc.; a member of the advisory committee of Team Canada Inc. - the only former-politician appointed to this VIP international trade and business group. Plus, he chairs Career Edge, a national youth internship program.

Bruncor Inc. is a New Brunswick-based holding corporation which owns NBTel, the province's largest mass marketer of local and long distance telecommunications and data services. Gerald Pond is President and CEO for Bruncor. He cites McKenna's "keen interest in the success of New Brunswick-based companies...his very high-energy level and excellent concentration...his understanding of the issues that we're up against from a competitive standpoint... and his understanding of Atlantic Canada," as a few reasons the former-politician was appointed to Bruncor's corporate and strategic 'think-tank.'

But how will the former cabinet helmsman who has been used to a slower decision-making process adjust to the private sector's more rapid pace? Pond feels McKenna will not be hindered in relating to how the private sector makes "quicker decisions." Explains Pond: "[NBTel had a long history as a public utility] and up until a few years ago we were a monopoly... so in terms of our nature... we do need the scope of expertise and perspective that would be around a cabinet table." He says there are also consumer, market, geographic and social scope issues which for Bruncor are very similar. "We have to serve the same jurisdiction [such as Acadian, rural, urban and Anglophone markets]."

McKenna still key to KBE initiatives

Pond says because McKenna was so pro-active as Premier "in very aggressively pursuing knowledge-based industries" sectors or KBE (Knowledge-Based Economy), it enabled New Brunswick's industries and companies to go head-to-head with other major IT players, "like Sprint and AT&T." On the global battle field, Atlantic Canadian telecommunication and teleservice companies are now fighting David-

versus-Goliath commercial conflicts with monstrous corporations who control larger markets elsewhere. And it will take more than slinging a rock to topple them. Pond explains that every Atlantic Canada corporation involved in the KBE has to recognize the new global reality and threats of intrusion from outside business interests controlling bigger and stronger markets. He also feels McKenna's appointment to Team Canada Inc. ultimately will benefit the whole country because the experienced statesman can bridge the communications gap between business and government. "With [McKenna's] ability to network and communicate the character, competencies and product of Atlantic Canada...Oh, yeah! That has to help."

McKenna's 'frank' views

Immersed in the daily bustle of Bruncor, Frank McKenna breaks away from post-board meeting chatter with fellow directors to respond to questions about his new lifestyle. In considering the invitations of the 15 top Canadian law firms that tried to recruit him, McKenna says he had the opportunity to re-assess the possibilities of his professional and continued business development initiatives. As a result, McKenna decided to stay within the region. "Basically, I was extremely impressed with the depth and quality of the firm... It's got strong Atlantic Canadian roots." Additionally, he was sold on MCR's aggressive plan to become a "leading provider of legal services in Atlantic Canada - one of national calibre." McKenna is adamantly determined to "repatriate legal work" that is currently being done from outside the region. Moreover, McKenna still wanted to be associated with the pride and confidence of Atlantic Canada. "(I) had to walk the walk," he says, "not just talk the talk." Passing up larger

incomes by not accepting lucrative offers outside the region, he says retaining the quality of life was well worth it. McKenna's mission is to be continuously involved in re-inventing the Atlantic Canadian economy.

McKenna receives gratification from being active in his board directorships, especially as part of the boards of Bruncor and Major Drilling, two unique New Brunswick-based corporations. McKenna explains that some advice he received from former Alberta premier, Peter Lawhead, was matter-of-fact and useful: " 'Frank,' Lawhead told me, 'one of the reasons you'll be asked to join some boards is because you're from Atlantic Canada, and they need Atlantic Canadian representation. So don't be afraid to aggressively promote the interests of your region.'" Thus McKenna sees his appointments as providing some regional balance.

McKenna also feels his position as a volunteer with the Team Canada advisory board is useful in ensuring private sector perspectives are included in the development of effective international trade policies. For example, he says, "[Atlantic Canada-based] Major Drilling has operations in 37 countries around the globe...Alfan has a presence in 26 countries...And Noranda has a mine that straddles two borders: so we can tell trade officers exactly...what the problems are in doing business in other countries."

And what about the perilous economic era where a strong US-dollar and rapidly developing American-based KBE initiatives threaten to brain-drain Canada of rich IT talent and skilled workers? McKenna feels Team Canada, Industry Canada and Atlantic Canadian economic entities must

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On grander frontiers, McKenna articulates the region's and nation's economies have to exist globally. "You live and die by comparative advantage...and in an era when industry can and does move, you have to stay ahead of competitors." So the bottomline means offer a competitive labour force environment such as lower costs, taxes, worker's compensation rates and flexible labour rules. "(Canada is) also going to have to lower the tax-rate" to avoid further brain-drains of highly-skilled workers south of the 49th-parallel.

McKenna's political chapter now closed!

McKenna says he is absolute in his resolve to put public life behind him. And even with media-sparked rumours failing to fade — and nation-wide opinion polls suggesting the federal Liberals should fight another General Election lead by someone other than Jean Chretien - he douses any notions of re-entering politics as yesterday's news. "I don't see that in my future...I'm not vain enough to think there aren't better leaders around to provide high-quality leadership for the country." However, McKenna still plans to be "a most furious advocate for New Brunswick and Atlantic Canada." The country and province will move on now minus McKenna. "But I will continue...to be there to fight hard for (unity), as well as other federal and provincial institutions that I believe in."

McKenna offers prudent advice - urging caution from his private sector position - to New Brunswick's newest premier and fresh cabinet. He fears that with continuous surpluses arising from the healthy practise of careful fiscal management "increased expectations will surface again...The bad news is the expectations have increased with increased surpluses." Consequently, the new government will inherit a renewed pressure from differing interest groups. "And that creates a perilous environment." He insists provincial government surpluses "must be managed wisely." Especially in a changing environment where many groups will demand more of small dividends. "It's an interesting dichotomy: [Camille and

his cabinet] will get pressure from workers and social groups. In that environment it's imperative the business community step forward and present a balanced perspective [and advocate] ...Let's not spend money we don't have...Let's be very careful about how we allocate any new dollars."

But many in Atlantic Canada still wonder: Why did Canada's most popular premier leave office at the pinnacle of his career? Perhaps it has something to do with the off-the-cuff remark he made in some far-off time before he

was elected to office. He said: "Ten years, more or less, is long enough for anyone to serve as premier." It was said at a time when the ruling Tories had worn out their 17 year welcome in the New Brunswick legislature and McKenna annihilated the Hatfield regime by a 58-to-nil electoral defeat. But back then his comment wasn't meant to be a commitment. Perhaps after a decade in office, McKenna found himself searching for his own truth to set him free - a truth which compelled him to make his toughest call.

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