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ON ONO

# BUSINESS & CAREERS

### Market watch



**S&P/TSX COMPOSITE**  
5.79 to 12,436.49 0.05%



**CANADIAN DOLLAR**  
0.05¢ U.S. to 100.78 \$1 U.S. = \$0.9923



**DOW JONES INDUSTRIALS**  
45.57 to 13,124.62 0.35%



**OIL**  
\$1.20 U.S. a barrel to \$107.27

# Homes in the heavens

Skyscraping towers aren't just for corporations anymore

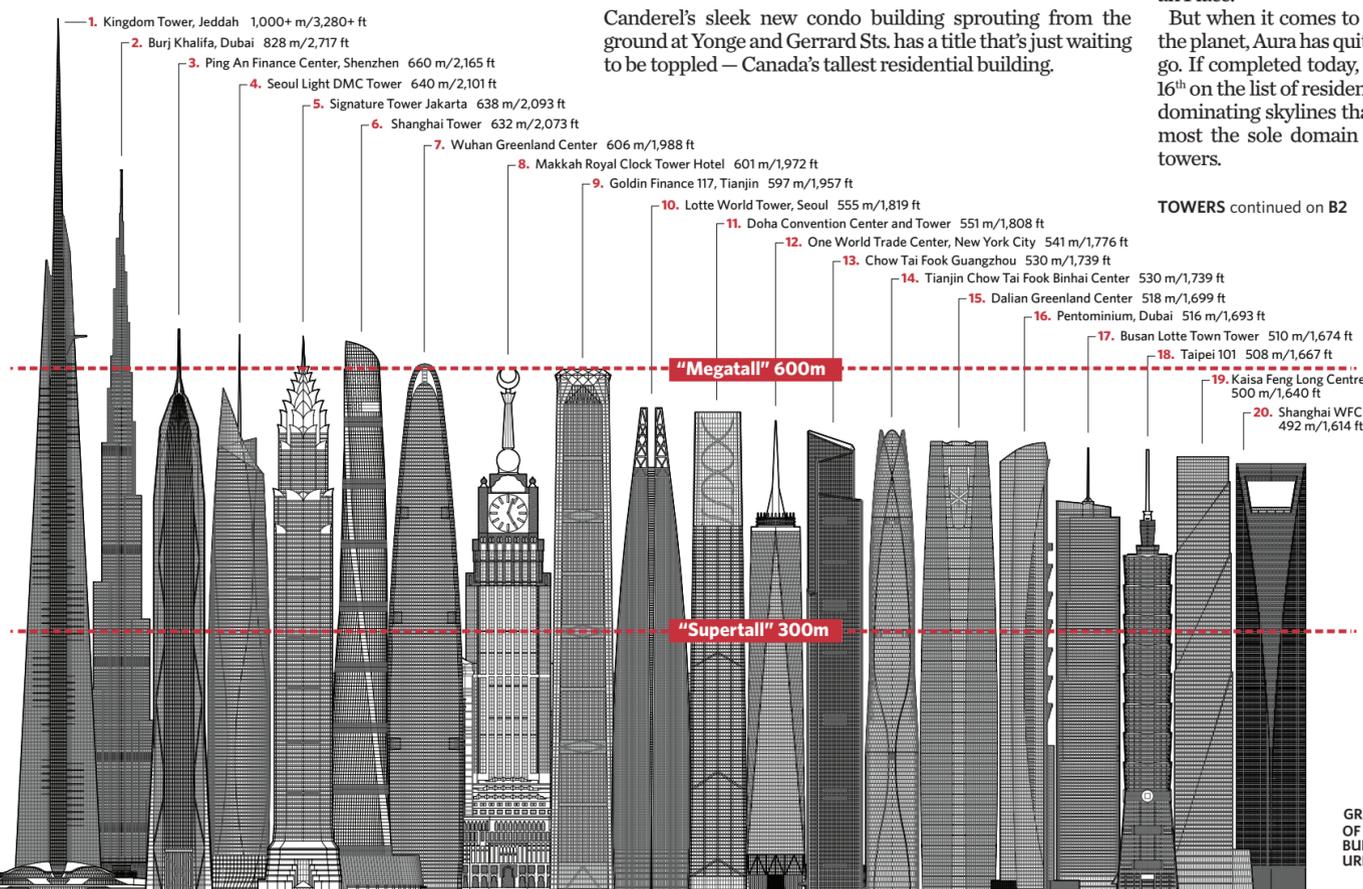
**SUSAN PIGG**  
BUSINESS REPORTER

Candere's sleek new condo building sprouting from the ground at Yonge and Gerrard Sts. has a title that's just waiting to be toppled — Canada's tallest residential building.

When all 78 storeys are complete, Aura will tower 272 metres and — for a while at least — surpass everything in the city except the CN Tower and First Canadian Place.

But when it comes to being tallest on the planet, Aura has quite a few floors to go. If completed today, it would be No. 16<sup>th</sup> on the list of residential towers now dominating skylines that used to be almost the sole domain of iconic office towers.

TOWERS continued on B2



GRAPHIC COURTESY OF COUNCIL ON TALL BUILDINGS AND URBAN HABITAT

## Six candles for Twitter's birthday

**ALYSHAH HASHAM**  
STAFF REPORTER

Twitter is now six years away from that first 140 characters-or-less tweet from co-founder Jack Dorsey: "Just setting up my twttr."

The company had just five employees exactly six years ago Wednesday. Now there are more than 800 and it aims to have 1,000 by the end of the year.

It took three years, two months and one day to reach a billion tweets on the site. In 2011, 60 billion tweets were sent out.

TWITTER continued on B4

## High noon looming for organized labour

Provincial and federal budgets will probably see public sector job cuts, wage freezes

**MADHAVI ACHARYA-TOM YEW**  
BUSINESS REPORTER

A report that suggests unionized auto-workers in Canada should expect smaller pay cheques in the event of another government bailout is the latest kindling on the fire burning underneath organized labour.

From Ottawa's new legislation to block strikes by Air Canada workers to the painful closing and job losses at the Caterpillar plant in London to strikes by library staff in Toronto and teachers in British Columbia, union members from coast to coast could be excused for feeling as if they are under attack. Now public sector unions are bracing

for more cuts as both Ontario and Ottawa seem ready to embrace austerity budgets next week.

While it's difficult to say how many jobs will be lost as Queen's Park and Ottawa attempt to rein in deficits, the consensus is that big cuts are coming. "I think it's going to be a tough environment for the public sector going forward, especially in Ontario," said Bank of Montreal economist Robert Kavic.

The public sector grew when the federal government boosted spending to stem the impact of the global financial crisis and resulting recession in 2008.

LABOUR continued on B2

## Local content sought for green energy

**JOHN SPEARS**  
BUSINESS REPORTER

Green energy projects sponsored by local community and aboriginal groups will get a boost under new rules for renewable energy to be unveiled by the Ontario government Thursday.

Power prices paid to developers of new renewable energy projects will drop as much as 25 per cent from present levels, with solar power prices trimmed most. The changes may have as much to do with politics as the economics of renewable energy.

PROJECTS continued on B2

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ON ONO

## » BUSINESS

# Is that your tattoo vibrating?

Proposed technology from phone maker Nokia creating a buzz

JOSH RUBIN  
BUSINESS REPORTER

Imagine your parents or boss calling you and instead of your phone ringing, your elbow, fingernail or torso starts to vibrate.

Finnish smart phone maker Nokia has filed a patent application for a new magnetic tattoo that would vibrate when someone called your phone.

In an application filed with the U.S. Patent and Trademark Office last September but made public this week, Nokia said it wants to patent “a material attachable to skin, the material capable of detect-

ing a magnetic field and transferring a perceivable stimulus to the skin.”

The technology could also be used, suggests the application, as a kind of personal password, say for your desktop, activating when you come in range of the computer.

The proposed technology has generated heated reaction on Twitter, from disgust and alarm to curiosity, and ribald suggestions for placement, as well as a few volunteers willing to try it out.

Meanwhile, the man behind last year’s foldable “paper phone” said it’s likely a decade before Nokia would bring its vibrating magnet technology to market.

“This isn’t something Nokia will be bringing out next year,” said Roel Vertegaal, an associate professor in human-computer interaction at

Queen’s University. “I’d say it’s probably 10 years before it hits the market, between the actual product development, and just getting people ready to accept something like this.”

Even Vertegaal — who has no connection to the Nokia patent — is a little leery of getting so up close and personal with technology.

“I’d like to think I’d try it, but maybe I’m just a little chicken,” he said.

San Francisco-based technology analyst Kevin Dede of Auriga USA said it’s not something he’d volunteer for either, but he could see it appealing to a younger, edgy crowd.

“I live in Haight Ashbury, and there are guys walking around here with so much metal attached to their bodies you wonder how they can actually sleep. Who am I to say that some people wouldn’t want

this?” Dede said.

But it’s not sure thing the vibrating tattoos would ever actually get made, said Dede.

Nokia spokeswoman Mona Kokkonen wouldn’t say when the tattoos could hit the market.

The patent plan is a form of “haptic” technology, meaning devices that use your sense of touch. (Remember those arcade games where the handlebars on the motorcycle would rumble as you went over a bump? Those were haptic, too).

In the case of the vibrating magnetic tattoo from Nokia, Vertegaal sees several potential uses. Among the simplest, assuming it has a long enough range, is hitting the beach.

“You could be swimming in the ocean, get a buzz and realize you’ve got to get back to check your phone if you were waiting for an impor-

tant call,” said Vertegaal, who also suggested it could be modified to help alert blind people when they’re approaching objects, or to help surgeons.

Reaction on social media was less than enthusiastic.

“Makes my skin crawl. Can already imagine a vibrating tattoo with the words ‘Please call your mother...’” tweeted Asher Wolf (@Asher\_Wolf).

At the other end of the spectrum, however, was a tweeter with the handle @The\_Hedgehogs.

“@Nokia, I’d like to volunteer for your vibrating tattoo test studies.”

In a *Toronto Star* reader poll, 14 per cent said they’d be ready to sign up for the tattoo, with 48 per cent expressing concern over where the patent may lead. Another 38 per cent just said no, thanks.

## Asia leading in sky-high building boom

TOWERS from B1

Just over a decade ago, some 85 per cent of the tallest buildings boasted the names of some of the world’s biggest brands — Chrysler and Sears — and were symbols of intense competition between cities such as Chicago and New York.

But last year, for the first time in history, fewer than half the top 100 tallest buildings were offices. The rest were houses in the heavens that are stretching to such unthinkable heights that the Chicago-based Council on Tall Buildings and Urban Habitat has come up with a new mega-phrase — “megatall” — to describe the growing trend toward mixed-use buildings (usually combinations of apartments, offices and retail space) towering more than 600 metres.

“If you talk to architects, they say there are very few limits at this point in terms of how high a building can go,” says Kevin Brass, spokesman for the council, an international clearing house on high-rise information for architects, engineers and enthusiasts who get dizzy just trying to keep on top of what’s going up.

The kilometre-high Kingdom Tower planned for Saudi Arabia is set to overtake the United Arab Emirates’ Burj Khalifa as the tallest in the world, but “architects and engineers say they can go higher,” says Brass.

“The limits are really economics. It becomes much more expensive the higher you go.”

Up until last December, the 40-year-old council’s top category was “supertalls” — the buildings, a record 88 of them completed last



SUSAN PIGG/TORONTO STAR

Work starts on the 78-storey Aura, Canada’s tallest residential building.

year, that exceed 300 metres. That number is expected to climb to 96 this year and hit 110 by 2013.

But seeing the trend swinging upwards even more, the council added “megatall” to its rating system last December for buildings over 600 metres. So far, there is just one in the world, Burj Khalifa, with almost 830 metres of soaring office, apartment and retail space.

By 2020, there are expected to be seven more, most of them residential/office towers in Asia, which is overtaking North America for supremacy in the skies, says Brass.

“While the U.A.E. grabs headlines, it’s really Asia driving tall building construction,” he says. “Ten of the 20 tallest buildings in the world by 2020 will be in China. North America, which once dominated, now is

an also-ran, accounting for only five of the 88 (tallest towers) built last year.”

The move to megatall isn’t without its risks, notes Brass.

The three Es are particular challenges: evacuating people quickly, elevators must be staggered for speedy use, and energy-efficiency must be achieved in such enormous structures.

And they definitely have their detractors. UNESCO has warned both London and Liverpool that they could lose world heritage site designations because highrise development is compromising the “visual integrity” of sites such as the Tower of London.

Canderel didn’t set out intending to build Canada’s tallest residential building, says Riz Dhanji, vice-pres-

ident of sales and marketing for the condo project surrounded by hoardings that boast that you can “own a piece of the sky.”

The height just made sense for the site, given that it’s just steps from the subway line and downtown jobs, in the heart of a city intent on intensification.

The project is some 50 per cent taller than Canderel’s next biggest project, the nearby College Park Phase I, and that meant the need for careful pre-planning, stresses Dhanji.

The building has three construction elevators instead of the usual one or two, which move manpower during the day and materials at night.

Aura will have two condo corporations instead of the usual one, so that owners buying on the first 55 floors can close and occupy their units while the finishing touches are put on floors 56 to 78. Those buyers, in the second corporation, will close later.

That will minimize the chaos of move-in day, given there will be 985 units with nearly 1,500 occupants.

“When we did College Park (back in the early part of the millennium) people just weren’t accustomed to tall towers,” says Dhanji. “I think the city has grown up since then.”

“People understand we’re in a major cosmopolitan city and that we don’t have the land any more to grow outwards. In order to handle the number of people who are coming here to live, we have to go taller.”

In fact, Dhanji thinks that’s now a point of pride.

“I think there is a lot of prestige now to living in the tallest condo in Canada.”

## Grassroots projects to get priority

PROJECTS from B1

The changes are likely to reflect some of the lessons the Liberals absorbed from last fall’s provincial election, which saw them lose badly in rural areas.

That means more priority will be given to projects that can have some local roots, or at least can demonstrate they’ll convey broad local benefits.

The changes fulfill the government’s commitment to review rules surrounding “feed-in tariffs.” The term is confusing jargon to most people outside the industry, but it’s a system that gives developers long-term contracts for renewable power, at guaranteed prices.

Corporate developers have won many of the biggest renewable energy projects in the province so far, starting with the \$7 billion Samsung deal that gave the company the rights to develop 2,500 megawatts of green energy projects, in return for setting up manufacturing plants in the province. Companies like TransAlta, Enbridge and SunEdison have also been awarded big green energy projects. Although the developers pay municipal taxes and other local benefits, many of the projects, especial wind, have created division in rural areas.

The new rules will give more priority to grassroots projects sponsored by groups with roots in the community such as co-ops, non-profit groups or local partnerships.

Other changes to watch for:

**PRICE:** Prices for solar power are expected to fall significantly. Big, ground-mounted developments now get 44.3 cents a kilowatt hour (kwh). Look for that to drop to the 32 to 35 cent range. Small rooftop arrays get 80.2 cents a kwh. Expect that to drop to the low 60s.

Wind power prices won’t drop as much from the current 13.5 cents a kwh, but prices for large developments could drop a few pennies.

**TARGETS:** Promoters of renewable energy argue the province’s current target for renewable energy will be met by 2018, given the number of projects already approved or in the pipeline. What then? They’re worried the province will essentially sign off on the target, leaving the industry with no prospect for growth.

They’ll be looking for a commitment that the renewable sector still has room to grow in the province.

Look for the province to ease the target. If renewable projects can demonstrate they’re cheaper than other new kinds of power, they’ll be allowed to grow more.

## HSBC ends lending arm

THE CANADIAN PRESS

HSBC Bank Canada is winding down its HSBC Financial consumer lending business in a move that will put 500 people out of work after the bank failed to find a buyer for the business.

The company said Wednesday the decision affects 75 HSBC Finance offices in Canada that are operated on a stand-alone basis from HSBC Bank Canada branches. The closure does not affect HSBC’s banking operations in Canada.

“This move, while not taken lightly, will allow HSBC to better focus our resources on the core businesses that matter most to our Canadian banking customers,” said Lindsay Gordon, chairman of HSBC Financial and president and chief executive of HSBC Bank Canada.

The company will still service and collect existing loans and provide customers with call centre support, but it will stop taking new loan applications as soon as practical.

HSBC Financial is the legacy business of Household International, which was acquired by HSBC in 2003 and has already been wound down in the U.S. and Britain.

Household International began as Household Finance Corp. in 1878. It offered mortgages, lines of credit and term loans.

## Study links wage cuts to bailouts

LABOUR from B1

At the same time, union ranks in many sectors, particularly manufacturing, were devastated as economic growth ground to a halt and companies closed their doors.

But now public servants are battling the perception they are overpaid and enjoy job security, pensions and benefits not available to most working Canadians.

Economists expect between \$4 billion to \$8 billion in government spending cuts to be announced in the looming federal budget.

The Canadian Association of Professional Employees estimates \$8 billion in federal cuts would lead to the loss of about 55,000 public sector jobs across the country.

Federal Finance Minister Jim Flaherty has countered that next Thursday’s fiscal blueprint will not be an austerity budget.

TD Economics points out that some reports put project job cuts at 30,000 positions over three years, roughly 10 per cent of the total federal civil service.

“But the government has neither confirmed nor denied that such a move is coming, except to say that the public sector must also do its part,” TD Economics said in a report issued Wednesday.

Air Canada pilots are currently challenging the federal govern-

ment’s back-to-work legislation, asking Ontario’s Superior Court to rule that the law breaches their charter right to strike.

“The issues and the fact that we have high level of conflict hasn’t surprised me. But the way in which the federal government has approached this has surprised me,” said Charlotte Yates, a labour relations professor at McMaster University. “I’m always surprised when a government used industrial relations law for its own end game instead of making sure the process is protected.”

In Ontario, the government will be watched closely to see if it follows the recommendations made by economist Don Drummond.

Finance Minister Dwight Duncan asked Drummond to provide advice on how to slash the province’s \$16.3 billion deficit and record debt of \$241.4 billion.

Of particular interest will be “the extent to which the Liberals are willing to confront major public sector unions, particularly the doctors and the teachers,” said Joseph D’Cruz, professor of strategic management at the U of T’s Rotman School of Management.

“Will they hold them to zero per cent or give in to them? If they give in to them, the budget will not be satisfactory from a fiscal point of view.”

## CORRECTION

A March 21 column about banks cutting perks for seniors incorrectly said RBC Royal Bank does not offer a free bank account for seniors. In fact, RBC offers an entire fee rebate on its Day to Day Banking account. As well, the column referred to a bank client saying that TD Canada Trust’s Value Plus account included the 13 per cent HST. In fact, bank fees are not taxable.