

Experts say avian flu potentially devastating - continued from page 1

"A 2% loss of global GDP during an influenza epidemic would represent about \$800 billion a year. In the worst case scenario, it would have a truly devastating effect on human population and on the world economy."

And three years after the fact, Toronto is still dealing with fallout from the SARS outbreak. Andrew Weir, Vice-President of Communications for Tourism Toronto, said some conventions slated for 2007 were cancelled three years ago and not re-booked.

The World Health Organization (WHO) is monitoring the evolution of the avian flu virus and will declare a pandemic once widespread human-to-human transmission of a new virus is confirmed.

"Once a pandemic has begun, political leaders will be under great pressure to protect their citizens," notes the WHO in a document entitled *Responding to the Avian Influenza Pandemic Threat: Recommended Strategic Actions*. "Countries with pandemic response plans, ideally rehearsed in advance, will be in the best position to make decisions and take actions rapidly."

The same applies to business

Beatty says that the key is to have a business continuity plan in place that ensures that should a pandemic strike, you have considered the potential danger points to your business, both in terms of your suppliers and your own operation.

For exporters, planning is complicated by the fact that they will have to deal with conditions in other countries, where the pandemic may strike first and where planning may be different.

Ruth Archibald, the senior coordinator for pandemic preparedness at Foreign Affairs and International Trade Canada, says the difference between a flu pandemic and other disasters such as earthquakes is that a pandemic will affect human resources rather than infrastructure.

That is why, in many cases, making sure people have the ability to work from home will be critical. But the response has to be planned in advance.

"Businesses need to plan for it, and travellers and people working abroad need to understand what is available and what is not available from Canadian consulates and embassies," she says.

The World Bank notes that one lesson from the SARS episode is that a prompt and transparent public information policy could help reduce the economic costs of the epidemic.

For more information on CME's *Pandemic Preparedness Plan for Canadian Business*, go to www.cme-mec.ca.

Related avian flu websites:

- **Government of Canada Pandemic Portal:** www.influenza.gc.ca
- **Foreign Affairs and International Trade Canada:** www.international.gc.ca/avianflu-en.asp
- **Public Health Agency of Canada:** www.phac-aspc.gc.ca/influenza/index.html
- **Health Canada:** www.hc-sc.gc.ca/iyh-vsv/diseases-maladies/avian-aviare_e.html
- **Canadian Food Inspection Agency:** www.inspection.gc.ca
www.beaware.gc.ca
- **U.S. government:** www.PandemicFlu.gov
- **World Health Organization:** www.who.int/csr/disease/avian_influenza/en/index.html
- **World Bank:** www.worldbank.org
- **Centers for Disease Control and Prevention (includes business planning checklist):** www.cdc.gov/business

The allure of India: transportation opportunities just the start

Living in a nation that stretches from the Himalayas to the tropics, India's billion-plus people make up the world's largest democracy. But the sheer size of the country and its urgent need for development mean that it has an almost insatiable demand for goods and services—a demand that Canadian companies are well-positioned to fill.

To begin with, India's transportation networks are in poor repair. Upgrading the country's roads, railways, seaports and airports will require hundreds of billions of dollars of investment during the next few years. In the energy sector, India hopes to double its electrical generation capacity by 2012. Environmental quality, largely because of the economy's rapid growth, needs attention. Agricultural development will demand new storage, packaging and distribution systems.

In each of these sectors, Canada has both the capacity and skills to provide what India needs.

This is already beginning to happen. According to Statistics Canada, merchandise exports to India earned Canadian businesses \$764 million during 2003. This was an increase of 13.4% over 2002 and, because of under-reporting, could be some 20% higher—which means that Canada's average exports to India are closing in on a billion dollars a year. It's no wonder Canadian firms are discovering the allure of India.

A market like no other

India may, in fact, be the most important emerging market in the world. Its economy is already the 12th-largest and is expanding quickly, with an expected GDP growth during 2004-2005 of between 6 and 7.5%. At the same time, however, about 65% of its people are villagers whose living depends on agriculture; poverty is widespread, and poor infrastructure could be an impediment. In the large cities, millions of people crowd into cramped quarters, putting enormous strain on transit systems, water supplies and waste disposal facilities.

In 1991, the Indian government, recognizing that faster economic development could help deal with such problems, began to introduce reforms to liberalize the economy. Among the changes were deregulation of industry, sharp reductions in customs tariffs, lower domestic taxes and simpler rules for foreign investment. As a result, the Indian economy began a steady expansion that has continued to this day.

Economic liberalization isn't the only contributor to India's increasing prosperity. One of the country's greatest strengths is its deep labour pool of highly educated, English-speaking workers, turned out by excellent schools and colleges teaching from

high-quality curricula. Technical education is widely available; the country has thousands of engineering colleges offering degrees and diplomas, while more than 800 institutions concentrate on advanced computer training alone.

It all adds up. From April to September 2004, for example, India's GDP growth stood at 7%, despite a weather-related drop in agricultural output. According to the Indian Ministry of Statistics and



The revamping of India's transport system is still in low gear.

Programme Implementation, the services sector and the industrial sector did especially well during this period, growing at rates of 8.25% and 8.02% respectively. On the consumer side, lower interest rates (now about 7%, compared with 12% in 1996) have also contributed to the country's economic expansion.

A reasonable forecast for economic growth during 2005-2006 is 6-7%, although the Indian government has established a target of 8% for the period. But no matter which prediction turns out to be correct, Canadian businesses will continue to find new horizons in the east.

For more information on the Indian market, go to Team Canada Inc's new India portal at www.canadaindiabusiness.ca.



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