

# SNC-Lavalin head stepping down

Speculation has staunch federalist Guy Saint-Pierre eyeing another run at politics

BY ANN GIBBON  
Quebec Bureau

MONTREAL — One of Quebec's leading business figures and a strong supporter of national unity is stepping down as head of engineering and construction giant **SNC-Lavalin Group Inc.** of Montreal.

And there is speculation that Guy Saint-Pierre's next career move may include another run at politics, a field he left two decades ago.

Mr. Saint-Pierre, 61, announced yesterday he will hand over the job as chief executive of, SNC-Lavalin to his executive vice-president, Jacques Lamarre, at the company's annual meeting on May 8.

While Mr. Saint-Pierre is retiring as chief executive, he is not leaving the company altogether. Instead, he will become chairman, replacing the man currently in that position, William Turner, who stays on as a director.

Mr. Lamarre is the brother of Bernard Lamarre, whose diversified en-

gineering empire Lavalin Group suffered a spectacular collapse in 1991. The group's engineering assets, which made Bernard Lamarre a star of Quebec's business community in the 1970s and 1980s, were purchased by SNC in 1991 in a \$90-million deal.

That deal made SNC-Lavalin Canada's largest engineering firm and one of the world's top eight, ranking behind giant U.S. competitors such as Fluor Corp. and Bechtel Group Inc.

SNC-Lavalin's sales for 1995 reached \$1.03-billion, up from \$961.9-million the year before. Profit grew to \$31.3-million from \$27.3-million.

Since the 1991 merger, it has set up operations around the globe and made a point of hiring local engineers for its projects in Europe, Asia and Latin America. In Canada, SNC-Lavalin expanded most recently by buying the Ontario engineering company Kilborn Holdings Inc.

Mr. Saint-Pierre was Quebec minister of education in the Liberal government of Robert Bourassa in the 1970s. He left electoral politics in 1976

when the separatist Parti Québécois took power.

But he has never lost his interest in politics, particularly federal Liberal politics, where he still enjoys strong contacts. In 1994, he was part of Prime Minister Jean Chretien's trade mission to China, and this January went on a similar trip sponsored by the federal government to Asia.

Through the years, Mr. Saint-Pierre has been a strong defender of federalism, a point of view he gets across as president of the Business Council on National Issues. On the weekend, he remarked that Premier Lucien Bouchard may have the ability to reconcile Quebec with Canada, a comment suggesting that the province's business community may view the premier as a man of conciliation, not just divisiveness.

With the leadership of Quebec Liberal chief Daniel Johnson under question recently, there has been speculation that Mr. Saint-Pierre may want back into the provincial political game. His name was also cir-

culated when former premier Mr. Bourassa was leaving politics several years ago.

Mr. Saint-Pierre could not be reached for comment yesterday.

His successor will have to keep his attention closely focused on the business of which he is taking charge.

Mr. Lamarre, who became head of SNC-Lavalin's transport group after the 1991 merger, was named executive vice-president and member of the office of the president, a body set up a year ago to prepare for the succession.

His task will be to keep up the momentum built by Mr. Saint-Pierre. Another issue that will command his attention is the 51-per-cent block of multiple voting shares held by the company's employees. Next year, those shares will revert to single voting shares, making SNC-Lavalin vulnerable to a takeover.

With this in mind, the company has been looking for a strategic partner, a process that is continuing, a spokesman said.