

investment

WINNIPEG was the stop on External Affairs' dog and pony show last week and a bevy of senior provincial officials extolled the benefits of doing business in Manitoba to a group of 10 External Affairs investment counsellors from postings around the world.

The cross country tour is part of a federal government program started in 1985 after the Tories dismantled the Foreign Investment Review Agency. The intention of the program is to identify various forms of foreign investment including partnerships, joint ventures and licencing opportunities.

Clayton Manness, provincial minister of finance, Brian Ransom, chairman of Manitoba Hydro, Ian Blüq, a.d.m. of Industry, Trade and Tourism responsible for the health industry initiative, as well as a number of other provincial and city officials, gave the counsellors an exhaustive report on the advantages of doing business in Winnipeg.

Though External Affairs, and indeed the provincial departments involved in economic development, are wise to key on areas like biotechnology, information technologies and high technology manufacturing, the rest of the world is doing the same thing.

Brian Willdn, the first secretary for commercial activities at the Canadian embassy in Tokyo, is in competition with 35 U.S. states, not to mention dozens of other countries around the world, for Japanese investment.

He says one of the things they have to try to avoid doing is "boring them to tears."

The kind of strategic advantages that Manitoba has to offer, besides low cost energy especially for energy-intensive industries and its geographic location, become rather indistinguishable from many other jurisdictions throughout North America.

That's why the attraction of foreign investment here is most effective on an individual, project-to-project basis. George Phillips, the consul and trade commissioner for the Canadian Consulate General in Chicago, says information he ac-



Manness: advantages



Martin Cash

quired will allow him to go back to Chicago and sell the strength of Winnipeg's manufacturing sector, especially that part associated with the health industry.

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Options are becoming increasingly limited for the Winnipeg investment community. Earlier this month The Equion Group, a Winnipeg investment company that made a name for itself by marketing Western Canadian real estate syndications, let go its entire Winnipeg sales department. Equion will no longer sell syndicated investments in Manitoba.

The company and its president, Michael Nairne, moved to Toronto in 1986. Since then its Toronto office has grown from a staff of 25 to close to 100 and the Winnipeg staff has declined from close to 50 to less than 10 today.

Two of Equion's ex-sales people have gone to work for Premier Canadian Securities. Equion had made inquiries about acquiring Premier more than a year ago, but subsequently Premier's Winnipeg business has improved and Equion's has declined.

Equion will still maintain a Winnipeg office involved in the search for real estate investment acquisitions and also manage its existing portfolio. Nairne says it's difficult to run an investment house in Winnipeg because of the lower concentration of higher income people,

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"Bachman has a distinct and identifiable style that is not the same as ours," Laurence says. "It's the business people that I want to know me, not the general public."

a resistance to pay fees for financial planning services and the sustaining fall-out from the recession of the late '70s, early '80s.

But then again Nairne has been in Toronto since 1986 where a basic residential real estate investment could return something in the neighborhood of 30 per cent per annum on the investment and anything less than that is considered a loss.

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