

Albertans need more hustle to win in investment big league

By DAVID HOLEHOUSE
Journal Staff Writer

The free-trade deal and more aggressive promotion will help Alberta tap into a worldwide investment pool worth billions of dollars.

Investment counsellors from eight Canadian embassies visited Edmonton to tell Alberta companies and

municipalities how to attract some of the \$10 billion or more flowing to this country from overseas companies interested in equity positions and partnerships.

John Swanson, director-general of Ottawa's export development programs and services bureau, said Canadians cannot sustain prosperity by depending on their own domestic market; they have to market abroad, and foreign investment helps them do that.

"For every one-per-cent increase in the share of world markets we gain, we create 235,000 new jobs," he said.

Brian Wilkin, commercial secretary at Canada's embassy in Tokyo, said Japan has a gross domestic product of \$3 trillion, a trade surplus of \$95 billion and savings of \$5 trillion. Investment flowing out of the country amounted to \$40 million in 1988, with two per cent of that moving to Canada.

Mitsubishi's investment in the pulp and paper mill at Athabasca was big news in Japan, he said, spurring interest in this province by numerous other investors.

"People are knocking on my door," he said. "Because of that (investment) we are now looking at

food processing, information technologies, chemical investments, biotechnology. . . ."

The U.S. captures 44 per cent of Japan's investment funds, Wilkin said, but the free-trade deal should change that.

"Before Japan had a reluctance to look at us because of our 25 million market and threats of protectionism," he said. "Now, with the agreement, we are looking at a market of 270 million people."

George Phillips, Canada's trade commissioner in Chicago, said his area of the U.S. includes three states, 22 million people and a heavy concentration of Fortune 500 companies. Investment interests include joint venture.

"Traditionally they look to Ontario and Quebec," he said. "We have to do a major selling program to tell them there's a whole section of the country out here that has a lot to offer."

One of the West's biggest assets is a workforce of millwrights with skills that are superior to any used in the aerospace field, thanks to the oil and gas industry.

"There's a major advantage," he said. "We have to tell Chicago companies that we have these skills."

William Johnston from the Canadian High Commission in London said Edmonton's Terochem Laboratories is a good example of U.K.-Alberta partnerships.

There are 1,100 U.K. subsidiaries in Canada which take about \$700 million out of this country each year in profits, he said.

"But we are more than compensating for that because these profits drive them to make more investments in this country," he said.

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