

Lougheed in Asian Five-week Fact Finding Mission

By Chris Sharp

A three day stop over in Hong Kong was on the agenda for Alberta Premier Peter Lougheed when he concluded a five-week fact finding mission through Asia, aimed at strengthening trade and investment ties between his province and the Pacific Rim.

In Hong Kong Lougheed met with leading members of Hong Kong's foreign and Canadian financial and business communities who are active in promoting trade and investment from a wide area, including SE Asia and China.

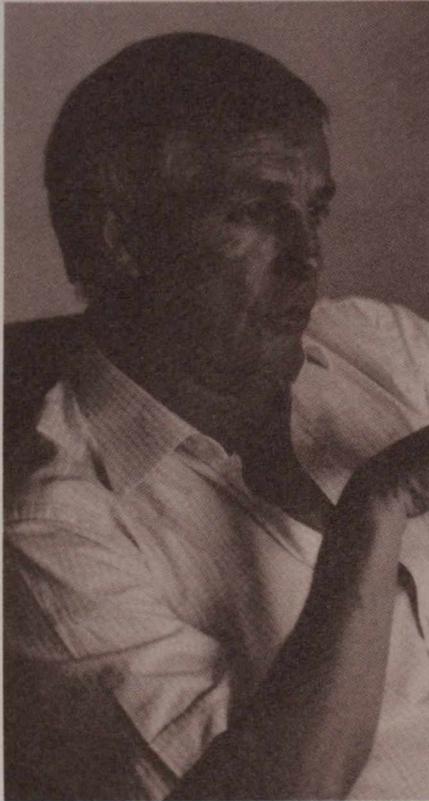
Outlining the objectives for the Hong Kong visit at a lunch with members of these communities on Sept 16, Lougheed stressed the importance of current investment opportunities for Hong Kong companies in Alberta's economic development. He highlighted the province's specialist capability in offshore project supply in the South China Sea.

In a speech which detailed the progress of both Canada and Alberta's economic recovery, Lougheed focussed on the province's free-market character and its non-restrictive foreign investment structure in an appeal for continued and expanding investment relations between Alberta and Hong Kong where, he stated: "There is a common thread of entrepreneurial spirit and international perspective".

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Moving on to summarise findings from his earlier visits to Japan and China, the Premier declared that there was considerable room for expansion and development in these markets, and emphasised the importance of Alberta as a prime resource-owning area with expertise in the fields of agriculture and oil, natural gas and coal.

Lougheed described Japan as "fascinating and challenging" and was impressed with the effective interaction between business and Government. With a current 98% of Alberta's 'Canola' oil going to Japan, Lougheed highlighted the challenge for future industrial development in this area. He had earlier described the country as "probably one of Alberta's most promising markets for expansion over the long term".



Alberta's Peter Lougheed.

In an earlier comment to the Canadian press, Lougheed quoted the example of Alberta's Gregg River Mine — 60% Canadian and 40% Japanese owned — as an "exemplary case" in foreign investment.

Wheat exports

Commenting on his extensive 18-day visit to China — "a longer visit than most political leaders from North America make", as the Premier pointed out — he noted trade obstacles such as the complexity of the market and the difficulties in identifying decision-making processes.

However, he stressed the sound relations between the Canadian and Chinese Governments and added that "there are opportunities for Alberta to expand its agricultural trade and use its oil and gas technology".

He mentioned the development of the special relationship between his province and Heilongjiang — the first such agreement signed between a Canadian and Chinese province — as an example of commitment to increased development in the areas of energy, agriculture, forestry, trade, culture, education and sports and

reaffirmed the importance of this unique relationship for Alberta's long term international market development.

Lougheed had earlier held meetings in China with senior officials including Jian Jiyun, vice-premier of economics. Discussions were also held with the respective ministers of foreign affairs, petroleum and agriculture as well as the head of petrochemicals and offshore exploration.

On agriculture, Lougheed noted that 50% of Alberta's wheat exports go to China and that Canada supplies one-third of all Chinese wheat imports. In a comment on the complexities of China trade, he said: "One public policy decision could be made by the Central Government to affect that trade". He went on: "We don't think it will; we've received assurances that it wouldn't, but it gives you some idea of the magnitude of what's at stake".

Joint benefits

Lougheed had earlier commented on the existing export potential in the field of malting barley as China increases its consumption of beer. He also observed that opportunities to sell breeding cattle could exist in the future under impending new trade provisions.

During his visit Lougheed also observed the traditional courtesies of gift-giving with examples of painting, sculpture, blown-glass and pottery from his home province. A bundle of hand puppets were also in evidence among the 30 boxes of gifts that accompanied him at the start of his trip. These were for presentation to children of the Third Middle School in Heilongjiang, Alberta's sister province in China.

Commenting on foreign investment prospects, Lougheed told Hong Kong business leaders of his belief in the benefits of investment for both Alberta and Canada, and predicted a change in the general viewpoint of his country on this issue. He forecast significant developments in Canadian public policy in the future aimed at reducing limitations and obstacles on investment, and went on to emphasise the joint and mutual benefits gained by a positive attitude and encouragement of foreign investors.

In concluding his speech, the Premier told his audience that he saw a "beautiful future" for Canada, and predicted continued strong economic growth for both his country and his province. ■