

Highlights of the Alberta Economy 2011

**Alberta Treasury Board and
Enterprise Division**

December 2011

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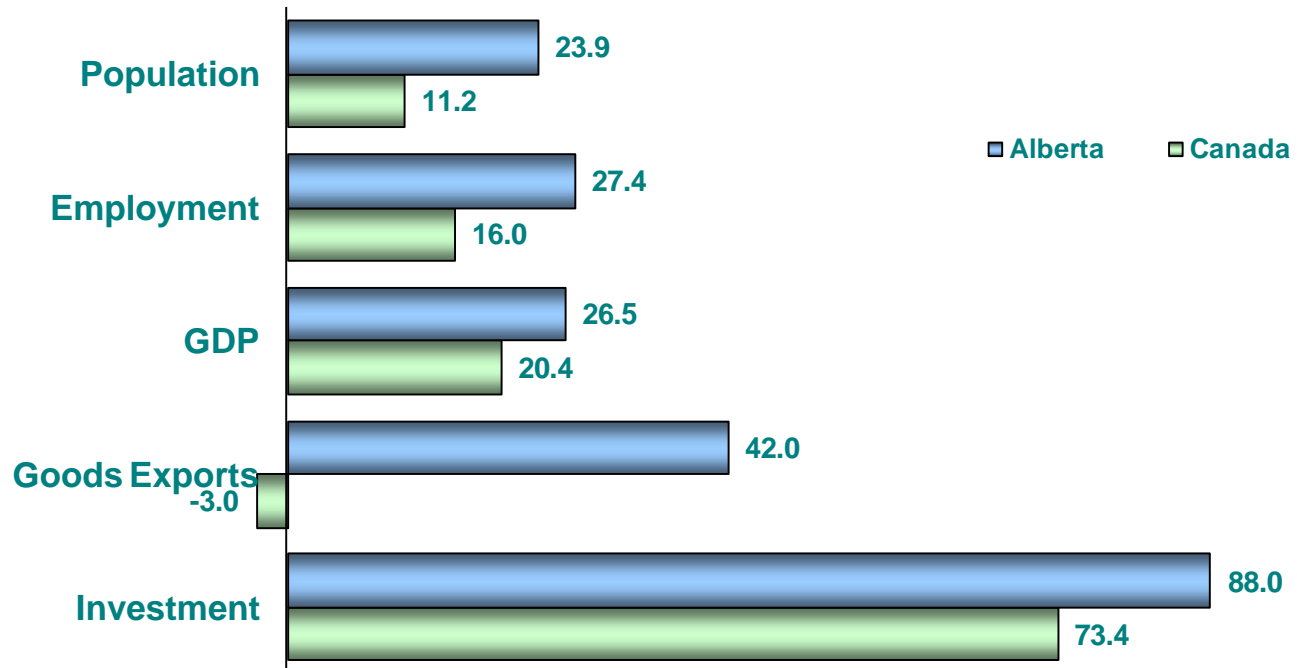
Alberta: The Best Place to Live, Work and Do Business



Economic Highlights

Growth

Growth In Selected Indicators: 2000 - 2010 Per Cent Change

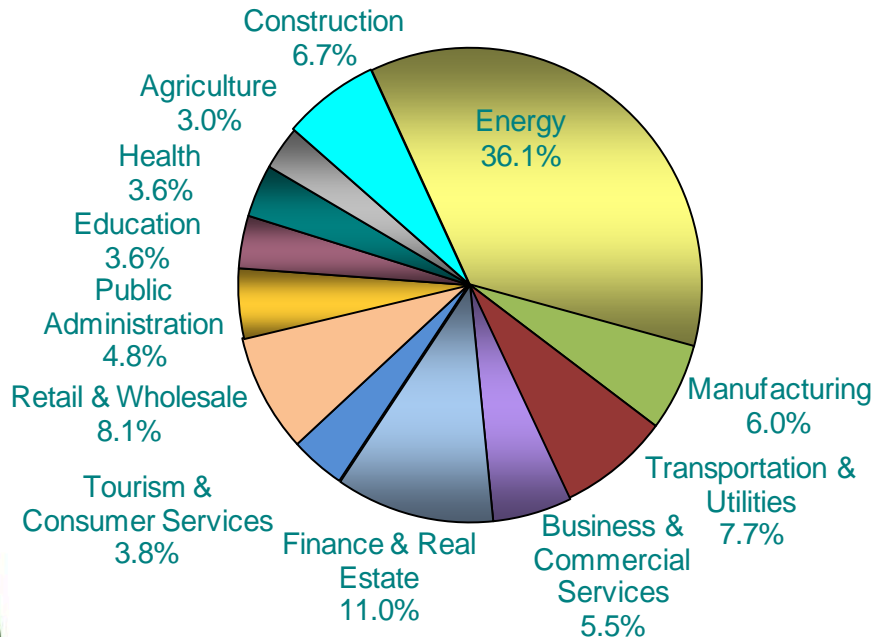


Source: Statistics Canada and Alberta Treasury Board and Enterprise

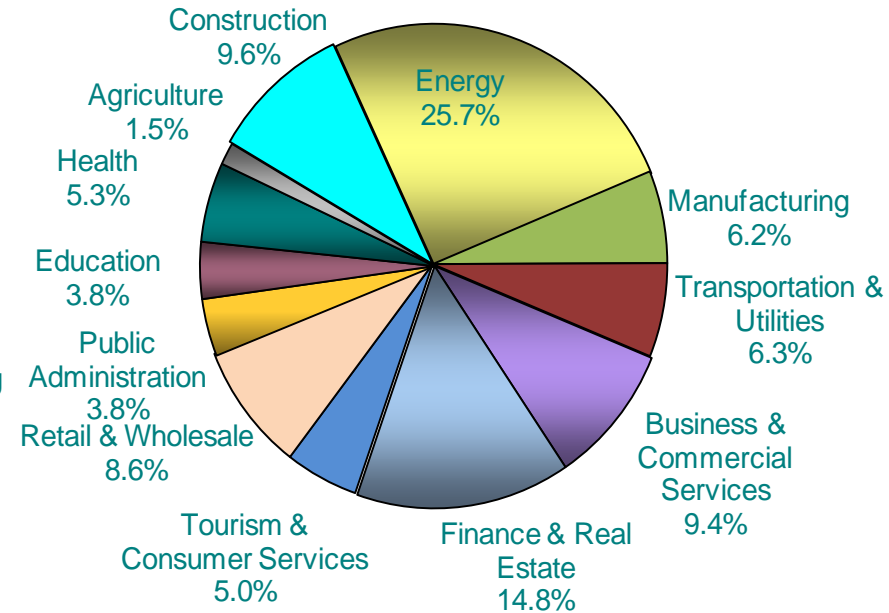
Economic Highlights

Economic Prosperity

Economic Diversity: 1985
 Percentage Distribution of GDP
Total GDP: \$66.8 Billion



Economic Diversity: 2010
 Percentage Distribution of GDP
Total GDP: \$263.5 Billion

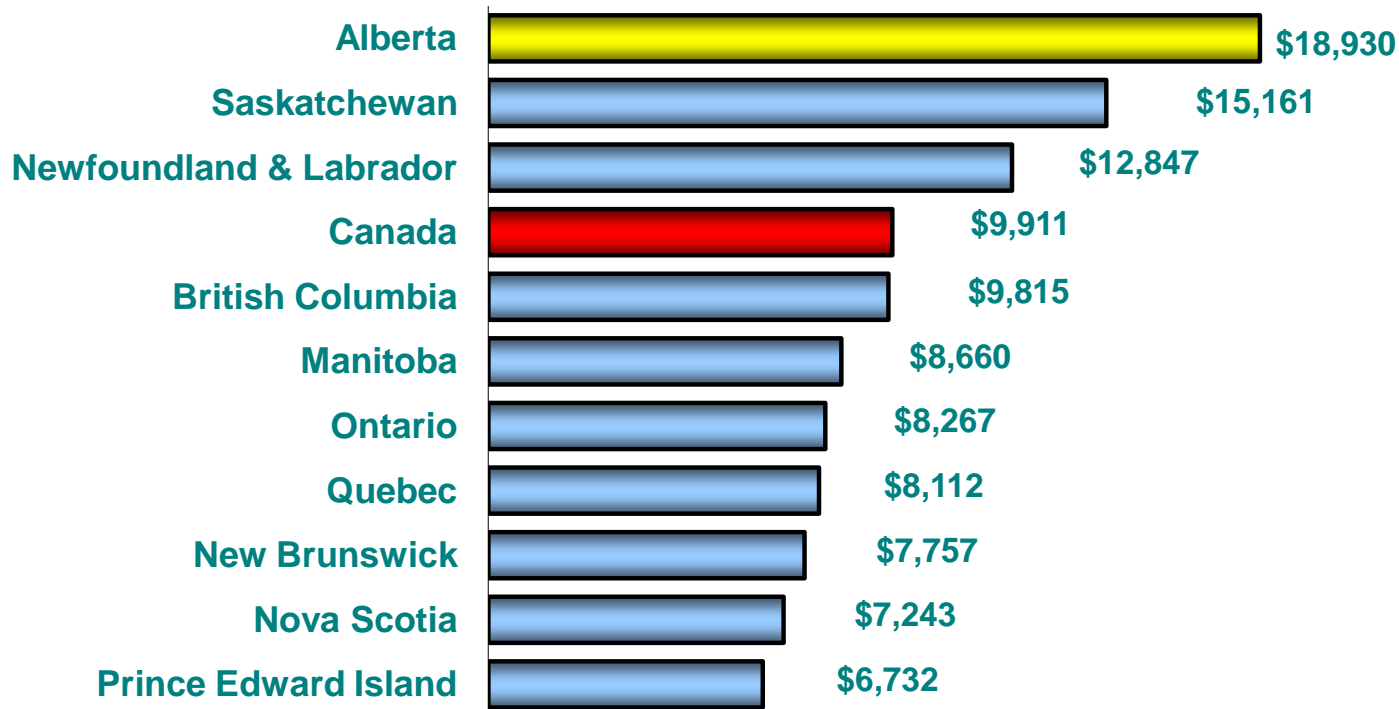


Sources: Statistics Canada and Alberta Treasury Board and Enterprise

Economic Highlights

Attractive Investment Climate

Per Capita Investment (2010)

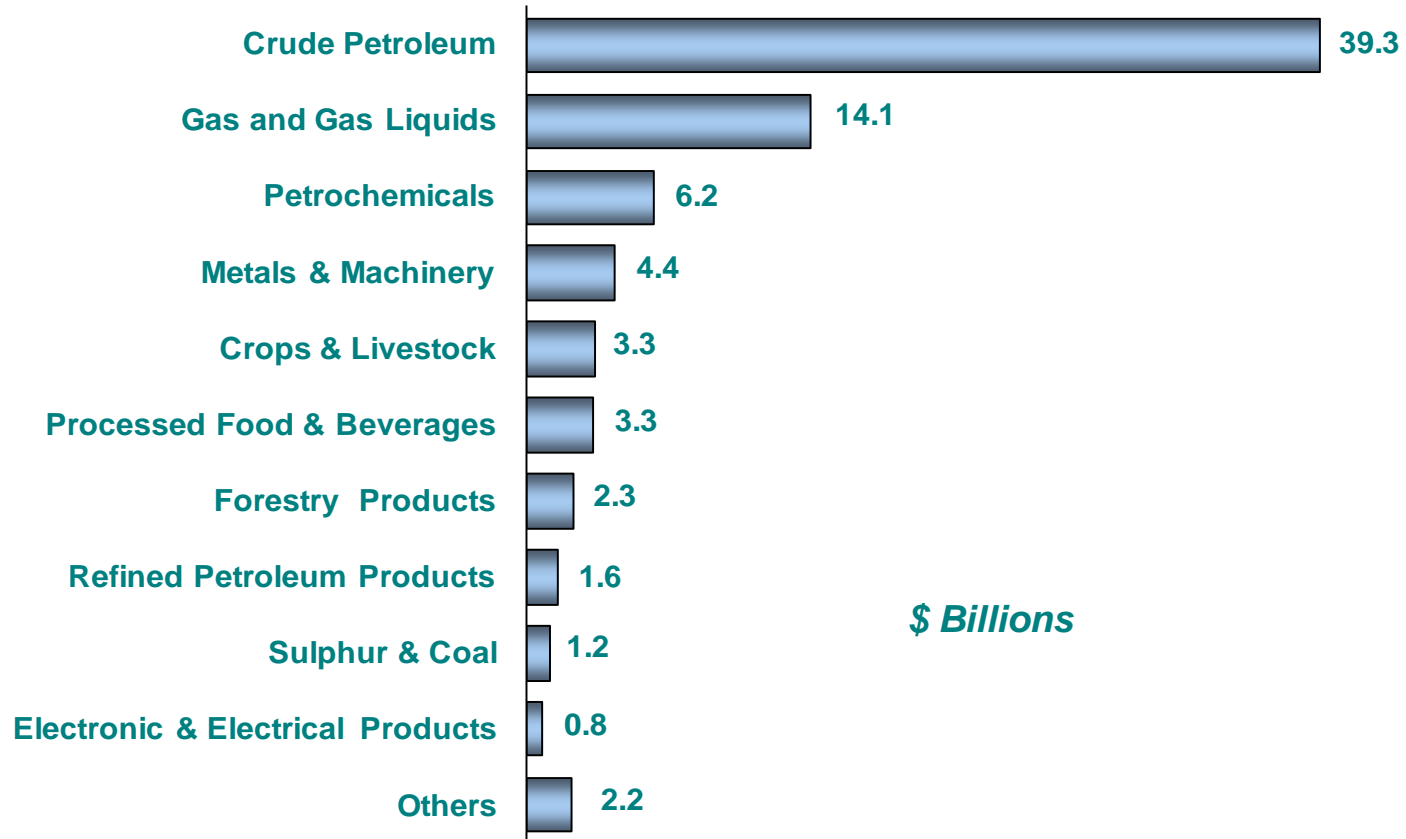


Source: Statistics Canada

Economic Highlights

Exports

Alberta's Major Exports 2010* Total Exports of Goods (\$78.6 Billion)



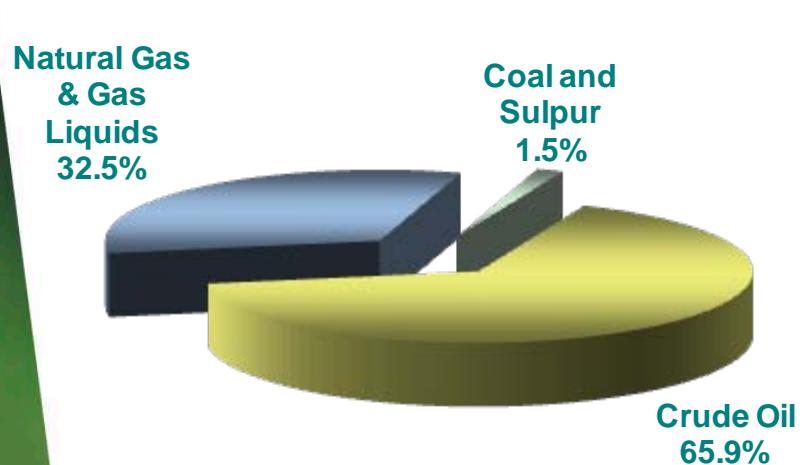
* Export of services is not included in this estimate

Sources: Statistics Canada and Alberta Treasury Board and Enterprise

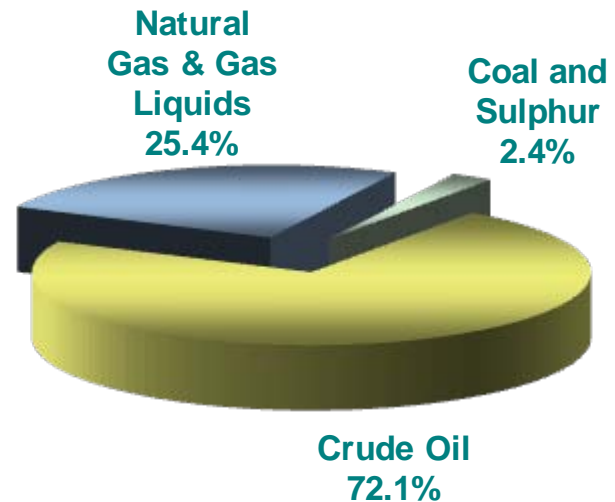
A Diversified and Resource-based Economy

Energy

Alberta's Energy Revenues 2010
Total: \$73.2 Billion



Alberta's Energy Exports 2010
Total: \$53.9 Billion



Sources: Statistics Canada, Energy Resources Conservation Board, Alberta Treasury Board and Enterprise

Diversified and Resource-based Economy

Oil Sands and the Environment

Alberta's oil sands account for about five per cent of Canada's overall greenhouse gas (GHG) and Canada is responsible for about two per cent of global emissions.

Large industrial emitters of GHGs per year must meet mandatory reduction targets, purchase Alberta offset carbon credits or pay \$15 per tonne into a clean energy technology fund.

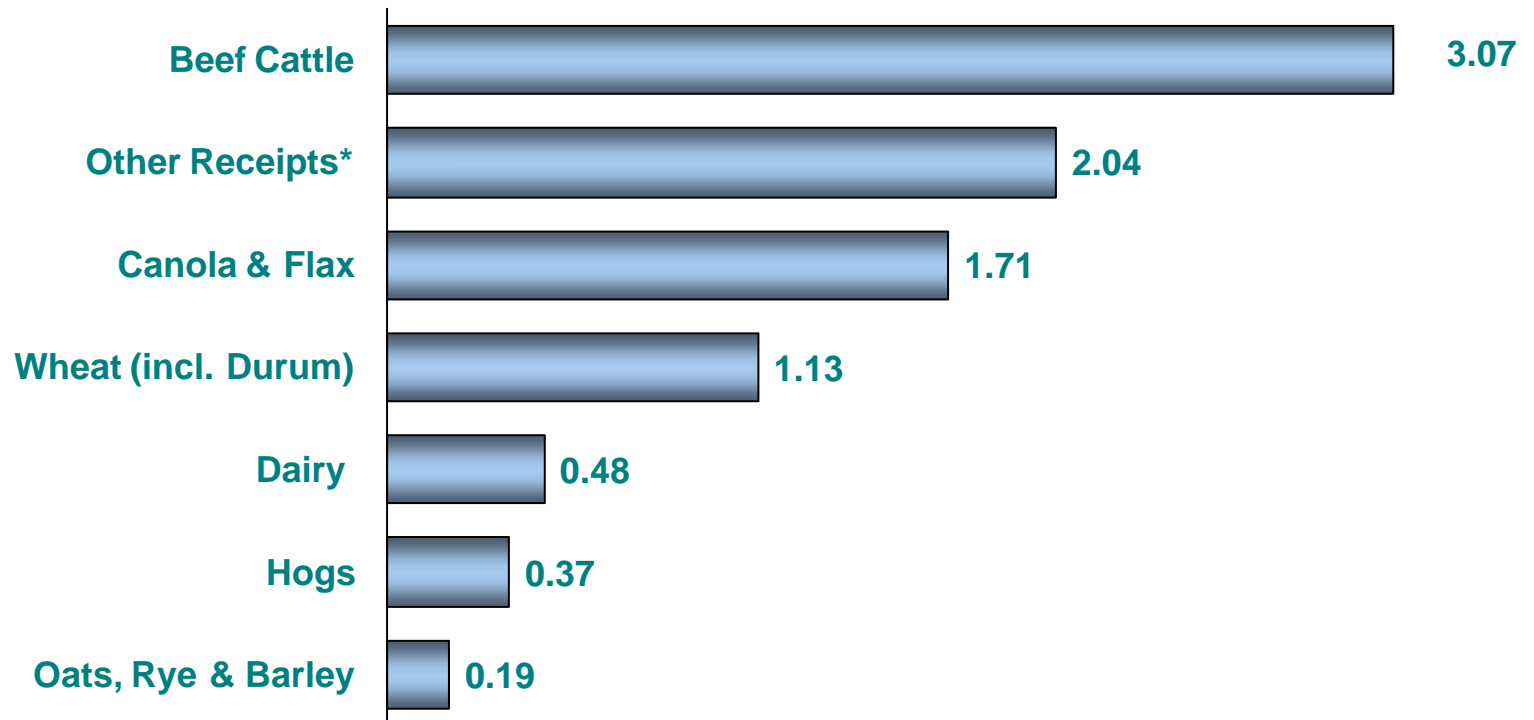
Air quality is monitored 24 hours a day, 365 days a year across the province and is rated good in the oil sands region – the highest quality.

The Alberta Government has committed \$2 billion (CDN) to commercial scale carbon capture and storage projects.

A Diversified and Resource-based Economy

Agriculture

Alberta's Major Agricultural Products 2010
Farm Cash Receipts (\$ Billions)
Total: \$8.98 Billion



*Includes specialty cash crops, honey, poultry, eggs, program payments, etc.
Source: Statistics Canada

A Diversified and Resource-based Economy

Forestry

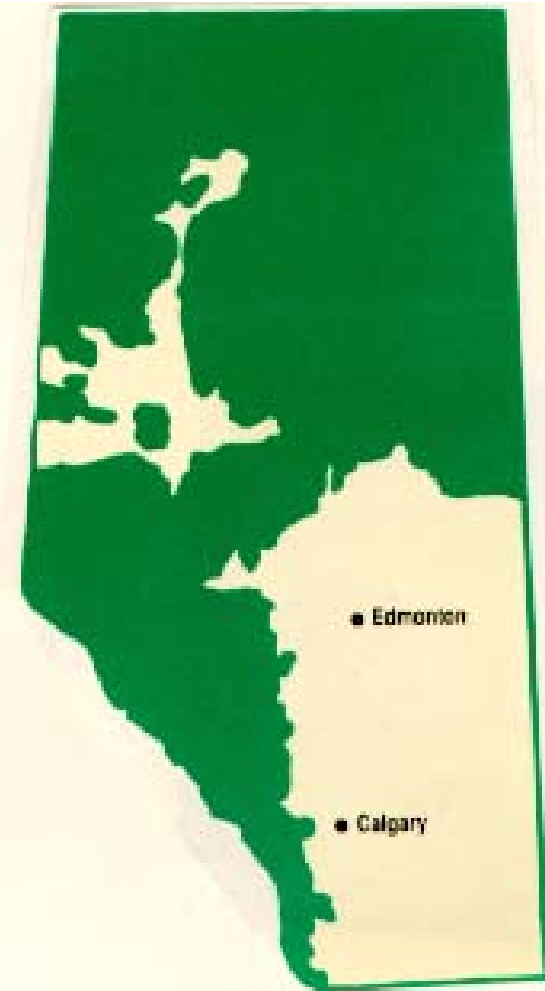
Shipments of forest products reached \$4.0 billion in 2010, and exports were \$2.3 billion*.

Alberta covers over 66 million hectares of land, 58% or 38 million hectares of which is forested. Of the forested area, about 60 per cent or 22.5 million hectares are considered suitable for harvest.

Alberta's commercially productive timber land base of 26.1 million hectares covers 40 per cent of Alberta's total area and includes in excess of 2.2 billion m³ of growing stock.

Annually, Alberta allows 29.7 million cubic meters (m³) to be harvested, of which 18.4 million m³ is coniferous, and 11.3 million m³ is deciduous.

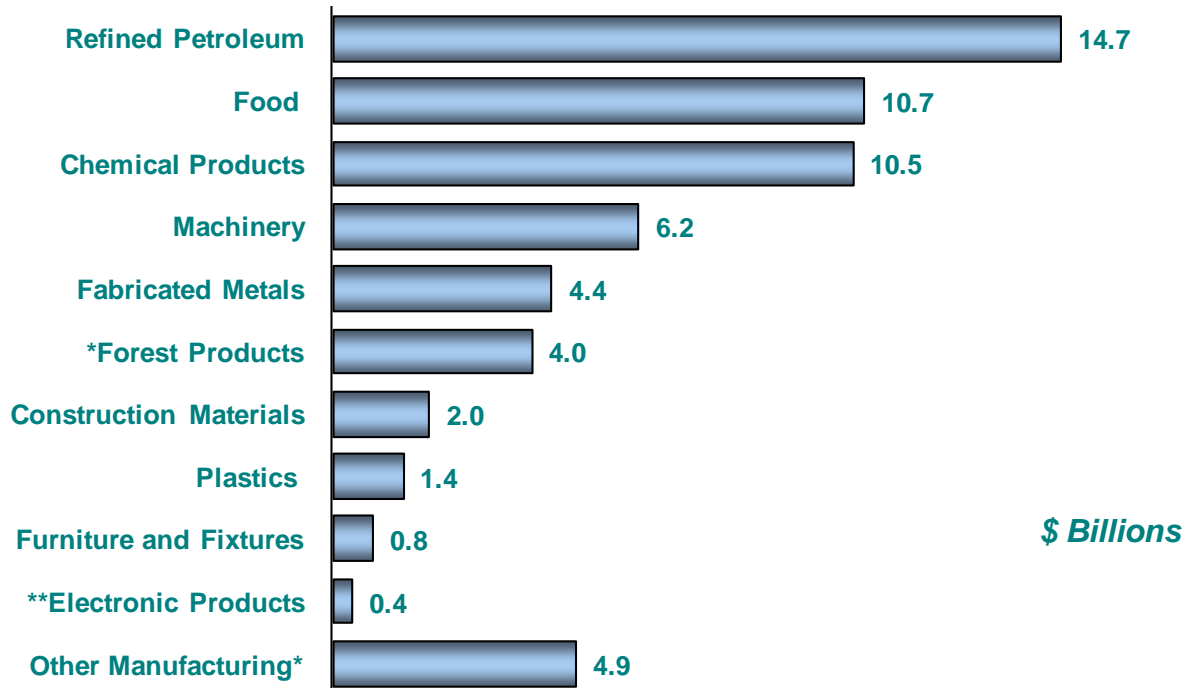
* Includes wood products and pulp & paper



A Diversified and Resource-based Economy

Manufacturing

Value of Alberta Manufacturing Shipments 2010
Total: \$60.1 Billion



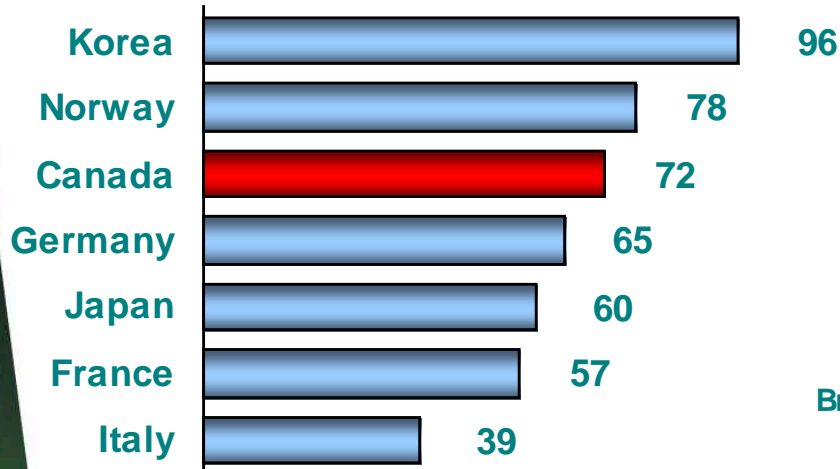
*Includes wood and pulp & paper industries

**Includes telecom equipment

Source: Statistics Canada

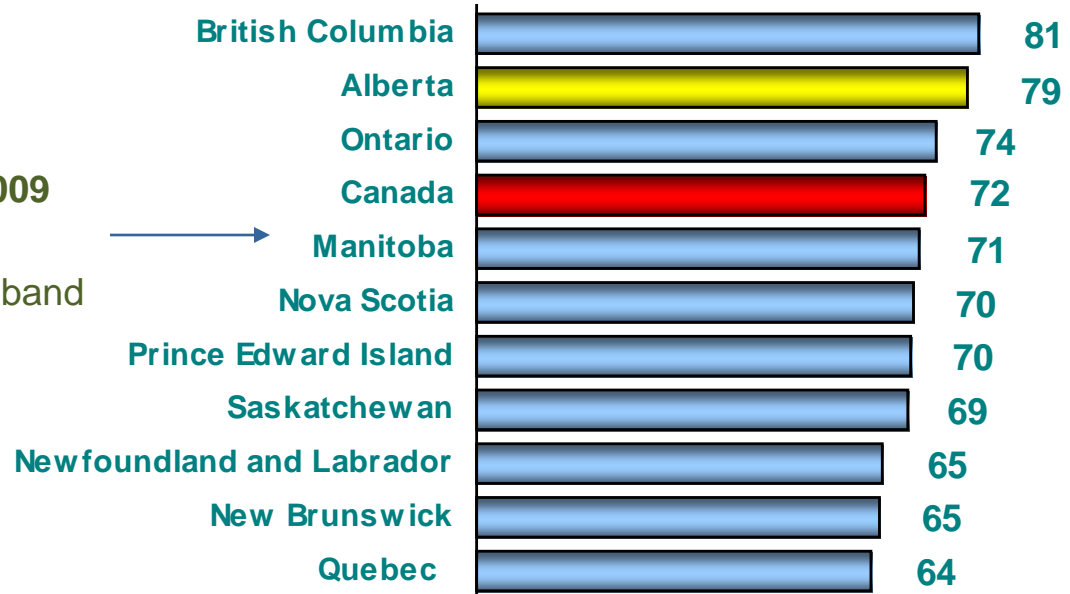
A Diversified and Resource-based Economy

Advanced Technology Broadband Usage



Broadband Usage– International 2009
 Percentage of Households
 Accessing the Internet by Broadband

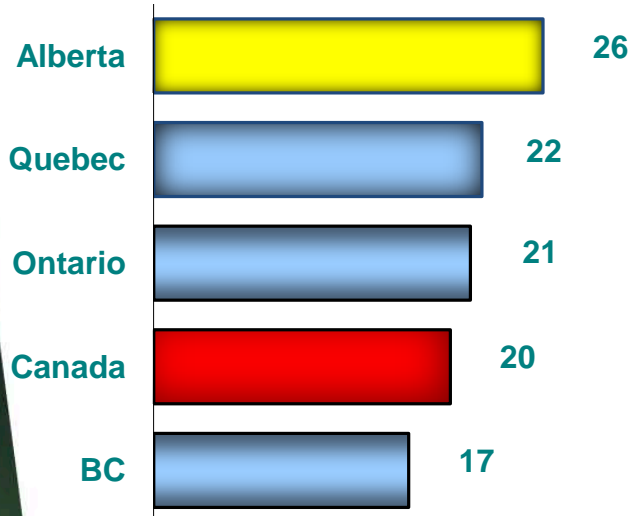
Broadband Usage– Canada 2009
 Percentage of Households
 Accessing the Internet by Broadband



Sources: Statistics Canada and OECD

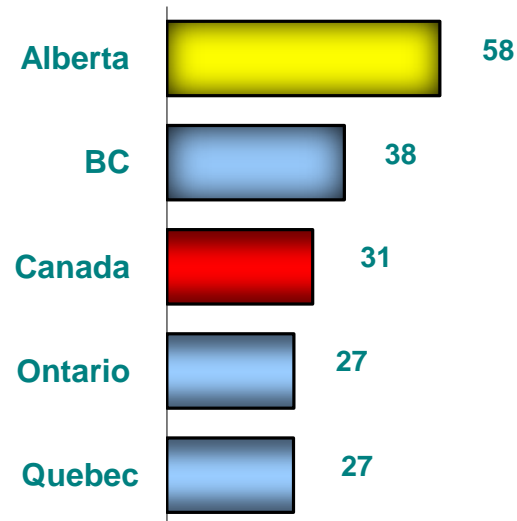
A Diversified and Resource-based Economy

Financial Services



Financial Services Employment Growth 2002 - 2010
Percentage increase in Employment

Financial Services GDP Growth 2002-2010
Percentage increase in GDP



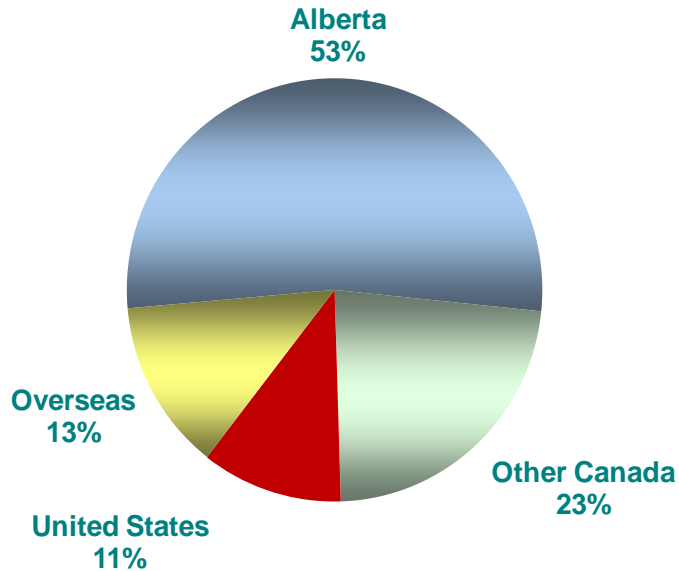
Source: Statistics Canada

A Diversified and Resource-based Economy

Tourism

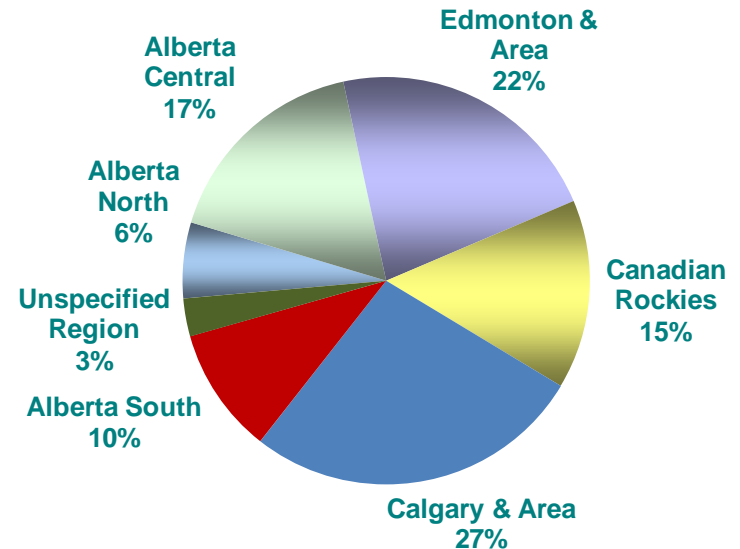
Alberta Tourism Receipts by Visitor Origin (2009)

Total: \$5.4 Billion



Overnight Tourism by Tourism Destination Region (2009)

Total : 40.4 Million Person Nights



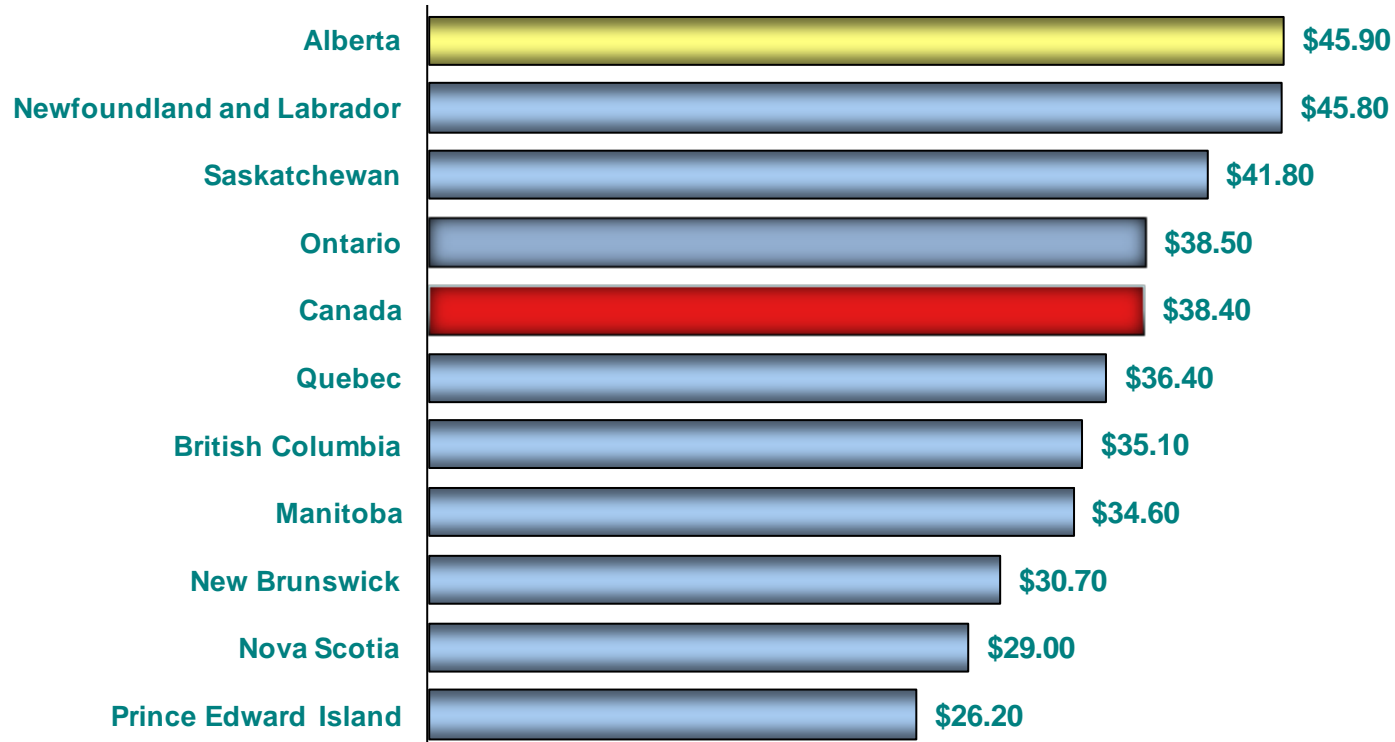
Source: Statistics Canada and Alberta Tourism, Parks & Recreation

Doing Business in Alberta

Competitiveness

Business Sector Labour Productivity 2010

Real GDP per Hour Worked, in 2002 constant dollars



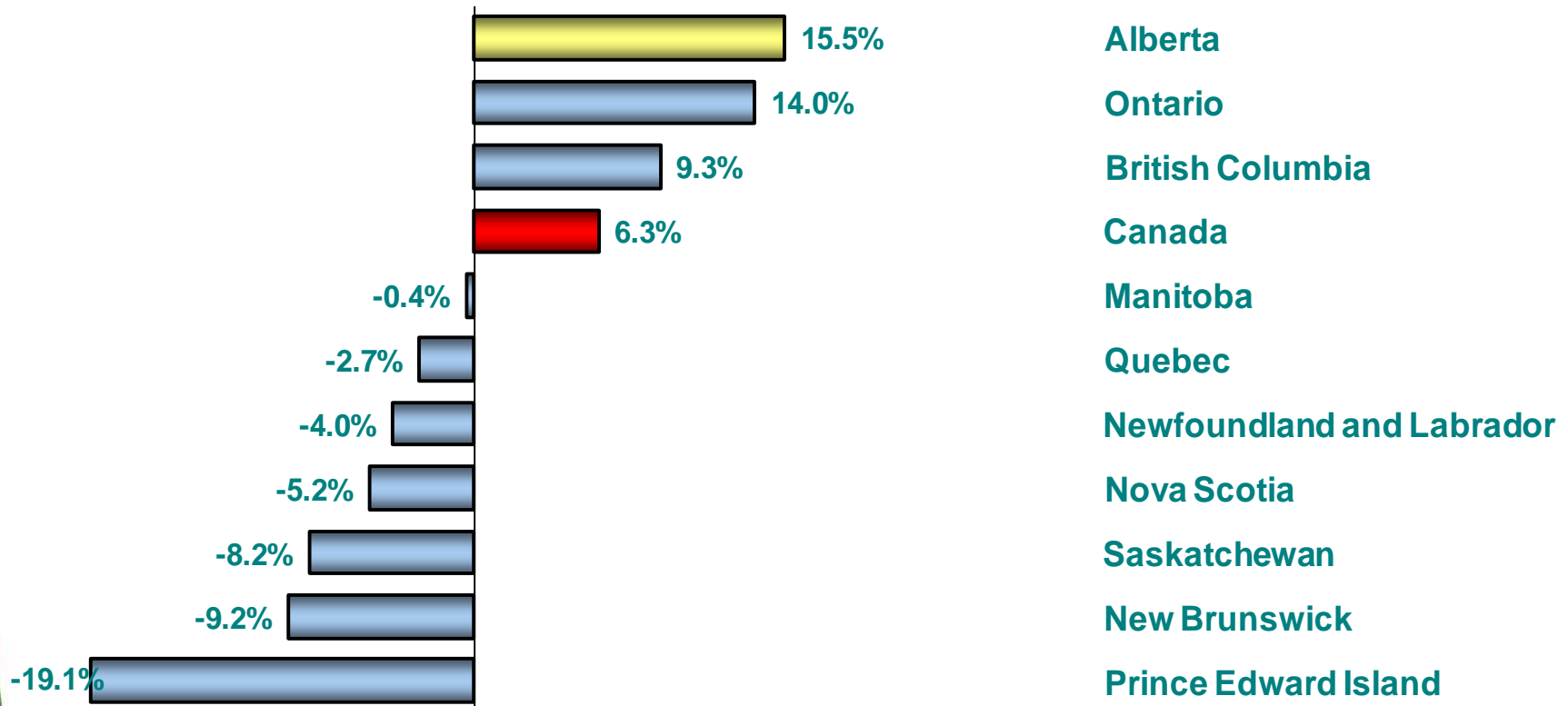
Source: Statistics Canada – GDP at basic prices

Doing Business in Alberta

Entrepreneurship

Small Business – Cornerstone of the Economy 2000 – 2010

Percentage Change in Small Business Establishments (Less than 50 Employees)



Source: Canadian Business Patterns, Statistics Canada

Doing Business in Alberta

Research & Development

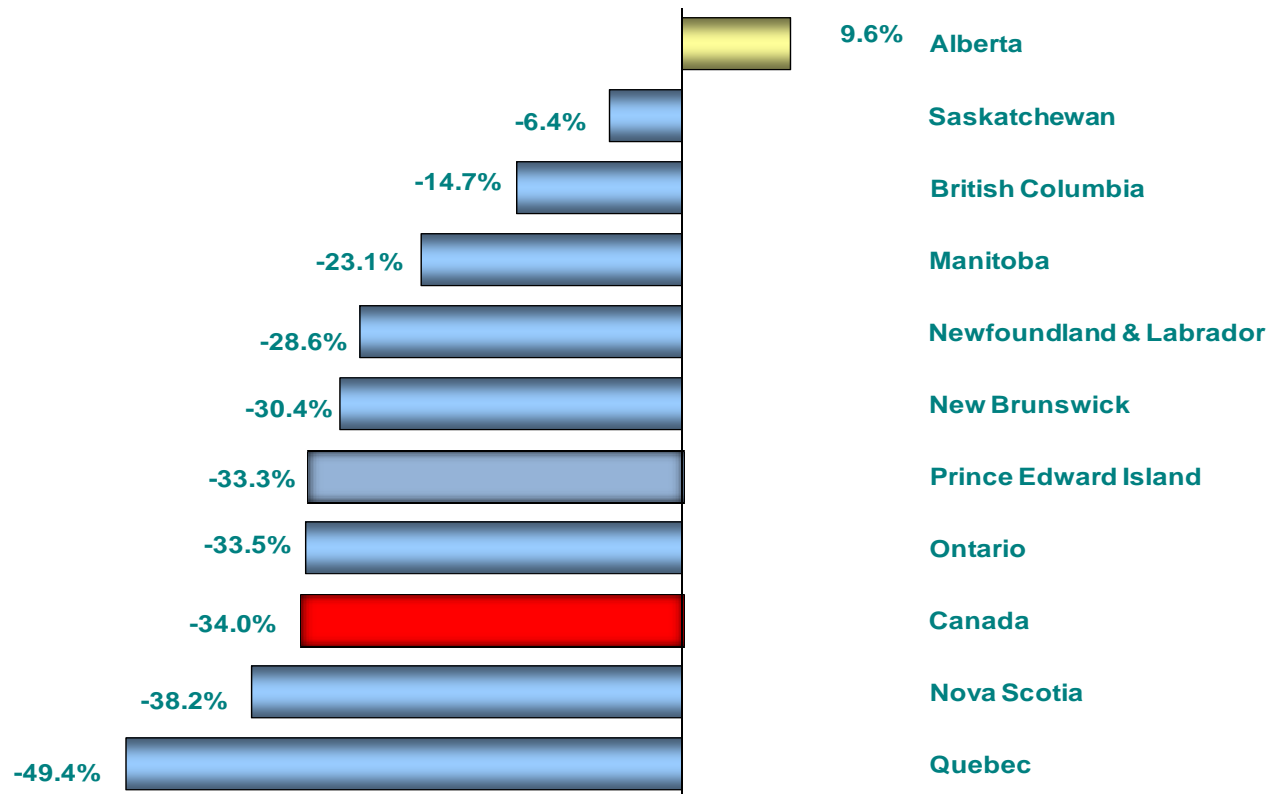
Under the banner **Alberta Innovates**, the Alberta government created new organizations that focus Alberta's provincial research efforts in the areas of agriculture, forestry, energy and environment, health, and technology commercialization. They include:

- **Bio Solutions**
- **Energy and Environment Solutions**
- **Health Solutions**
- **Technology Futures**
- **Alberta Research and Innovation Authority**

Doing Business in Alberta

Government

Provincial Net Financial Assets/Debt
as a per cent of GDP (2010-2011)

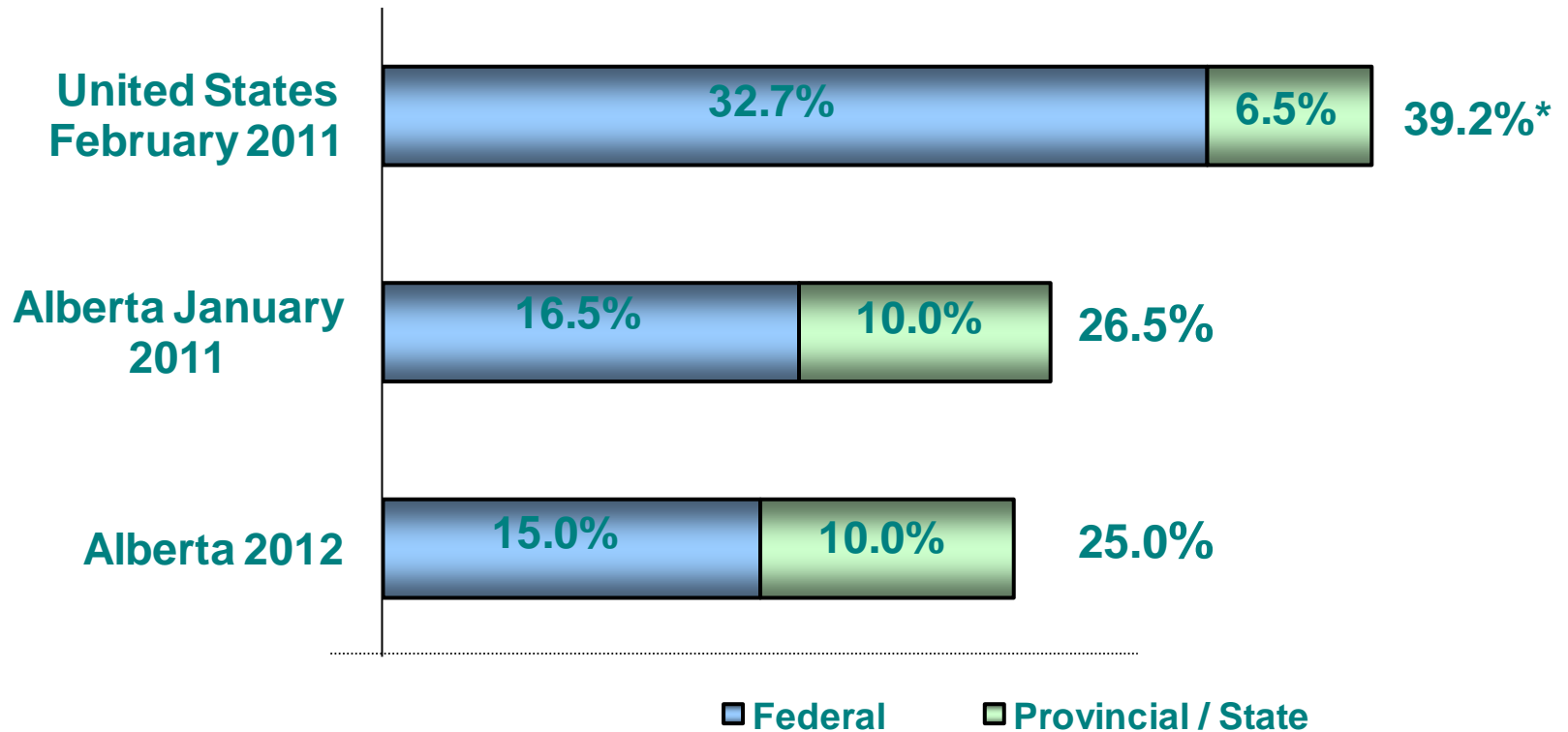


Source: Conference Board of Canada

Doing Business in Alberta

Competitive Corporate Taxes

Comparison of Corporate Income Taxes



*6.5% represents the average effective top general state corporate income tax rate
U.S. rates known as of February 2011
Source: Alberta Finance and Tax Foundation

Doing Business in Alberta

Provincial & State Corporate Taxes

Provincial Corporate Income Tax Rates (per cent)				State Corporate Income Tax Rates (per cent)			
Province	General	Manufacturing & Processing	Small Business	State	General	Manufacturing & Processing	Small Business
Alberta	10	10	3	Oregon	7.6	7.6	6.6
British Columbia	10	10	2.5	California	8.84	8.84	8.84
New Brunswick	10	10	5	North Dakota	6.4	6.4	6.1
Quebec	11.9	11.9	8	Montana	6.75	6.75	6.75
Manitoba	12	12	0	Idaho	7.6	7.6	7.6
Saskatchewan	12	10	2	Colorado	4.63	4.63	4.63
Ontario	11.5	10	4.5	Utah	5	5	5
Newfoundland & Labrador	14	5	4	New Mexico	7.6	7.6	4.8
Prince Edward Island	16	16	1	Louisiana	8	8	7.1
Nova Scotia	16	16	4.5	Arizona	6.97	6.97	6.97
Federal	16.5	16.5	11	Federal	35	31.85	34

Note: Rates as of July 1, 2011

The small business rate is the effective tax rate for US\$512,000 (comparable to the Canadian threshold of Cdn\$500,000)

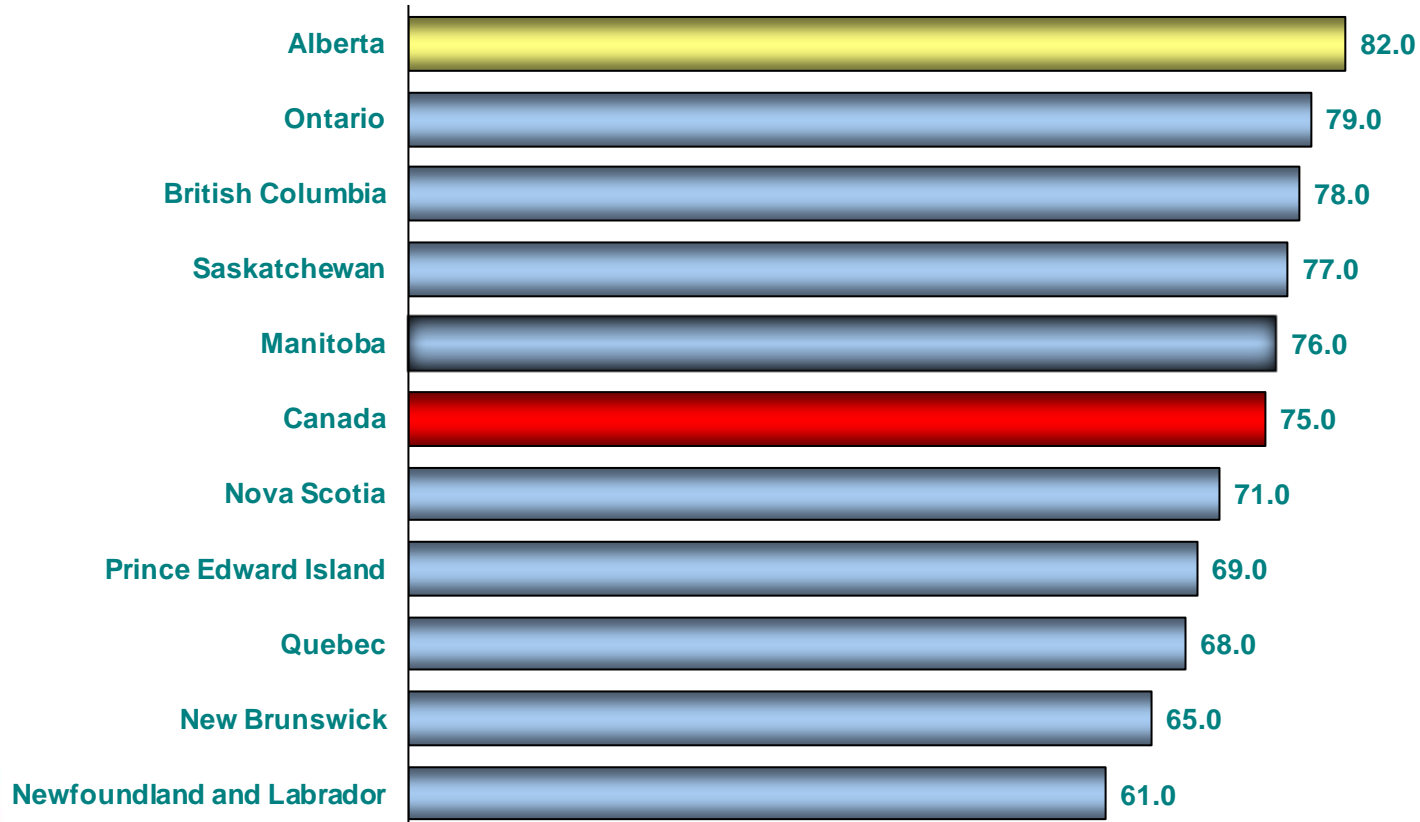
The small business income threshold for Nova Scotia and Manitoba is Cdn\$400,000. For all other provinces the small business income threshold is Cdn\$500,000

Source: Canada Revenue Agency, PWC Tax News Network, Federation of Tax Administrators

Doing Business in Alberta

Educated Work Force

Composite Learning Index 2010

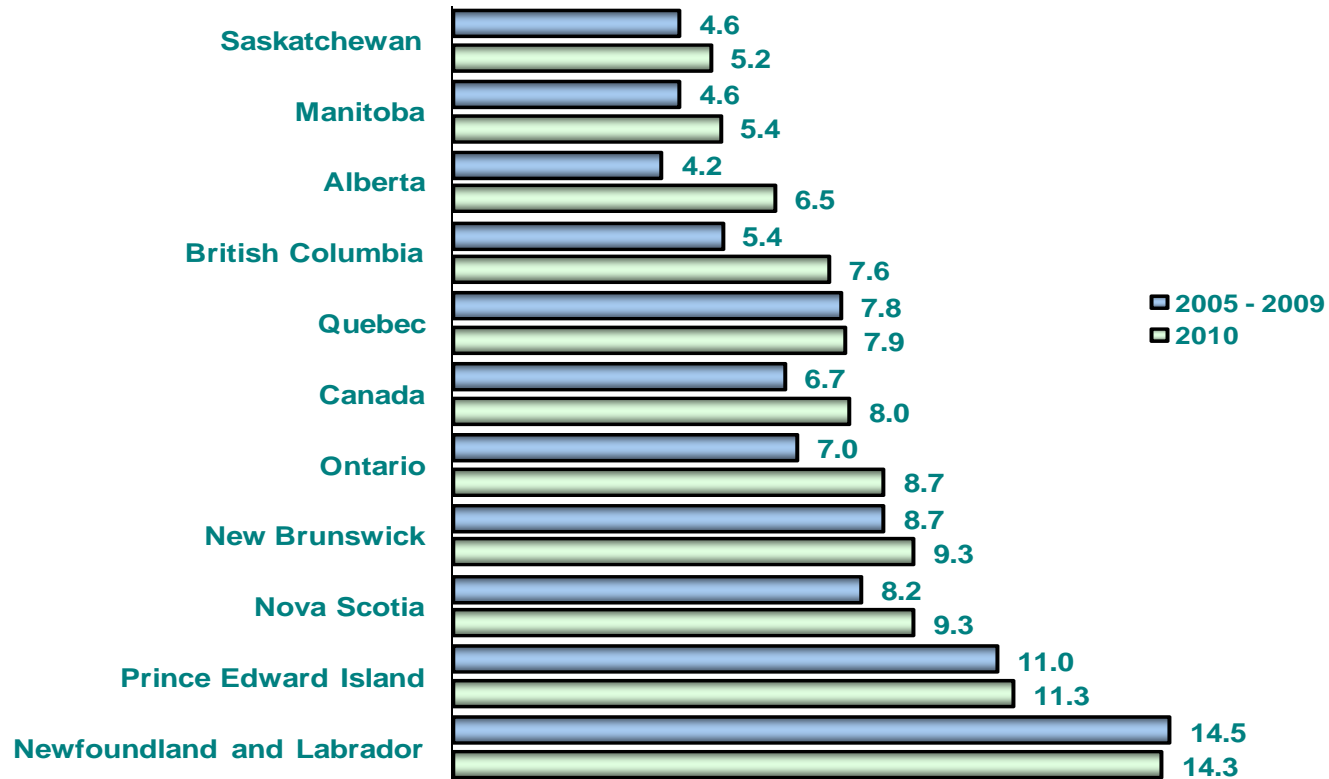


Source: Canadian Council on Learning

Working in Alberta

Strong Labour Market

Unemployment Rates (%) by Province: 2005 – 2009 (average) and 2010

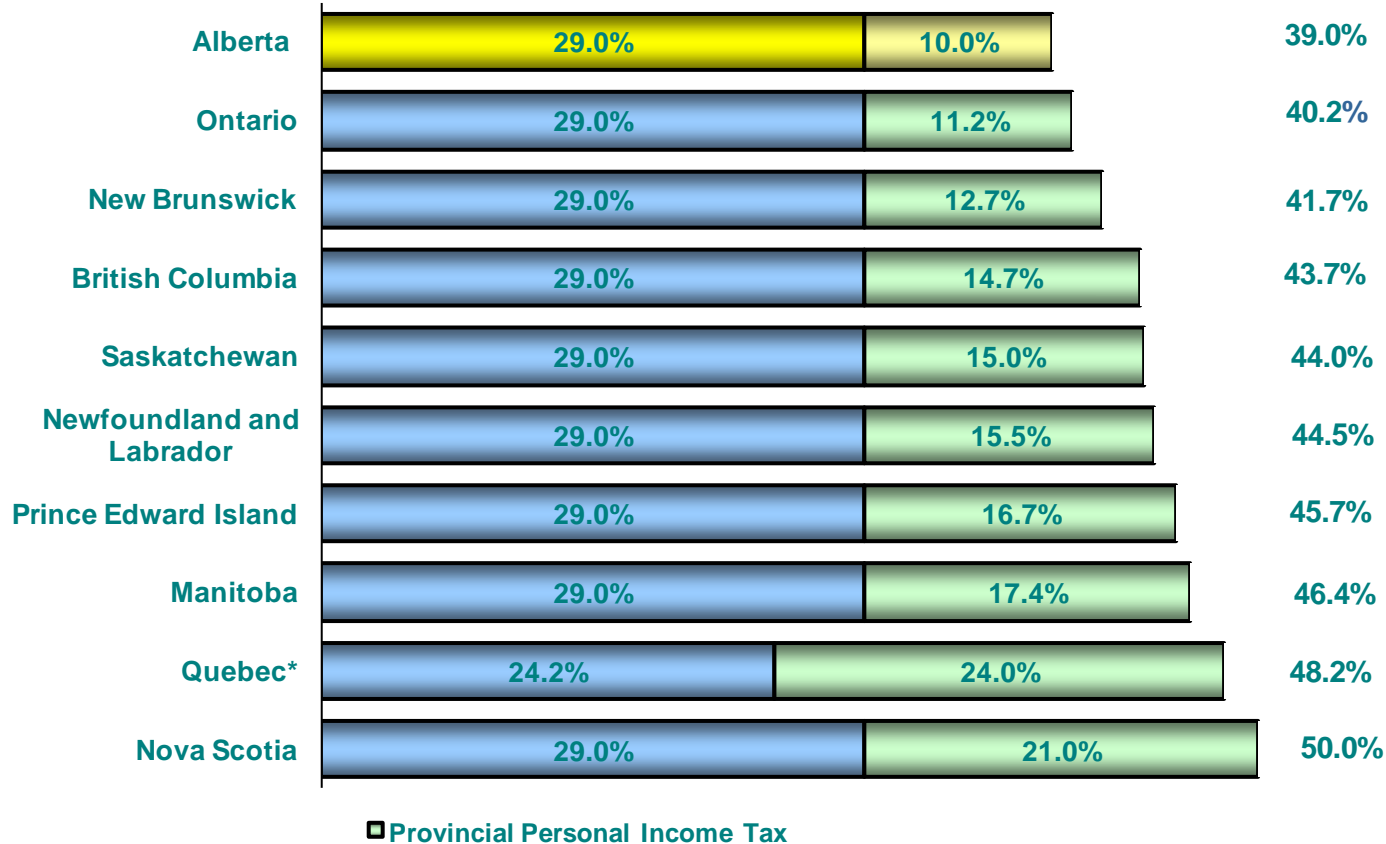


Source: Statistics Canada

Working in Alberta

Low Personal Taxes

Top Marginal Personal Income Tax Rates 2011

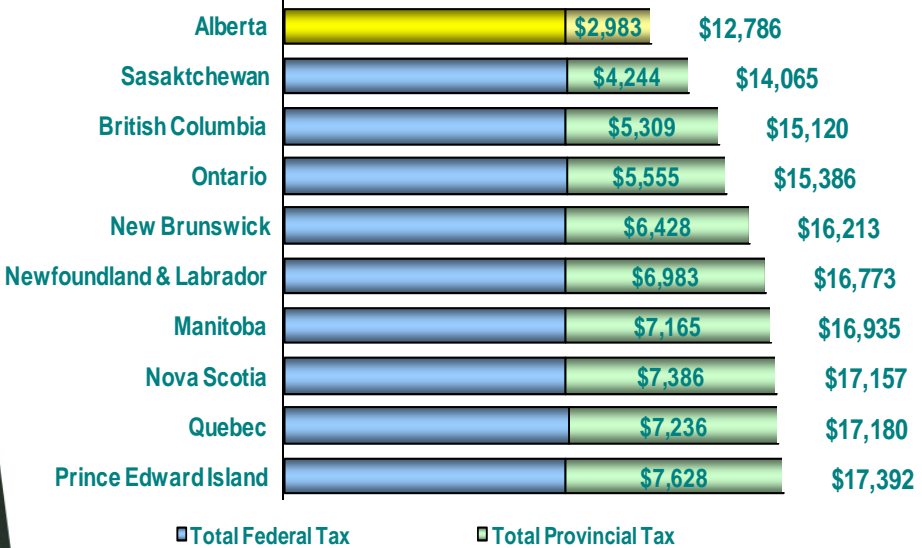


* Quebec residents receive an abatement of 16.5% of basic federal tax because of the province's decision to opt out of federal cash transfers in support of provincial programs

Source: Alberta Budget 2011

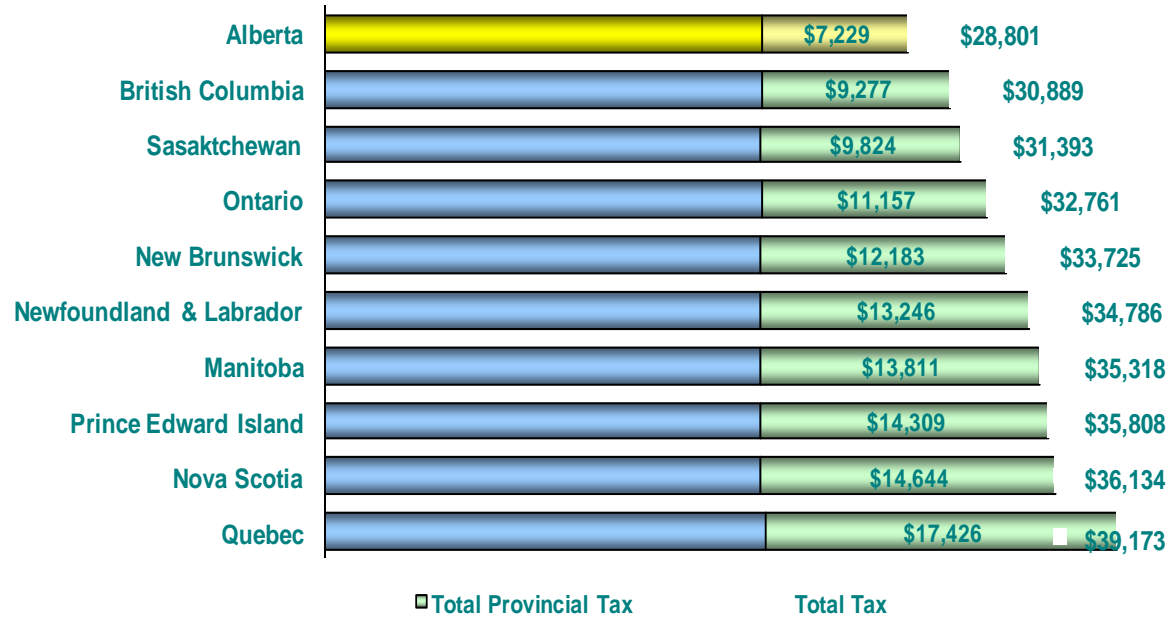
Working in Alberta

Low Personal Taxes



Comparison of Provincial and Federal Taxes by Province
Two-Income Family of Four - \$75,000*

Comparison of Provincial and Federal Taxes by Province
Two-Income Family of Four - \$125,000*

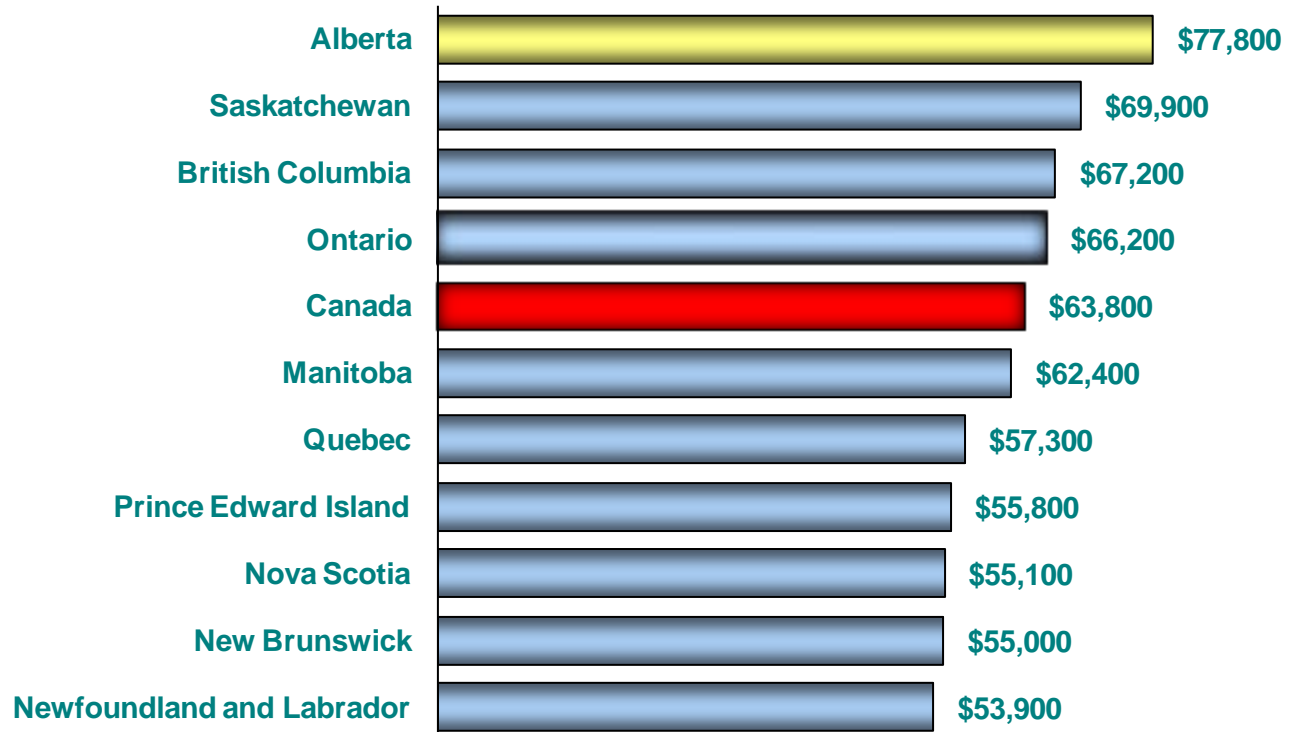


*As of March 2011
 Note: Unlike in previous Highlights of the Alberta Economy presentation reports, tobacco taxes were not included in the personal taxes calculations since most Albertans do not smoke. Alberta's rankings will not change even if tobacco taxes were included in the comparisons.
 Source: Alberta Finance

Working in Alberta

Family Income

2009 Median After-Tax Family Income Families with Two Persons or More

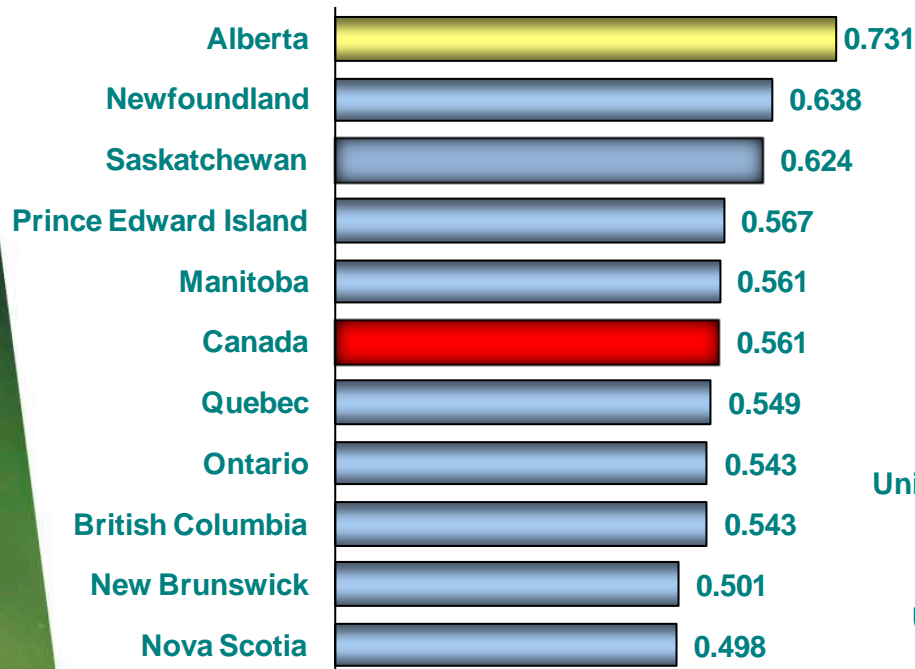


Source: Statistics Canada

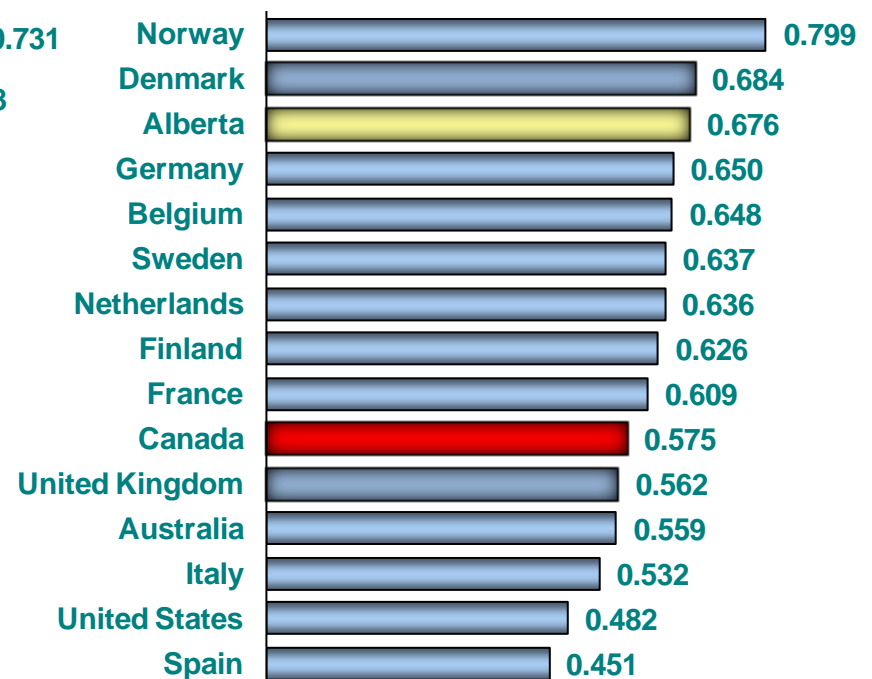
Working in Alberta

Standard of Living

Index of Economic Well-Being
Provincial Comparison, 2010



Index of Economic Well-Being
International Comparison, 2009



Source: Centre for the Study of Living Standards

Living in Alberta People

Alberta Population by Ethnic Origin, 2006

Ethnic Origin	Number	% of Total Population	Ethnic Origin	Number	% of Total Population
Total	3,256,355	100.0%	Total	3,256,355	100.0%
English	885,825	27.2%	East Indian	88,165	2.7%
German	679,705	20.9%	Métis	83,235	2.6%
Canadian	667,405	20.5%	Italian	82,015	2.5%
Scottish	661,265	20.3%	Welsh	76,115	2.3%
Irish	539,160	16.6%	American	64,200	2.0%
French	388,210	11.9%	Danish	58,825	1.8%
Ukrainian	332,180	10.2%	Filipino	54,305	1.7%
Dutch (Netherlands)	172,910	5.3%	British Isles	53,855	1.7%
Polish	170,935	5.2%	Hungarian	48,665	1.5%
North American Indian	169,355	5.2%	Austrian	36,480	1.1%
Norwegian	144,585	4.4%	Spanish	30,995	1.0%
Chinese	137,600	4.2%	Romanian	26,870	0.8%
Swedish	93,810	2.9%	Vietnamese	25,170	0.8%
Russian	92,020	2.8%	Swiss	22,185	0.7%

Note: These numbers add up to more than the population due to multiple responses.

Source: Statistics Canada, 2006 Census of Population

Living in Alberta

Education

Comprehensive Academic & Research Institutions	➔	University of Alberta; University of Calgary; University of Lethbridge; Athabasca University
Baccalaureate & Applied Studies Institutions	➔	Grant MacEwan University; Mount Royal University
Polytechnic Institutions	➔	NAIT*; SAIT* Polytechnic
Comprehensive Community Institutions	➔	Bow Valley College ; Grand Prairie Regional College; Keyano College ; Lethbridge College; Medicine Hat College; NorQuest College; Northern Lakes College; Olds College; Portage College; Red Deer College; Lakeland College
Independent Academic Institutions	➔	Ambrose University College; Canadian University College; Concordia University College of Alberta; The King's University College; St. Mary's University College
Specialized Arts & Culture Institutions	➔	Alberta College of Art and Design; The Banff Centre

* Northern Alberta Institute of Technology and Southern Alberta Institute of Technology
Note: Full Time and Part Time Students, 2009-2010

Living in Alberta

Quality Education

Top Scores in Mathematics, Science and Reading
2009 Program for International Student Assessment (PISA) Examinations
Average = 500

Mathematics			Science			Reading		
Rank	Jurisdiction	Score	Rank	Jurisdiction	Score	Rank	Jurisdiction	Score
1	Shanghai-China	600	1	Shanghai-China	575	1	Shanghai-China	556
2	Singapore	562	2	Finland	554	2	Korea	539
3	Hong Kong-China	555	3	Hong Kong-China	549	3	Finland	536
4	Korea	546	4	Alberta	545	4	Hong Kong-China	533
5	Chinese Taipei	543	5	Singapore	542	5	Alberta	533
6	Quebec	543	6	Japan	539	6	Ontario	531
7	Finland	541	7	Korea	538	7	Singapore	526
8	Liechtenstein	536	8	British Columbia	535	8	British Columbia	525
9	Switzerland	534	9	New Zealand	532	9	Canada	524
10	Japan	529	10	Ontario	531	10	Quebec	522
11	Alberta	529	11	Canada	529	11	New Zealand	521
12	Canada	527	12	Estonia	528	12	Japan	520
42	United States	487	31	United States	502	24	United States	500

1. PISA test 15 year olds' Mathematics, Science and Reading skills

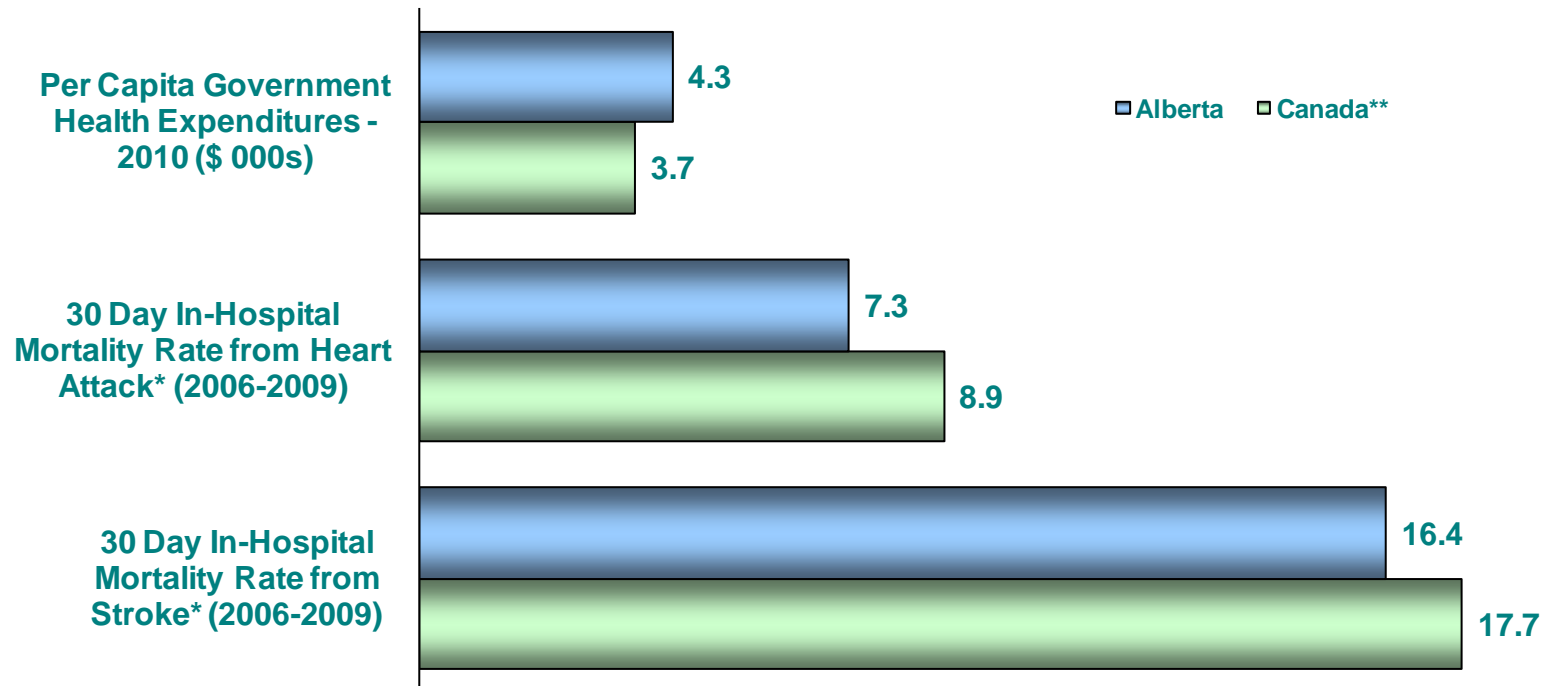
2. The rank is out of 75 jurisdictions

Sources: Measuring Up: Canadian Results of the OECD PISA Study, Statistics Canada

Living in Alberta

Health Care

Selected Health Indicators



*Note: Risk Adjusted Percentages

**Canada data do not include Quebec due to differences in data collection

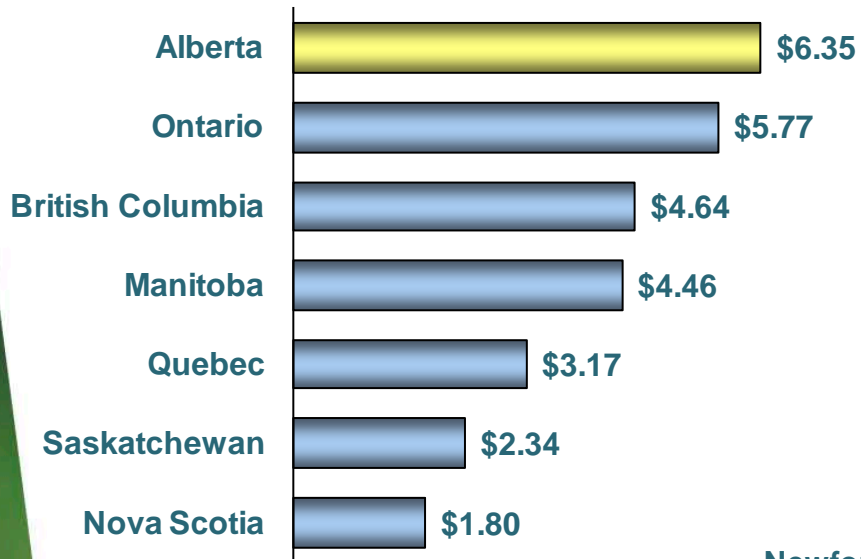
Sources: National Health Expenditure Trends, 1975-2010, Canadian Institute of Health Information (CIHI); Health Indicators 2010 Report, (CIHI), Statistics Canada

Living in Alberta

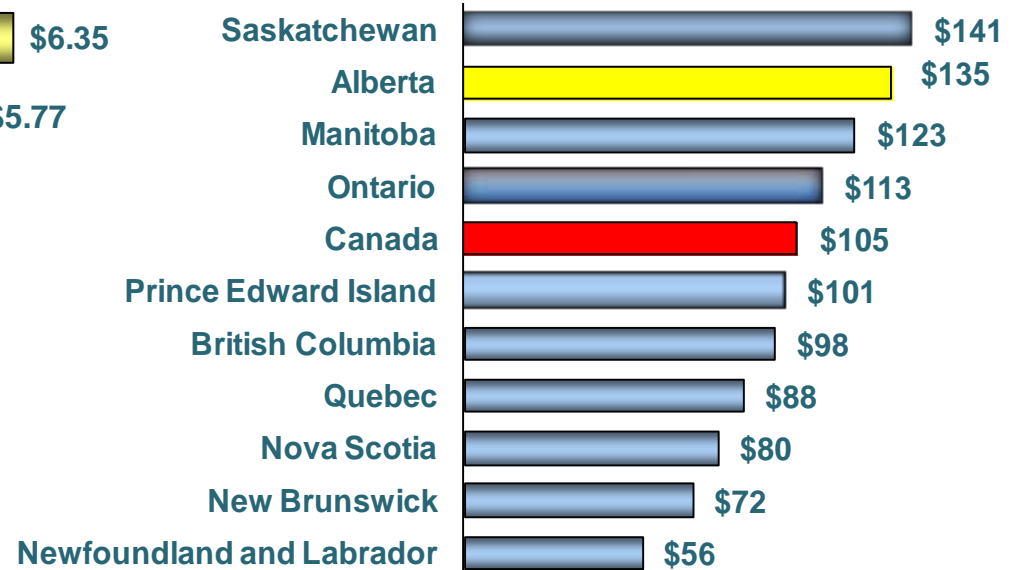
Arts and Culture

Private Sector Support of Performing Arts (2008)

Per Capita



Average Household Spending on Live Performing Arts: 2009 (Annual Dollars)



Note: Excludes statistics for Prince Edward Island, Newfoundland and New Brunswick which were suppressed to meet the confidentiality requirements of the Statistics Act.

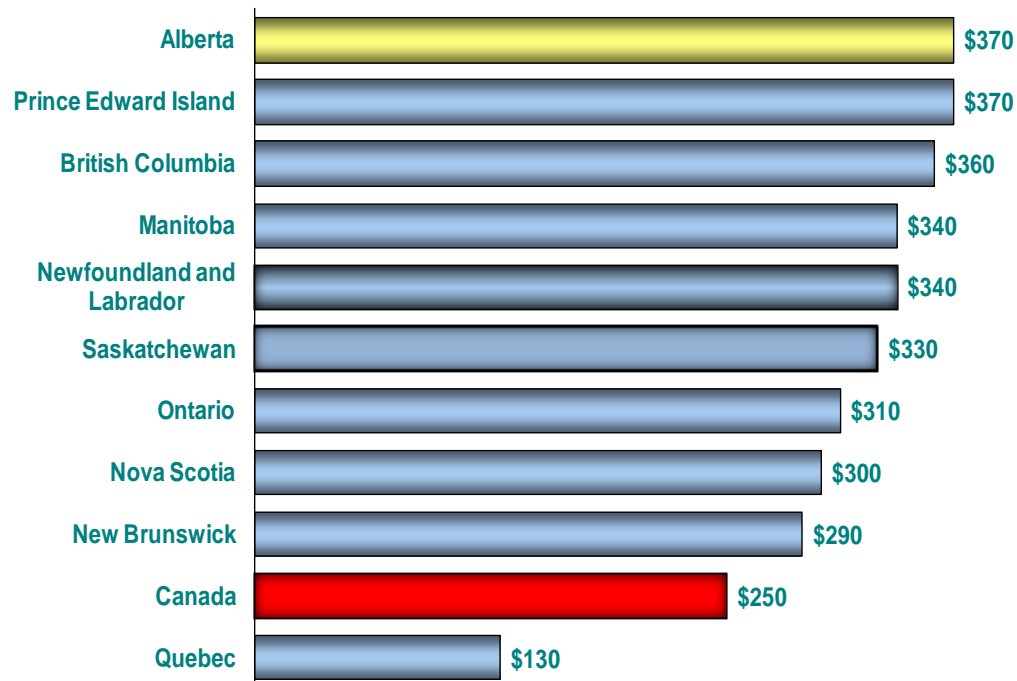
Source: Statistics Canada

Living in Alberta

Donations and Volunteerism

Charitable Donor Statistics

Median Annual Donation Per Taxfiler, 2009



Source: Statistics Canada

Alberta On-Line Resources

Alberta Government :

www.alberta.ca

Alberta Treasury Board and Enterprise:

www.treasuryboard.alberta.ca
www.albertacanada.com

Doing Business in Alberta:

Investing and Locating

<http://www.albertacanada.com/intl-business/establishing-a-company.html>

Exporting your Products

<http://www.albertacanada.com/ab-business/exporting-your-products.html>

Industry Sectors

<http://www.albertacanada.com/ab-business/alberta-industries.html>

Regional Development

<http://www.albertacanada.com/about-alberta/regional-economic-development.html>

Community/Market Information

<http://www.albertacanada.com/about-alberta/the-economy.html>

Visiting Alberta:

Travel Alberta

www.travelalberta.com

List of Festivals in Alberta

<http://www.culture.alberta.ca/arts/artsfestivals/>

Vacations Guide

http://www.travelalberta.com/en/Vacation_Guides/Pages/default.aspx?mrkt=Canada

Provincial Parks

<http://albertaparks.ca/>

Tourism

www.tpr.alberta.ca

Working and Living in Alberta:

Immigrating

www.albertacanada.com/immigration

Things to Do

<http://www.tpr.alberta.ca> and <http://culture.alberta.ca/arts/artsfestivals/default.aspx>

Health Care

<http://www.health.alberta.ca/>

Education

<http://www.education.alberta.ca/>

Alberta Learning Information Service

<http://alis.alberta.ca/>

Advanced Education and Technology

<http://www.advancededucation.gov.ab.ca/>