

Highlights of the Alberta Economy 2017

Alberta Economic
Development and Trade

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



Alberta:

The Best Place to Live, Work and Do Business

- Alberta's borders touch the Canadian Rocky Mountains to the west, the vast prairies to the east, the United States to the south and the Canadian arctic to the north.
- On average, the province's 4.3 million people are the youngest of all Canadian provinces, with a median age of 36.7 years.
- 68.7 per cent of the Alberta's labour force aged 25 years and older is holding a post-secondary degree, diploma or certificate.
- Even though Alberta's economy was in recession in 2016, Alberta still led the nation in economic growth during the past 20 years.
- Alberta's international airports in Edmonton and Calgary provide excellent air service to both domestic and international destinations.
- To promote its presence in key markets, Alberta operates 12 international trade and investment offices, including nine in Alberta's second-largest market, Asia.

Economic Highlights

Did You Know?

- In 2016, per capita investment in Alberta was \$14,606, more than twice the national average of \$6,579.
- Alberta's oil sands account for about eight per cent of Canada's overall Green House Gases emissions and Canada is responsible for 1.6 per cent of global emissions.
- Although the oil and gas sector remains Alberta's largest industry, accounting for 17 per cent of its GDP, the province's GDP shares of other sectors, such as construction, real estate, finance and insurance, and business and commercial services grew significantly between 1986 and 2016.
- In 2016, Alberta's population grew by 58,850 or 1.4 per cent - higher than Canada's 1.2% rate of increase.

Economic Highlights

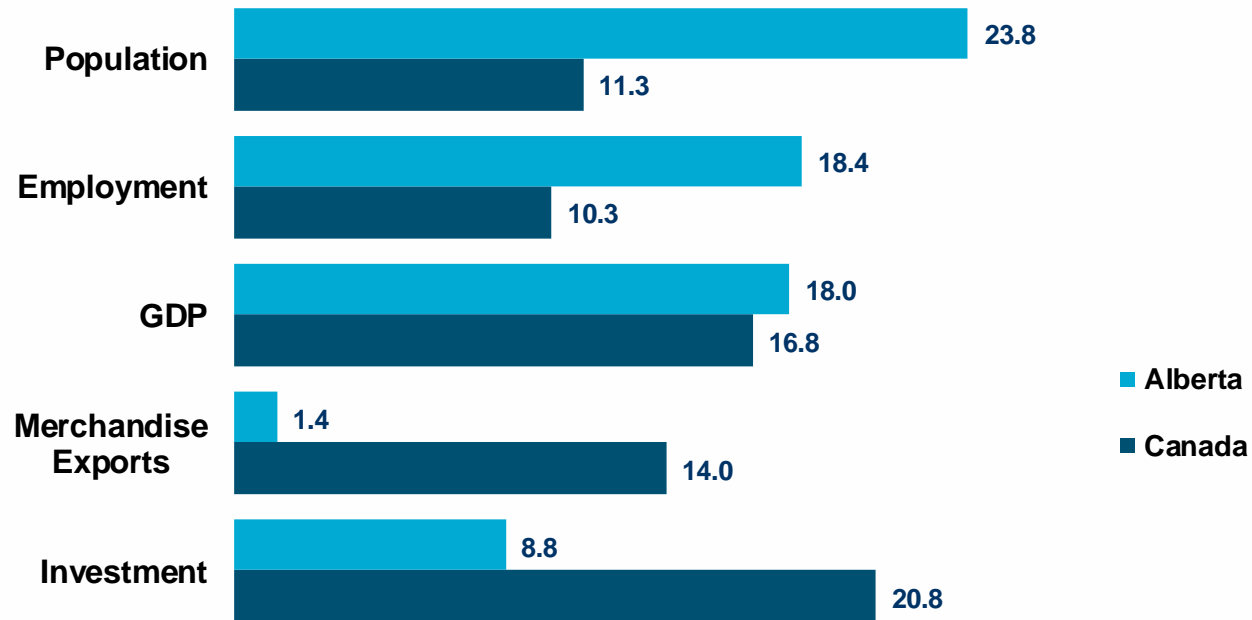
Growth

- In 2016, almost 2.3 million Albertans were employed, international merchandise exports were \$79 billion, and investment totaled \$62 billion.
- Between 2006 and 2016, Alberta accounted for 22 per cent of Canada's population growth. In fact, Alberta's population increase of 24 per cent over that period was the largest increase of any province or state in North America.
- The Alberta economy contracted by 3.7 per cent in 2016, as a result of the recent oil and gas price declines which have led to sharply lower capital investment by oil and gas companies.
- Alberta's economy has started to grow again and all private sector forecasters are expecting Alberta's economy to be the top province in economic growth in 2017.

Economic Highlights

Growth

Growth In Selected Indicators: 2006 - 2016 Per Cent Change



Source: Statistics Canada and Alberta Economic Development and Trade

Economic Highlights

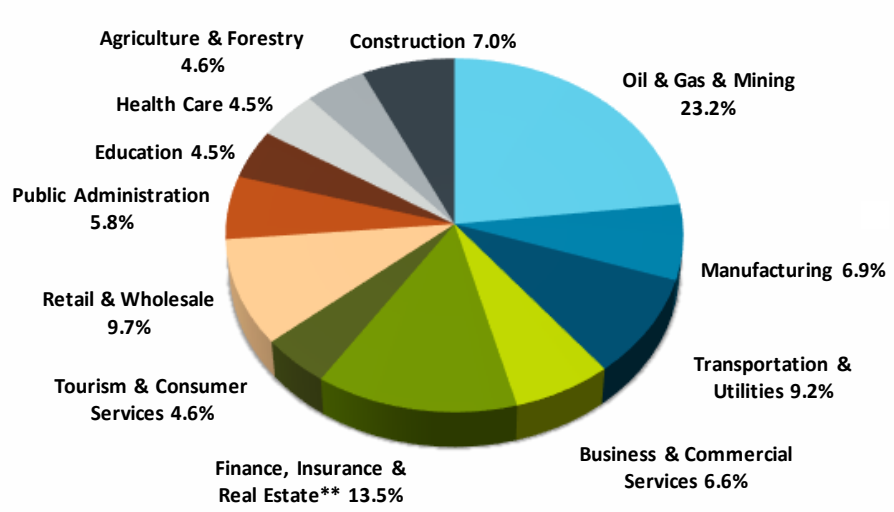
Economic Prosperity

- Alberta's diverse economy provides the broad-based growth that is crucial to sustaining stable, long-term economic growth.
- The oil and gas and mining sector accounts for 17 per cent of the province's Gross Domestic Product (GDP), compared with 23.2 per cent in 1986.
- Other sectors have shown considerable growth over the past three decades. From 1986 to 2016 the following non-energy sectors grew strongly:
 - Construction sector from a 7.0 per cent share of GDP in 1986 to 10.7 per cent in 2016;
 - The finance and insurance and real estate sectors from 13.5 per cent to 16.7 per cent; and
 - Business and commercial services sector from 6.6 per cent to 11.7 per cent.

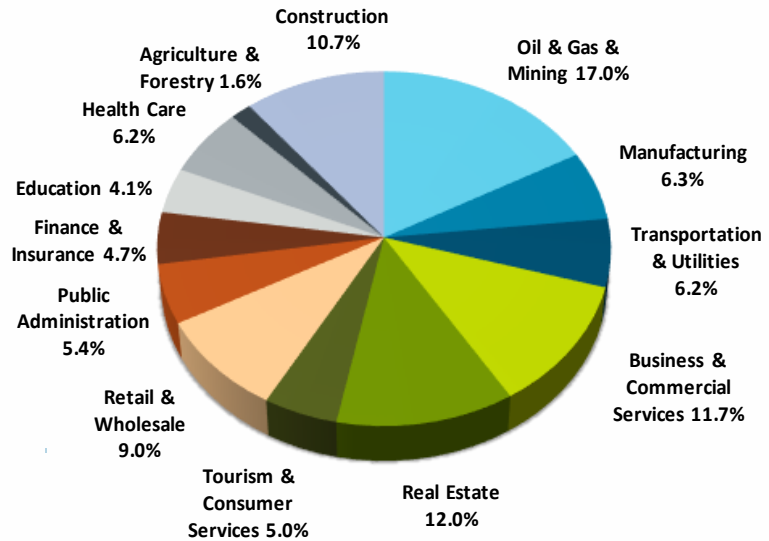
Economic Highlights

Economic Prosperity

Economic Diversity: 1986
 Percentage Distribution of GDP
Total GDP: \$59.6 Billion*



Economic Diversity: 2016
 Percentage Distribution of GDP
Total GDP: \$314.9 Billion*



* Current dollar GDP at market prices

** No further breakdown of the Finance & Insurance and Real Estate sectors is available for 1986

Sources: Statistics Canada, Alberta Treasury Board and Finance and Alberta Economic Development and Trade

Economic Highlights

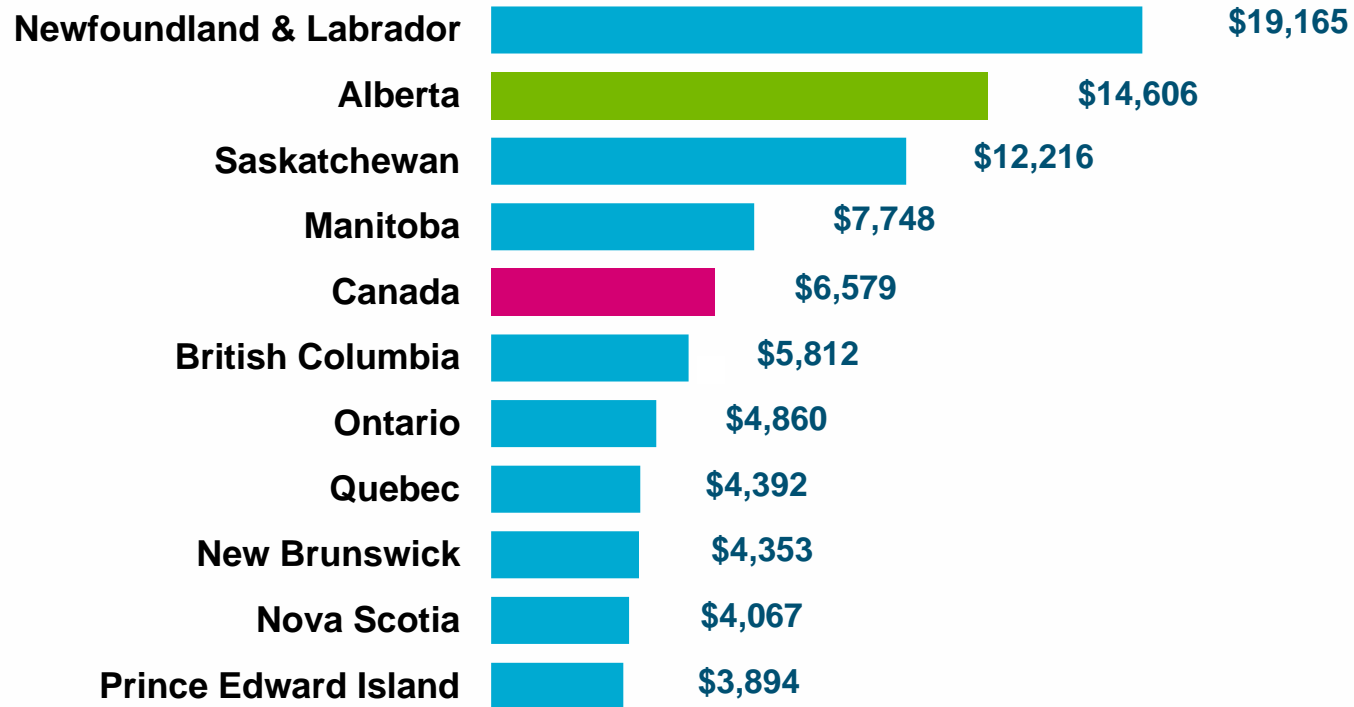
Attractive Investment Climate

- Alberta has the second highest per capita investment among the provinces, just behind Newfoundland and Labrador.
- In 2016, per capita investment in Alberta was \$14,606, more than twice the national average of \$6,579.
- Non-residential investment declined by 18 per cent in 2016 to \$62 billion because of falling oil and gas investment, which resulted from a sharp decline in oil and gas prices.
- Oil and gas investment is expected to grow by about 2 per cent in 2017 because of rising investment in conventional oil and gas projects.
- Investment is expected to recover and be one of the major drivers of Alberta's economic growth over the long term, driven by investment in oil sands development, manufacturing, infrastructure and business services.
- The Government of Alberta's \$34.8-billion infrastructure program in the Jobs Plan is helping stimulate the economy, keep people working and address the province's infrastructure deficit.

Economic Highlights

Attractive Investment Climate

Per Capita Investment* (2016)



* Investment in new housing is not included in these estimates

Sources: Statistics Canada and Alberta Economic Development and Trade

Economic Highlights

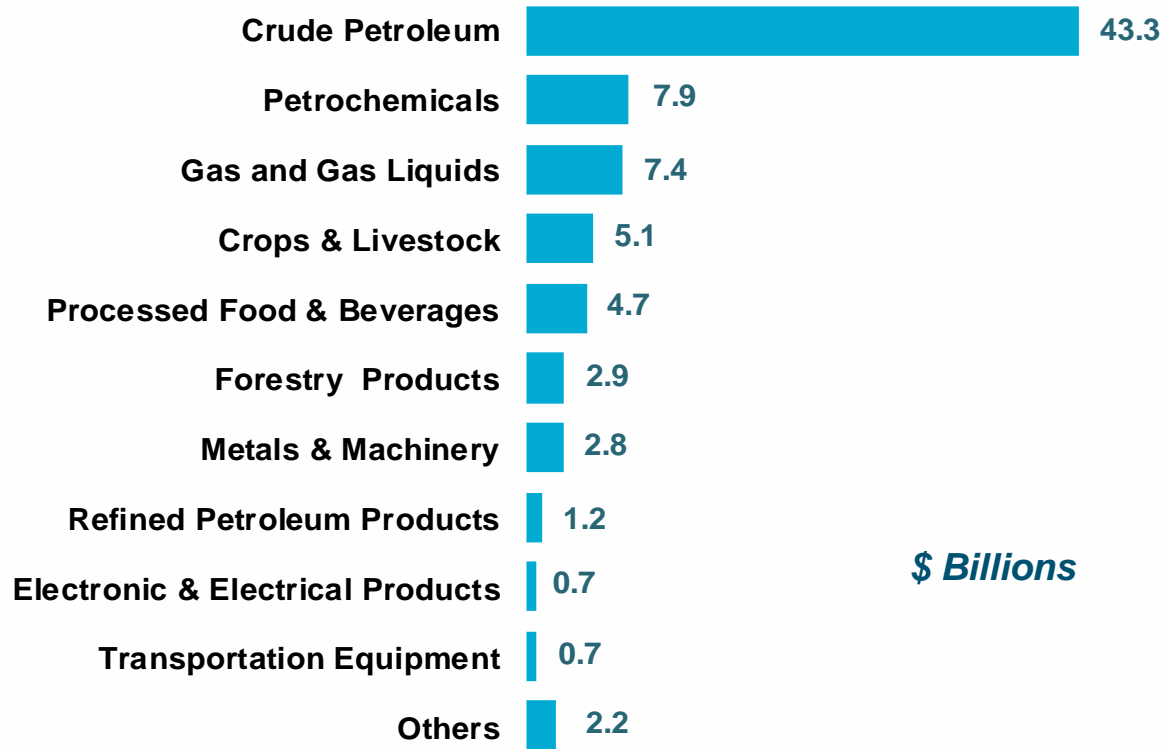
Exports

- In 2016, Alberta exported \$78.9 billion worth of goods to 187 countries, a decrease of 15 per cent from 2015.
- Alberta's drop in exports in 2016 can be attributed mostly to much lower prices for crude oil and natural gas.
- Alberta also exports an increasing amount and variety of manufactured products such as petrochemicals, food products, and metals and machinery.
- Although manufacturing exports have declined during the recent recession to \$21.6 billion in 2016, they are still 6 per cent higher than they were in 2006.
- Exports of crops and livestock rose 64 per cent between 2006 and 2016, while processed food exports increased by 80 per cent.

Economic Highlights

Exports

Alberta's Major Exports 2016 Total Merchandise Exports - \$78.9 Billion*



* Exports of services are not included in this estimate

Sources: Statistics Canada and Alberta Economic Development and Trade

A Diversified and Resource-based Economy

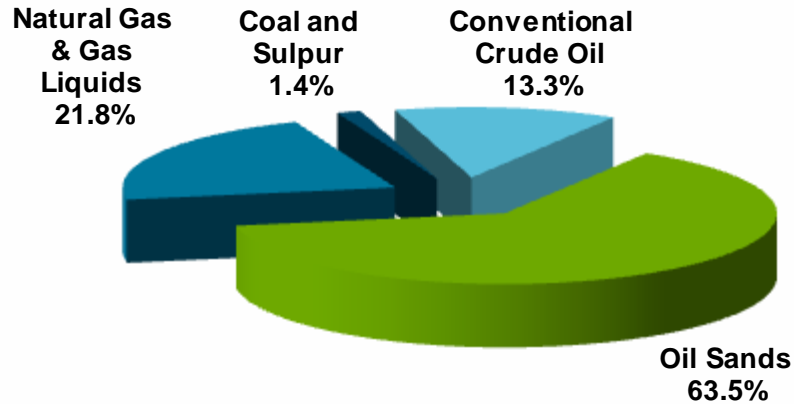
Energy

- In 2016, Alberta produced 81 per cent of Canada's crude oil and 67 per cent of its natural gas.
- Alberta has the third largest petroleum reserves in the world, after Venezuela and Saudi Arabia.
- The Alberta Energy Regulator forecasts that production of upgraded and non-upgraded bitumen from oil sands will increase by 60 per cent to 3.8 million barrels per day by 2025, up from 2.4 million barrels per day in 2015.
- In 2016, gross revenues from all hydrocarbons were \$56.8 billion, with revenues of synthetic crude oil and bitumen from the oil sands accounting for 63.5 per cent of the total.
- In 2016, energy resource exports totaled \$51 billion, accounting for almost two-thirds of Alberta's total commodity exports that year.

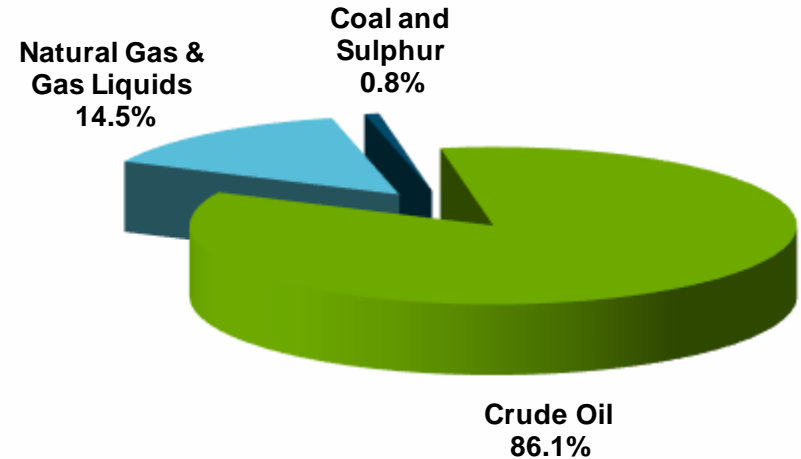
A Diversified and Resource-based Economy

Energy

Alberta's Energy Revenues 2016
Total: \$56.8 Billion



Alberta's Energy Exports 2016
Total: \$51.1 Billion



Sources: Statistics Canada, Alberta Energy Regulator, Alberta Economic Development and Trade

A Diversified and Resource-based Economy

Environment

- Alberta is implementing a world-class, integrated and science-based environmental monitoring system to deliver comprehensive and transparent monitoring for air, land, water and biodiversity across the province, starting in the oil sands region.
- The Alberta government has committed \$1.3 billion to commercial scale carbon capture and storage projects. Our \$1.3 billion fund is one of the largest commitments to this technology in the world...from a province of just over four million people.
- The Government of Alberta has set a firm renewable energy target to ensure 30 per cent of electricity used in Alberta will come from renewable sources, such as wind, hydro and solar by 2030 in order to protect the province's health, environment and economy.

A Diversified and Resource-based Economy

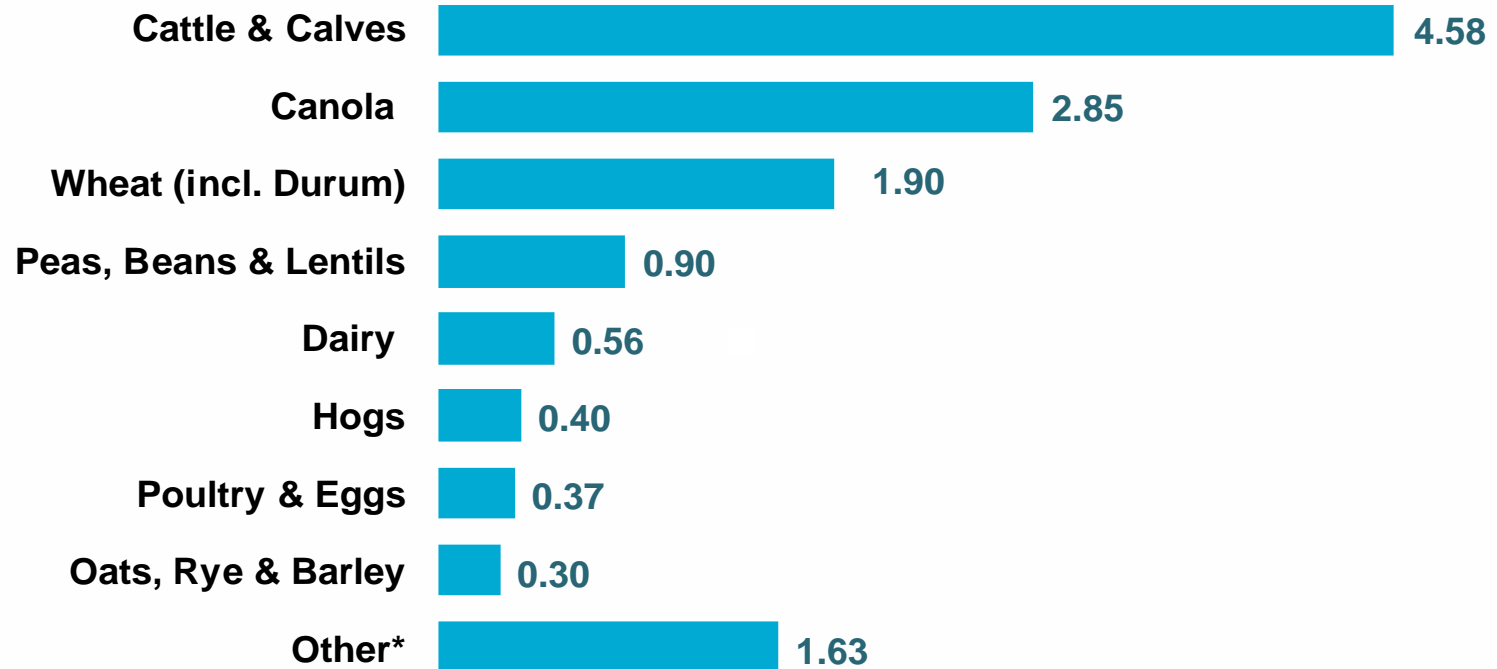
Agriculture

- Alberta has one of the world's most productive agricultural economies, with a total farm area of 50.3 million acres or 20.3 million hectares.
- In 2016, farm cash receipts for Alberta totaled \$13.5 billion, representing 22 per cent of Canada's primary agricultural production. The province posted the highest cattle receipts as well as the second highest total crop receipts in the country.
- Alberta has an expanding value-added agricultural products sector. In 2016, sales of Alberta's processed food and beverage industry were \$14.6 billion making it Alberta's top manufacturing industry on a revenue basis. Meat product manufacturing accounts for just over one-half of the sector's sales.
- The addition of 2,350-square-metres of business incubation and development space makes Alberta's Food Processing Development Centre and Agrivalue Processing Business Incubator the largest of its kind in the world.

A Diversified and Resource-based Economy

Agriculture

Alberta's Major Agricultural Products 2016
Farm Cash Receipts (\$ Billions)
Total: \$13.5 Billion



*Includes potatoes, honey, hay, floriculture, crop insurance and other program payments, etc.
Source: Statistics Canada

A Diversified and Resource-based Economy

Forestry

- In 2016, shipments of forest products reached a record \$5.7 billion, and exports were \$2.9 billion. Forest products include pulp, paper and wood products such as lumber and oriented strand board.
- Fifty-eight per cent or 38 million hectares of Alberta 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 cubic metres (m³) of growing stock.
- Annually, Alberta allows 30.7 million m³ to be harvested, of which 18.7 million m³ is coniferous, and 12 million m³ is deciduous.

A Diversified and Resource-Based Economy

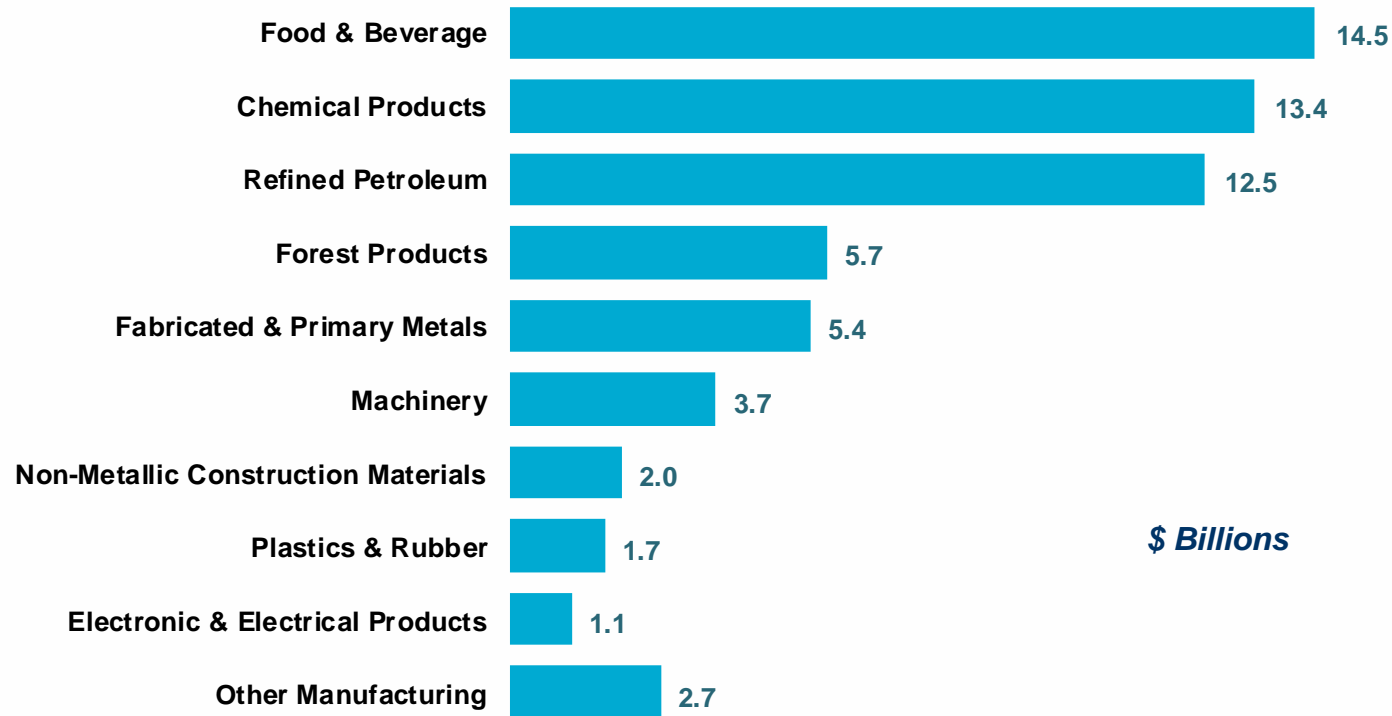
Manufacturing

- Prior to 2014 Alberta's manufacturing sector was one of the fastest growing manufacturing sectors in the country as the value of sales more than quadrupled between 1992 and 2014.
- However, sales in this sector declined in 2015 and 2016 as a result of slumping oil and gas investment which impacts a number of manufacturing industries, especially metals and machinery.
- Because of the recession real output (GDP) of Alberta's manufacturing sector decreased seven per cent between 2011 and 2016.
- The largest manufacturing sub-sectors on a GDP basis are processed foods and beverages, chemicals, fabricated metals, industrial machinery, refined petroleum products and wood products.
- About one-fifth of manufacturing output consists of value-added industrial products such as fabricated metals, machinery and electronics.

A Diversified and Resource-based Economy

Manufacturing

Value of Alberta Manufacturing Sales in 2016 Total: \$62.7 Billion



Source: Statistics Canada

A Diversified and Resource-based Economy

Advanced Technology Industries

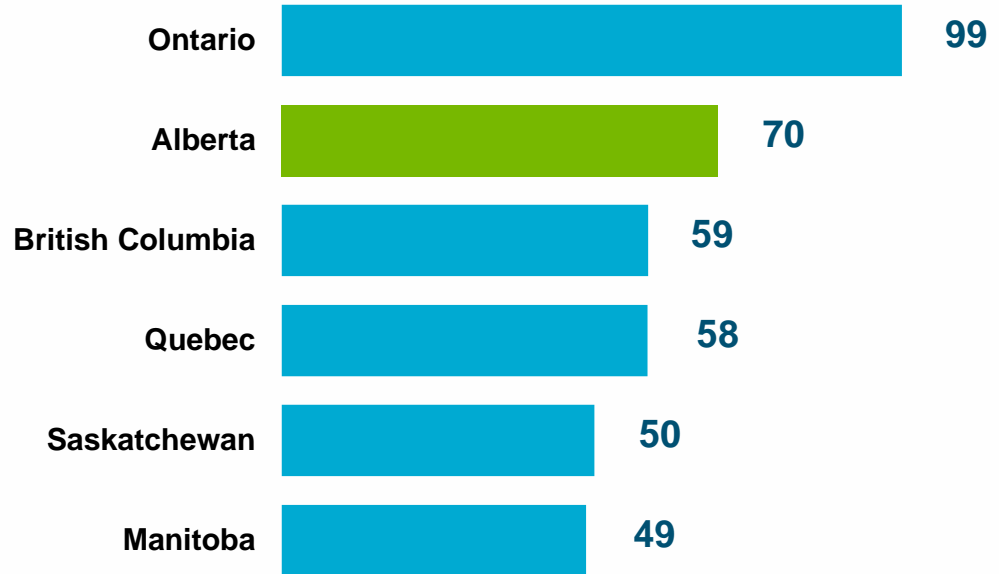
- Alberta's key advanced technology sectors include clean technology, information and communications technology (ICT), life sciences and nanotechnology.
- The Alberta government, through Alberta Innovates, is committed to working with industry to support new technology development, increase commercialization and develop new markets and opportunities.
- Alberta's ICT industry includes about 4,600 companies and 40,000 employees generating about \$16 billion in annual revenues in 2016 making ICT one of Alberta's key sectors.
- Alberta is home to more than 200 life sciences companies, employing about 4,600 workers.
- The University of Alberta is home to the National Institute for Nanotechnology.

A Diversified and Resource-based Economy

Advanced Technology Broadband Speed

Broadband Speed in 2015

Download speeds for high-speed/
premium internet services (mbps)



Source: speedtest.net

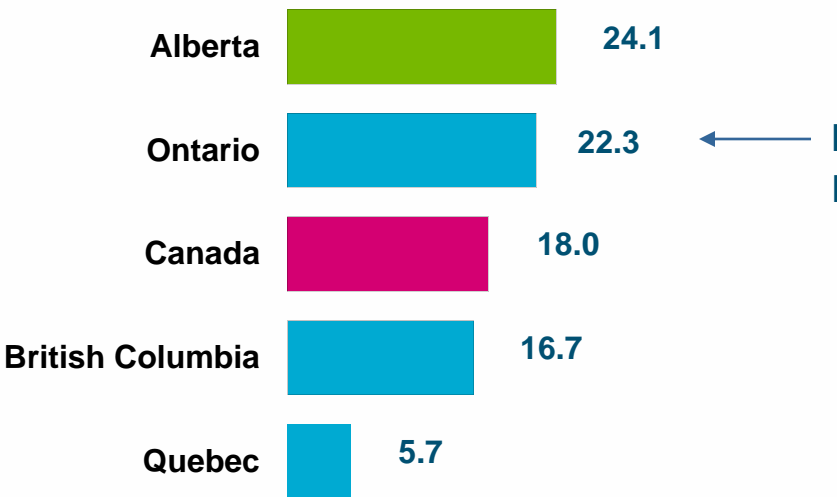
A Diversified and Resource-based Economy

Financial Services

- Over the past 10 years, Alberta's financial services sector has experienced exceptional growth fuelled by high levels of capital investment in Alberta's energy sector. Even during the 2015 – 2016 recession Alberta's financial services sector continued to grow.
- This sector includes six major Canadian banks and is also home to the headquarters of a number of regional financial institutions including Canadian Western Bank, Servus Credit Union, ATB Financial, and Alberta Investment Management Corporation (AIMCO) as well as branches of 75 per cent of the top 20 global investment banks.
- Alberta has developed world-class expertise in niche sectors in financial services such as asset management and energy finance.
- Between 2006 and 2016, Alberta's financial services sector GDP rose 42 per cent, outpacing financial services sector GDP growth in all other provinces. By comparison, GDP in Canada's financial services sector rose 28 per cent over the same period.

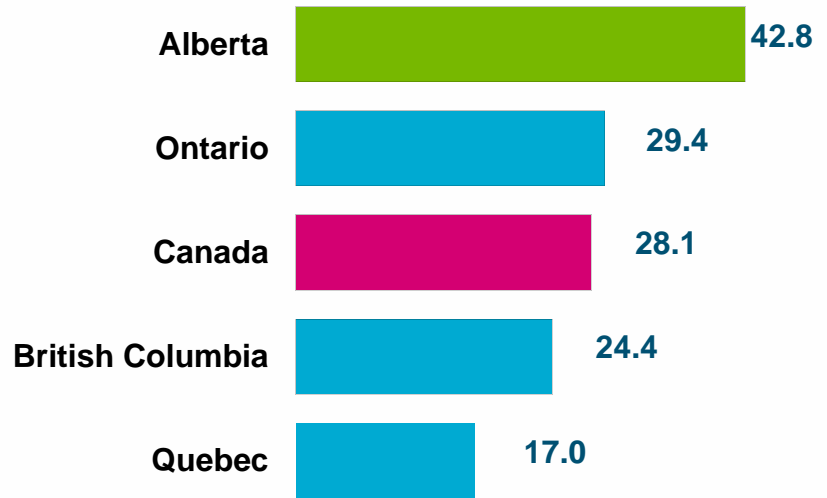
A Diversified and Resource-based Economy

Financial Services



Financial Services GDP Growth 2006 - 2016
Percentage increase in GDP

Financial Services Employment Growth 2006 - 2016
Percentage increase in Employment



Source: Statistics Canada

A Diversified and Resource-based Economy

Tourism

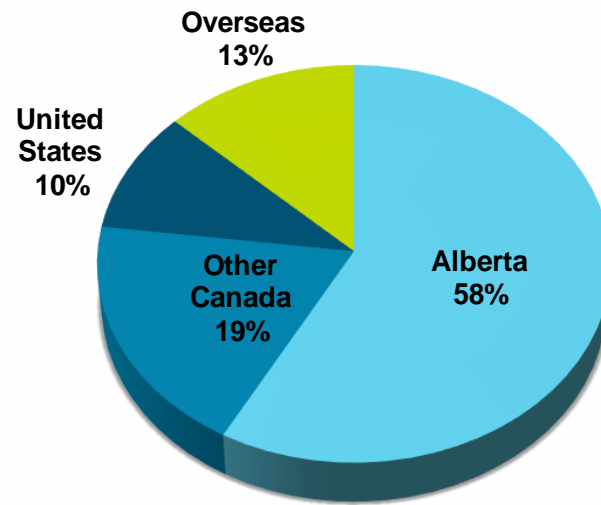
- Tourism in Alberta is a significant economic driver. It supports more than 127,000 jobs across Alberta, and generated approximately \$8.1 billion in tourism expenditures in 2015. Forty-two per cent of these expenditures, about \$3.4 billion, came from out-of-province and international visitors.
- The Calgary and area tourism region received the most domestic overnight visitors in 2015, accounting for 26 per cent of all domestic person-nights spent in the province. The Edmonton and area, Central, and Canadian Rockies tourism regions followed closely behind, accounting for 24 per cent, 21 per cent and 11 per cent, respectively.
- Alberta offers its residents and visitors exceptional tourism experiences and adventures. We have world-renowned attractions, vibrant cities, and the most diverse and scenic landscapes in North America. Alberta has five UNESCO World Heritage Sites, more than 480 provincial parks, 18 provincial historic sites, and five national parks.

A Diversified and Resource-based Economy

Tourism

Alberta Tourism Expenditures by Visitor Origin (2015)

Total: \$8.1 Billion



Source: Statistics Canada and Alberta Culture and Tourism

Doing Business in Alberta

Competitiveness

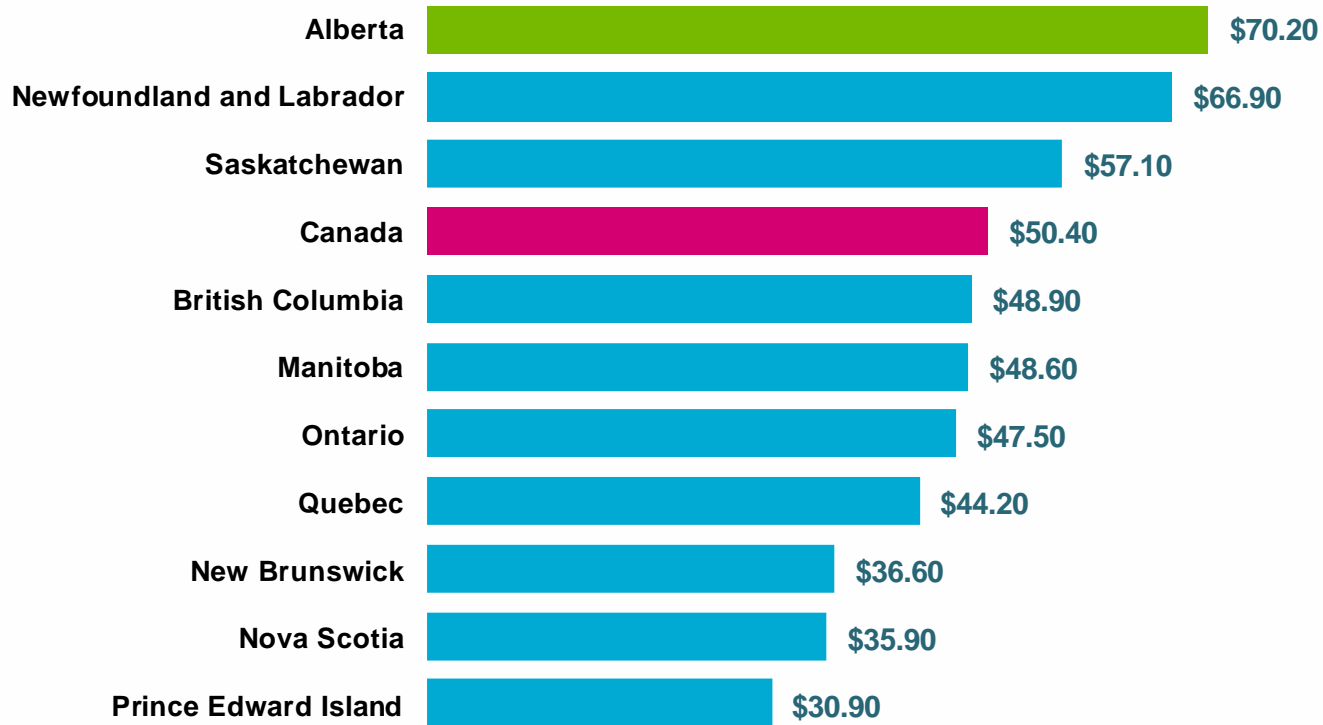
- In 2016, Alberta's business sector had the highest labour productivity level in the country. The total value added per hour worked in Alberta exceeded the Canadian average by about 39 per cent.
- Alberta's productivity advantage over other Canadian provinces is substantial; however its rate of productivity growth had been slow for many years. This low productivity growth rate was due to changes in the nature and composition of Alberta's energy output. In the last few years Alberta's productivity performance has improved because of a productivity resurgence in the energy sector.
- Although Alberta's short-term economic growth prospects have weakened because of low energy prices, Alberta's long-term economic growth prospects remain solid. Continued long-term economic growth depends on increased productivity growth in order to optimize the economic benefits from energy investment in Alberta, and to encourage higher value added activity and industrial diversification.

Doing Business in Alberta

Competitiveness

Business Sector Labour Productivity 2016

Real GDP per Hour Worked, in 2007 constant dollars



Source: Statistics Canada Cansim Table 383-0033 (business sector excluding private households)

Doing Business in Alberta

Entrepreneurship

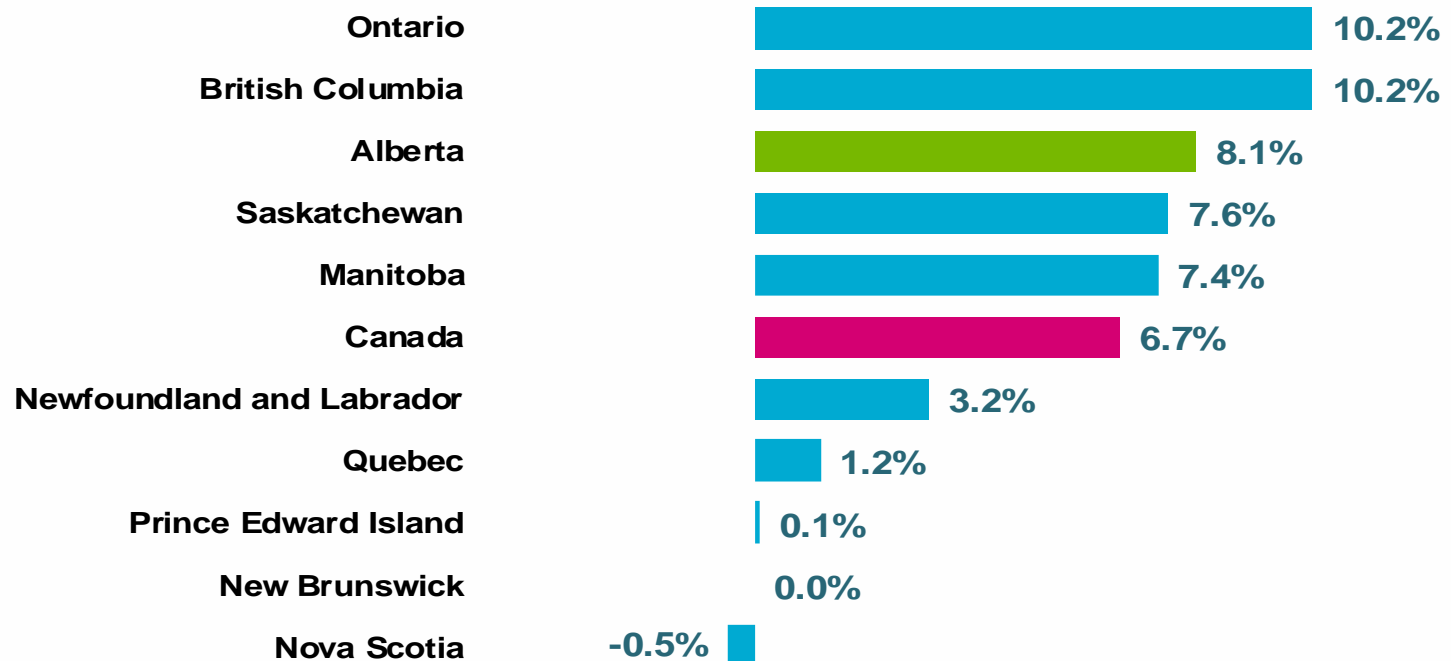
- Alberta's dynamic and innovative business climate is evident by the growth in the number of small businesses.
- Although small businesses in Alberta have been hit hard by the recent recession, the number of employees in small businesses still grew by 8.1 per cent between 2011 and 2016, higher than Canada's 6.7% increase.
- According to Statistics Canada small firms with 0 to 99 employees account for about 40 per cent of Alberta's GDP.
- Alberta's small business corporate income tax rate fell to two per cent in 2017, and the small business income threshold is \$500,000.
- Since it launched in 2009, the Innovation Voucher program awarded nearly \$40 million to almost 1,100 projects by small technology and knowledge-driven businesses across Alberta.
- The Government of Alberta has invested \$100 million to attract more venture capital to Alberta to grow early-stage technology companies.

Doing Business in Alberta

Entrepreneurship

Small Business – Cornerstone of the Economy

Percentage Change in Employment in Small Business Establishments between 2011 and 2016 (Less than 50 Employees)



Source: Survey of Employment, Payrolls and Hours, Statistics Canada

Doing Business in Alberta

Research, Innovation & Commercialization

- The Alberta government's research and development expenditures are among the highest in Canada, on a per capita basis, partially thanks to annual draws on two research endowment funds valued at over \$2 billion.
- Alberta has an established competitive funding program for Alberta's post-secondary institutions that supports the acquisition of research equipment to build research capacity. Since 2001, the program's investment of \$287 million has leveraged \$926 million more in other funding.
- Alberta is at the forefront of key research areas, such as biorefining and biocomposite materials, nanotechnology, machine learning and data analysis, cleaner energy production and alternative energy, cardiovascular health, brain health, diabetes, biomedical technologies, and infectious diseases.
- Alberta's provincial SR&ED tax credit is worth 10 per cent of a company's eligible expenditures up to \$4 million, for a maximum credit of \$400,000.

Doing Business in Alberta

Research, Innovation & Commercialization



- **Alberta Innovates, a provincial corporation, drives Alberta's provincial research and innovation efforts in key areas, building on Alberta's strengths in health, environment, energy, food, forestry/fibre, and emerging technology.**
- **It takes a more focused and integrated approach to meeting the needs of innovators and researchers by having businesses, government and academia collaborate and gain access to world renowned experts and one-of-a-kind infrastructure and equipment to solve problems.**
- **Collectively, Alberta Innovates and Alberta's post-secondary institutions have attracted some of the world's largest and most successful corporations and researchers to partner with Alberta.**
- **InnoTech Alberta Inc., a subsidiary of Alberta Innovates, provides applied research services, including testing new technology on province-wide scale to industry and government.**



Doing Business in Alberta

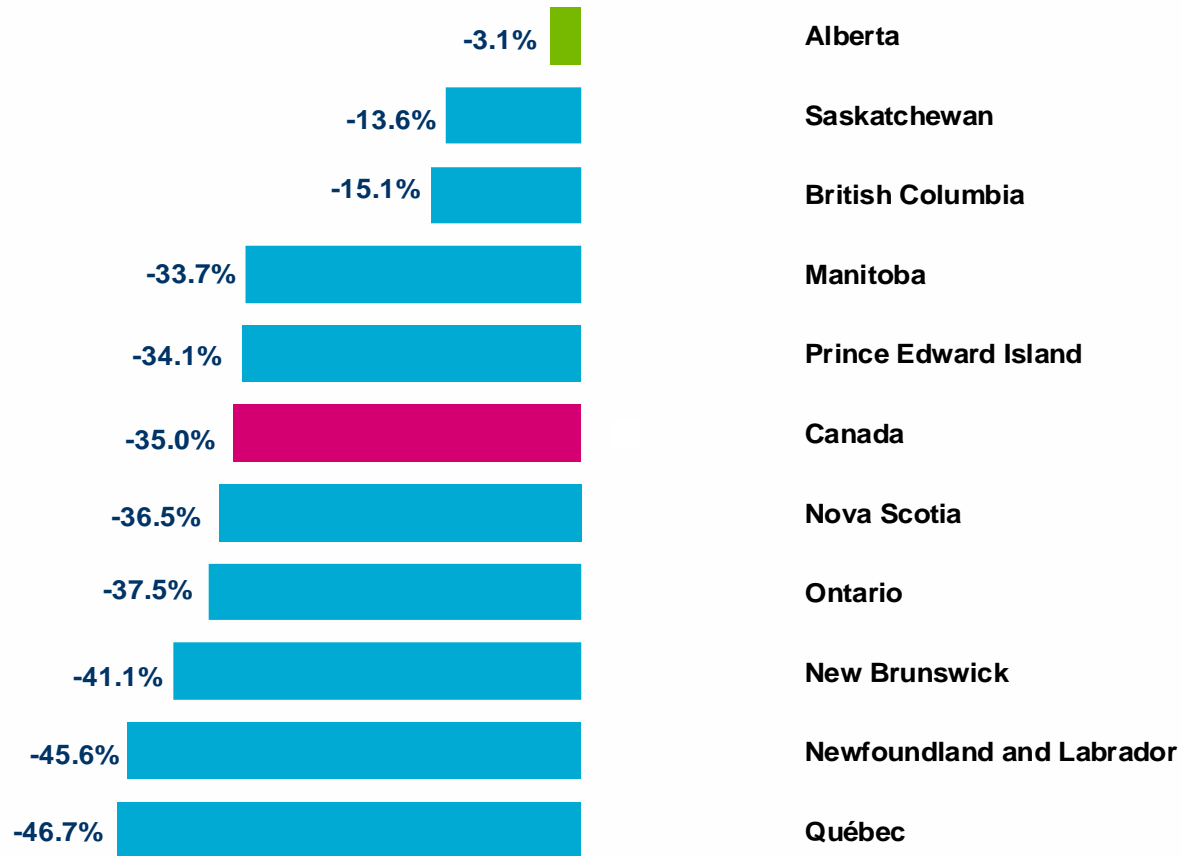
Government

- The Alberta government is committed to free enterprise, sustainable economic development, a competitive tax environment and strong infrastructure.
- Alberta's strong fiscal position, minimal debt, and savings built from past surpluses will assist the government in dealing with the current economic and fiscal challenges posed by weak oil and gas prices.
- As of September 30, 2017, Alberta's Heritage Savings Trust Fund (long-term savings) was valued at \$17.9 billion.

Doing Business in Alberta

Government

Provincial Net Financial Assets/Debt as a per cent of GDP (2016 - 2017)



Source: Conference Board of Canada

Doing Business in Alberta

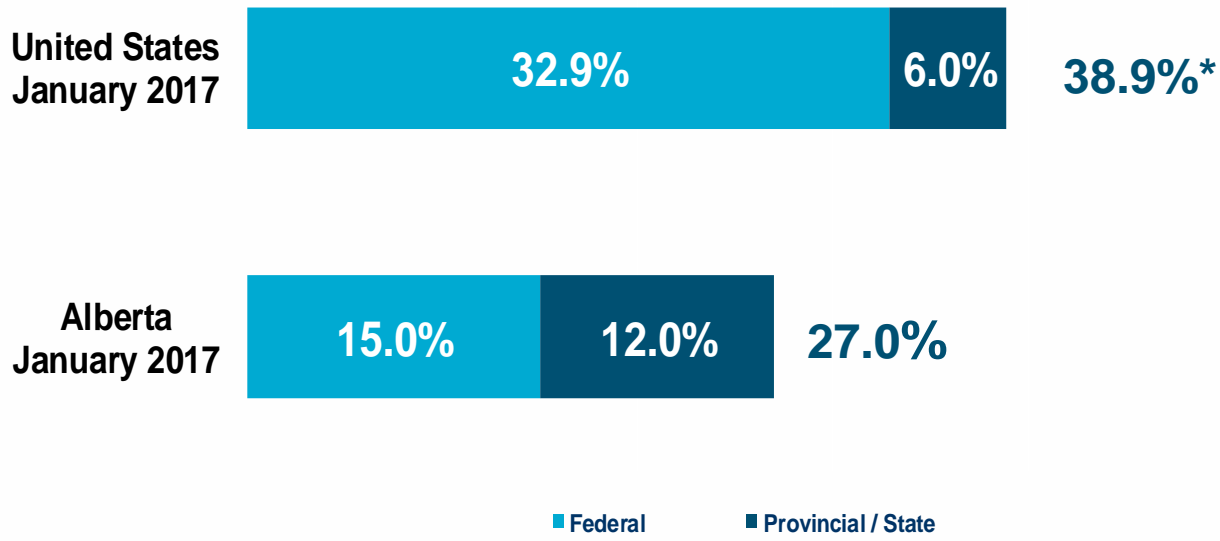
Competitive Corporate Taxes

- Alberta has one of the most competitive business tax environments in North America.
- The combined federal/provincial corporate income tax rate in Alberta is 27 per cent.
- By comparison, the combined effective average federal/state corporate income tax rate in the U.S. is 38.9 per cent.
- The Government of Alberta's general corporate income tax rate is 12 per cent and the Government of Canada rate is 15 per cent.
- The combined federal/provincial corporate income tax rate for small businesses in Alberta is 12.5 per cent. In 2017, Alberta's small business income tax rate was reduced from three per cent to two per cent.
- The low income tax rates combined with no provincial capital taxes or taxes on financial institutions, no payroll taxes, no sales tax, and a publicly funded health-care system makes Alberta's tax environment very competitive.

Doing Business in Alberta

Competitive Corporate Taxes

Comparison of Corporate Income Taxes



*6.0% represents the average top general state corporate income tax rate.
Sources: Alberta Economic Development & Trade and OECD.Stat

Doing Business in Alberta

Provincial & State Corporate Taxes

Provincial Corporate Income Tax Rates (per cent)

| Province | General | Manufacturing & Processing | Small Business |
|-------------------------|-----------|----------------------------|----------------|
| Alberta* | 12 | 12 | 2 |
| British Columbia | 11 | 11 | 2 |
| New Brunswick | 14 | 14 | 3 |
| Quebec | 11.8 | 11.8 | 8 |
| Manitoba | 12 | 12 | 0 |
| Saskatchewan | 12 | 10 | 2 |
| Ontario | 11.5 | 10 | 4.5 |
| Newfoundland & Labrador | 15 | 15 | 3 |
| Prince Edward Island | 16 | 16 | 4.5 |
| Nova Scotia | 16 | 16 | 3 |
| Federal | 15 | 15 | 10.5 |

State Corporate Income Tax Rates (per cent)

| State | General | Manufacturing & Processing | Small Business |
|----------------|-----------|----------------------------|----------------|
| Oregon | 7.6 | 7.6 | 6.6 |
| California | 8.84 | 8.84 | 8.84 |
| North Dakota | 4.31 | 4.31 | 4.07 |
| Montana | 6.75 | 6.75 | 6.75 |
| Idaho | 7.4 | 7.4 | 7.4 |
| Colorado | 4.63 | 4.63 | 4.63 |
| Utah | 5 | 5 | 5 |
| New Mexico | 6.2 | 6.2 | 4.8 |
| Louisiana | 8 | 8 | 6.42 |
| Arizona | 4.9 | 4.9 | 4.9 |
| Federal | 35 | 31.85 | 34 |

Note: U.S. rates are for January 2017 and Canadian rates are for April 2017

The small business rate is the effective tax rate for US\$380,000 (comparable to the Canadian threshold of Cdn\$500,000)

The small business income threshold for Nova Scotia and Manitoba is Cdn\$350,000 and \$450,000, respectively. For all other provinces the small business income threshold is Cdn\$500,000

Source: Canada Revenue Agency, Tax Foundation, KPMG Tax Facts 2016-2017, PWC

Doing Business in Alberta

Educated Work Force

- Alberta's labour force consists of 2.5 million workers.
- In 2016, 68.7 per cent of the labour force 25 years of age and older reported holding a university degree, post-secondary diploma or certificate.
- In 2016, there were more than 58,000 registered apprentices training at approximately 14,800 employer sites around Alberta.
- Alberta's apprenticeship and industry training system is second to none, training 21 per cent of Canada's apprentices, despite having only 13 per cent of its labour force.

Working in Alberta

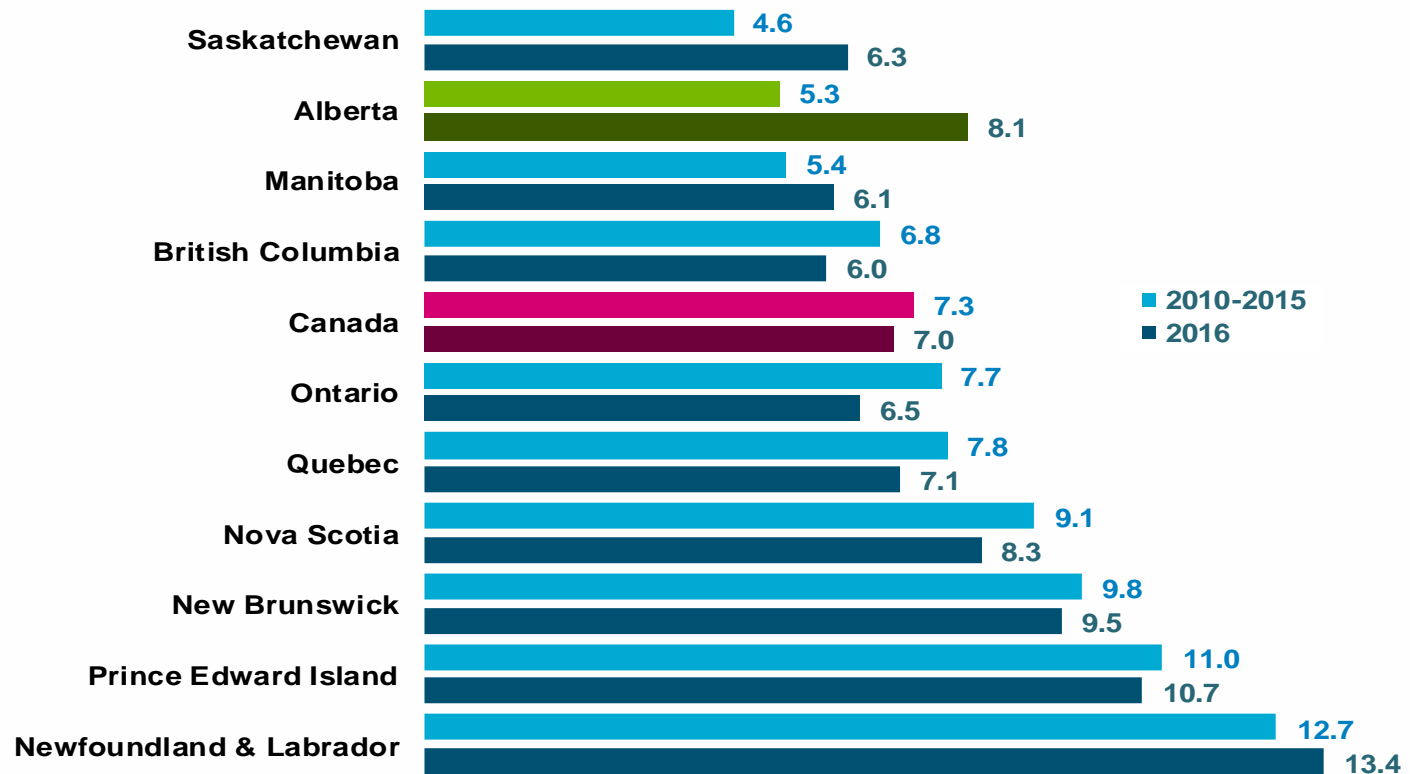
Labour Market

- Between 1990 and 2015, Alberta's unemployment rate was one of the three lowest of all the provinces in Canada.
- From 2010 to 2015, Alberta's unemployment rate averaged 5.3 per cent, compared to 6.8 per cent in British Columbia and 7.7 per cent in Ontario over the same period. In 2016, Alberta's unemployment rate had risen to 8.1 per cent, higher than the Canadian average of 7.0 per cent.
- Although Alberta's unemployment rate has risen from historical lows to rates that are currently higher than what economists typically generalize as a balanced labour market, Alberta is expected to have a balanced labour market once the current slowdown ends.
- Alberta has a dedicated work force: in 2016 full-time workers in Alberta were absent from work for an average 7.5 days compared with 9.5 days for the average Canadian worker.

Working in Alberta

Labour Market

Unemployment Rates (%) by Province: 2010 – 2015 (average) and 2016

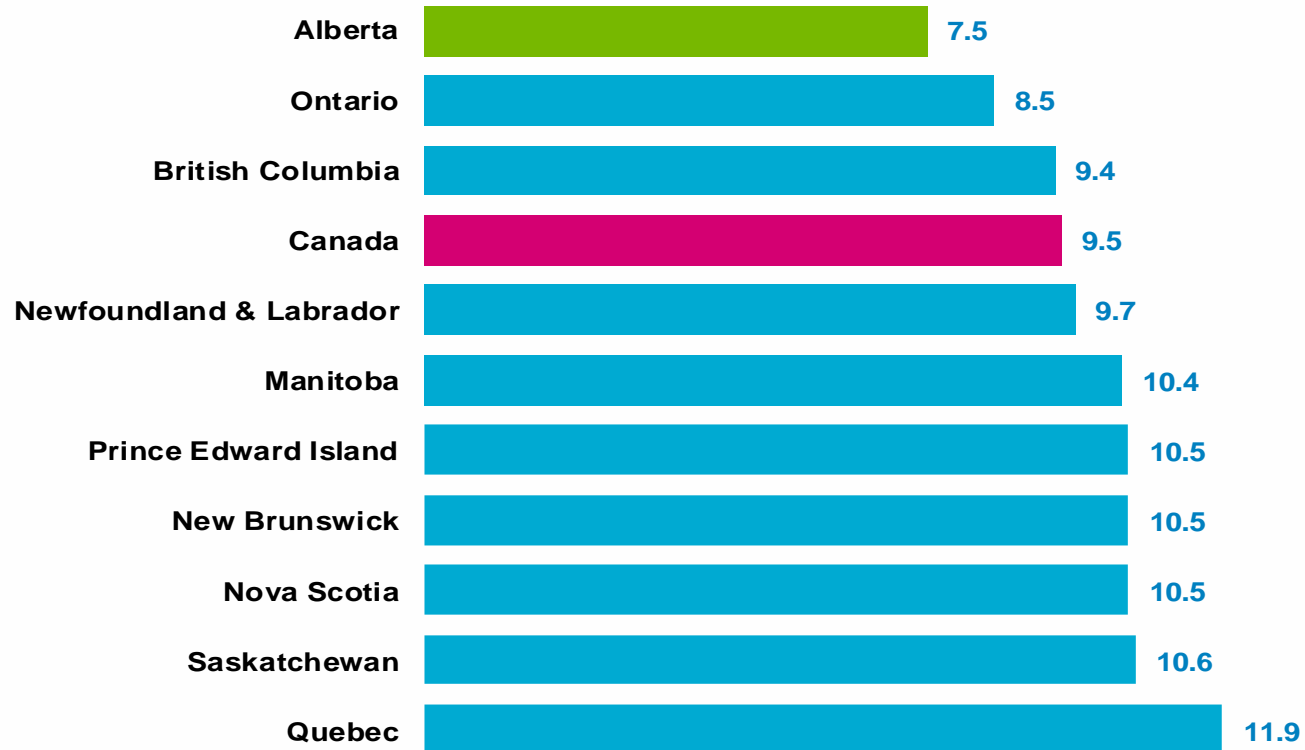


Source: Statistics Canada

Working in Alberta

A Dedicated Work Force

Total Days Lost per Full-Time Worker per Year by Province in 2016



Note: Days lost due to illness, disability or personal or family responsibility
Source: Statistics Canada

Working in Alberta

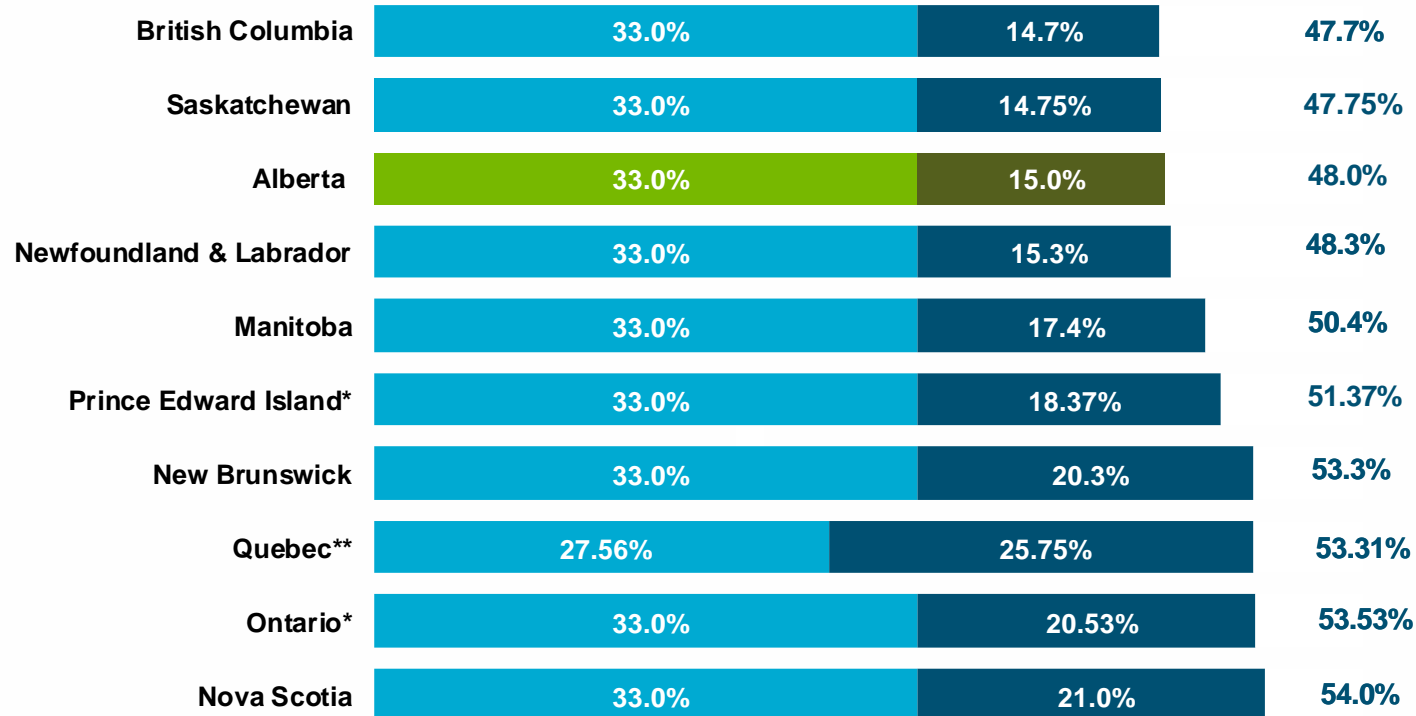
Low Personal Taxes

- Alberta's personal tax advantage results from low personal income tax rates, no general sales tax, and low gasoline taxes.
- Even with the new carbon levy, Alberta has the third-lowest provincial charges on gasoline and diesel in 2017.
- Albertans pay low personal income taxes, with one of the lowest marginal income tax rates and the highest basic and spousal tax credit amounts in Canada.
- As provided in the following examples, in Alberta, a two-income family of four:
 - Earning \$100,000 pays \$3,800 less in total taxes than in Ontario and about \$2,600 less than in British Columbia.
 - Earning \$200,000 pays \$7,600 less in total taxes than in Ontario and about \$20,000 less than in Quebec.

Working in Alberta

Low Personal Taxes

Top Marginal Personal Income Tax Rates 2017



* Prince Edward Island and Ontario's top provincial rates include a surtax

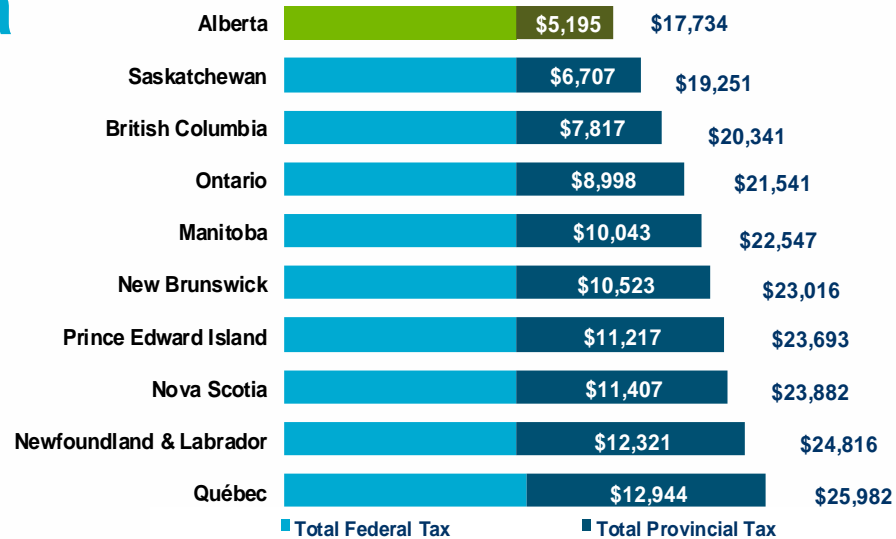
** Quebec residents receive an abatement of 16.5% of basic federal tax because of the province's decision to opt out of federal cash transfers in support of provincial programs

Source: KPMG

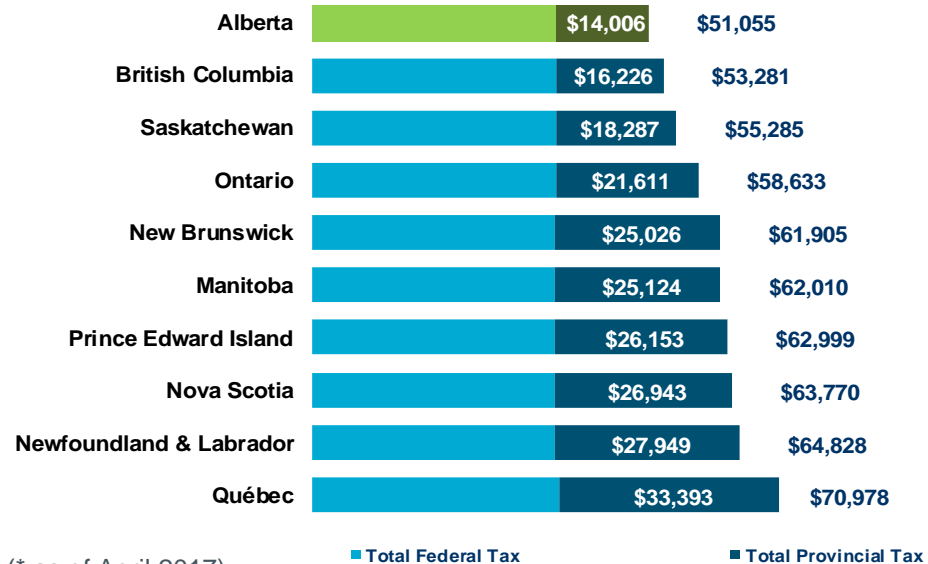
Working in Alberta

Low Personal Taxes

Comparison of Provincial and Federal Taxes by Province
Two-Income Family of Four – \$100,000* →



Comparison of Provincial and Federal Taxes by Province
Two-Income Family of Four – \$200,000* →



Source: Alberta Treasury Board and Finance (* as of April 2017)

Note: Comparisons are for a family with a 60/40 income split and two children aged 6 and 12. It includes the impact of income taxes, sales taxes, fuel taxes, health premiums and payroll taxes

Working in Alberta

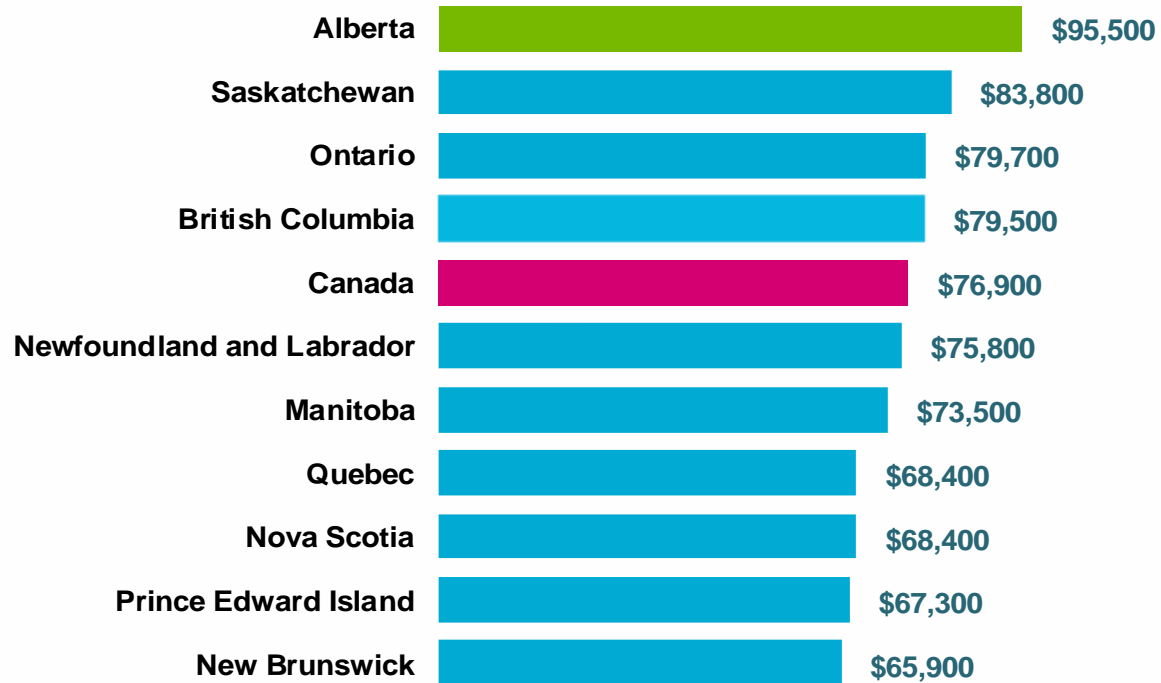
Family Income

- In 2015, for the 12th consecutive year, families living in Alberta had the highest median after-tax income at \$95,500. For that same year, the median after-tax income was \$83,800 in second-ranked Saskatchewan and \$76,900 for all of Canada.
- After-tax family income is comprised of market income and government transfers net of income taxes.
- Another measure of income is median family market income. This is the sum of earnings from employment, investment income and private retirement income excluding government transfers.
- In 2015, Alberta families had \$101,500 in market income, 32 per cent more than the Canadian average of \$76,900, and \$14,100 more than second-ranked Saskatchewan.

Working in Alberta

Family Income

2015 Median After-Tax Family Income Couple Families*



* A couple family consists of a couple living together living at the same address with or without children
Source: Statistics Canada – Cansim Table 206-0012

Working in Alberta

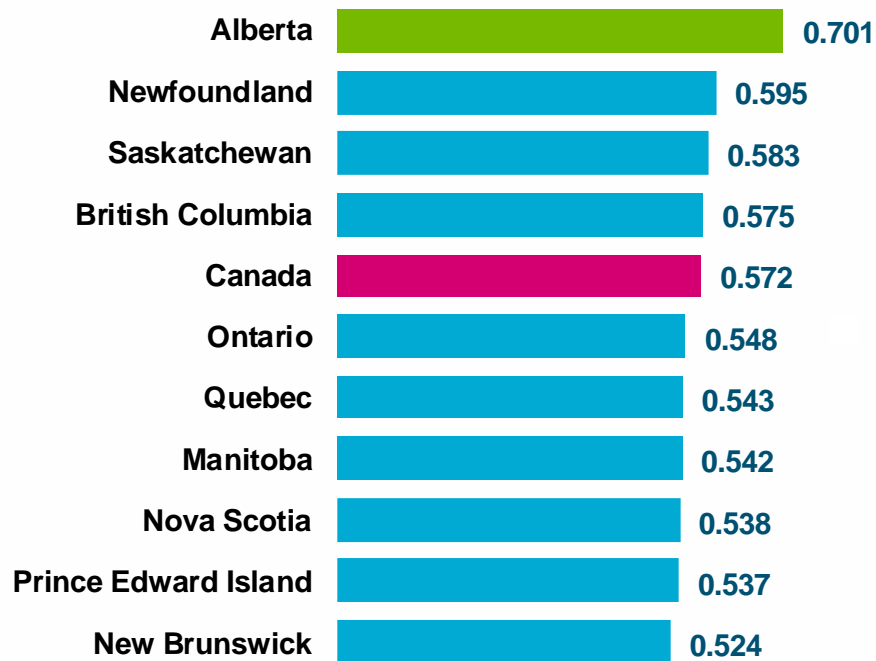
Standard of Living

- Alberta has been the nation's leader in economic well-being for more than 30 years and in socio-economic well-being for the past 10 years.
- The Index of Economic Well-Being is a measure of economic welfare and includes measures of wealth, the distribution of income and wealth, economic security, environmental sustainability and non-market activities such as household work.
- In 2015, Alberta maintained the top spot in the nation and ranked second in an international comparison of economic well-being in Alberta and 14 OECD nations.
- The Human Development Index is a measure of socio-economic well-being and includes measures of life expectancy, education and income.
- In 2015, Alberta was tied for first with Ontario among the provinces and tied for fifth in an international comparison of the 13 Canadian provinces and territories and 175 OECD nations.

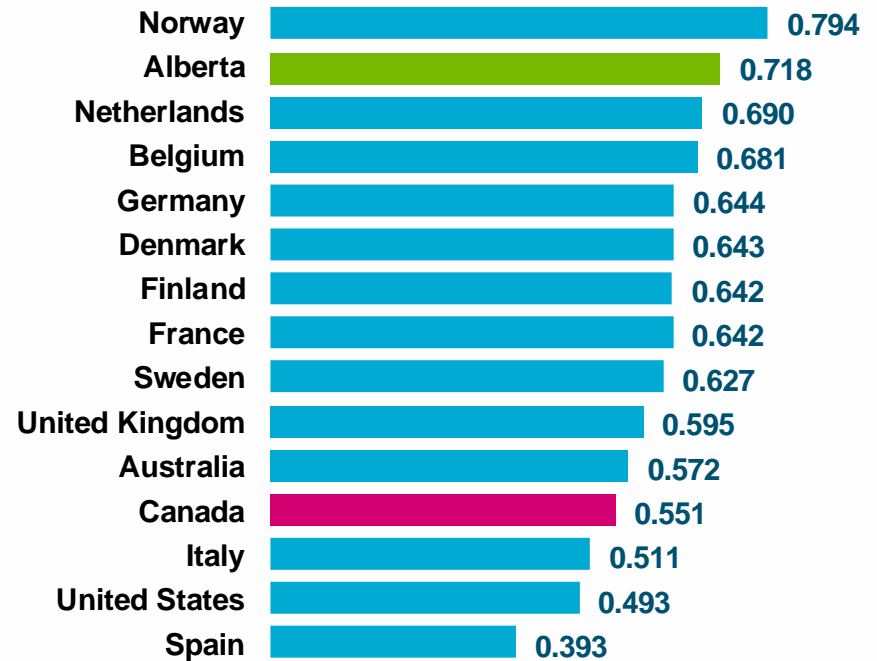
Working in Alberta

Standard of Living

Index of Economic Well-Being Provincial Comparison, 2015



Index of Economic Well-Being International Comparison, 2015

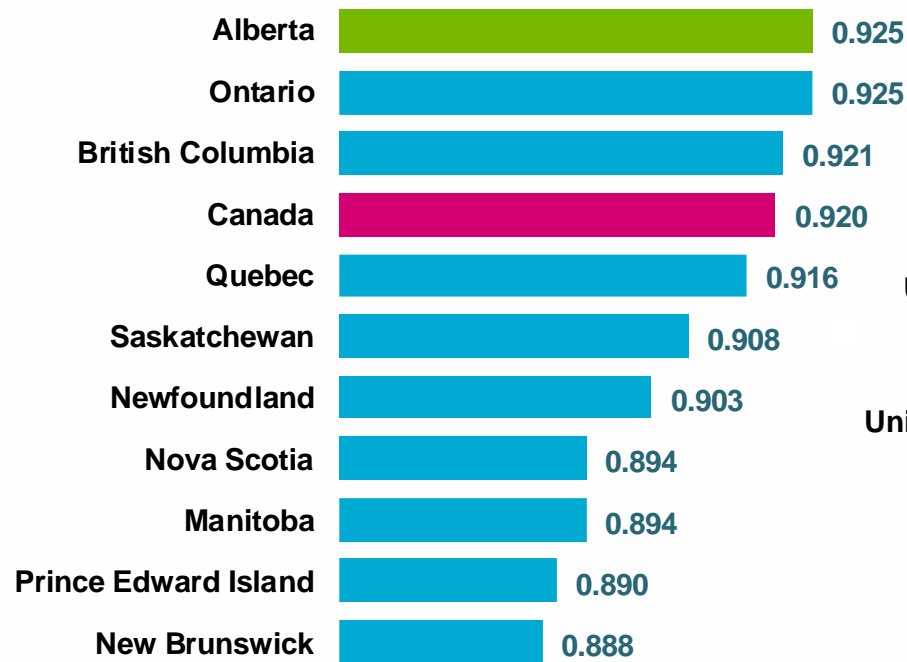


Source: Centre for the Study of Living Standards

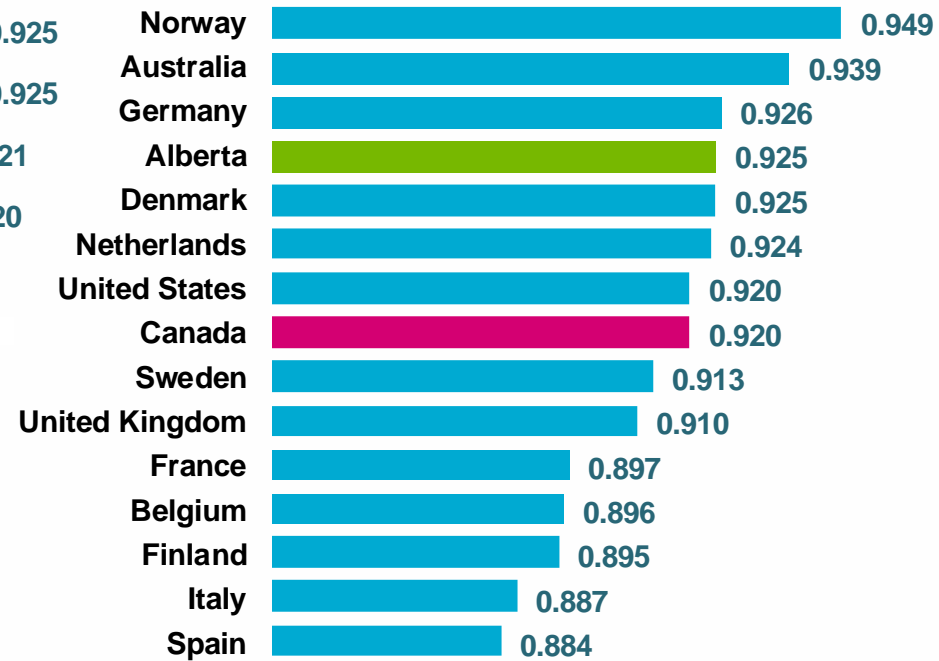
Working in Alberta

Standard of Living

Human Development Index Provincial Comparison, 2015



Human Development Index International Comparison, 2015



Source: Centre for the Study of Living Standards

Living in Alberta

People

- Alberta is home to an ethnically diverse population of over four million people.
- One in six Albertans was born outside of Canada, making Alberta one of the most multi-national and multi-cultural provinces in the country.
- Alberta has the youngest population of all Canadian provinces with a median age of 36.7. This compares to a median age of 40.6 in Canada.
- A vast majority of the population are of European ancestry, with a strong representation of Aboriginal people and an increasing number of migrants from Asia and other regions. This all contributes to the province's rich cultural diversity.
- Between 2006 and 2016 Alberta's population grew by 23.8 per cent, the largest increase of any province or state in North America.

Living in Alberta

People

Alberta Population by Ethnic Origin, 2016

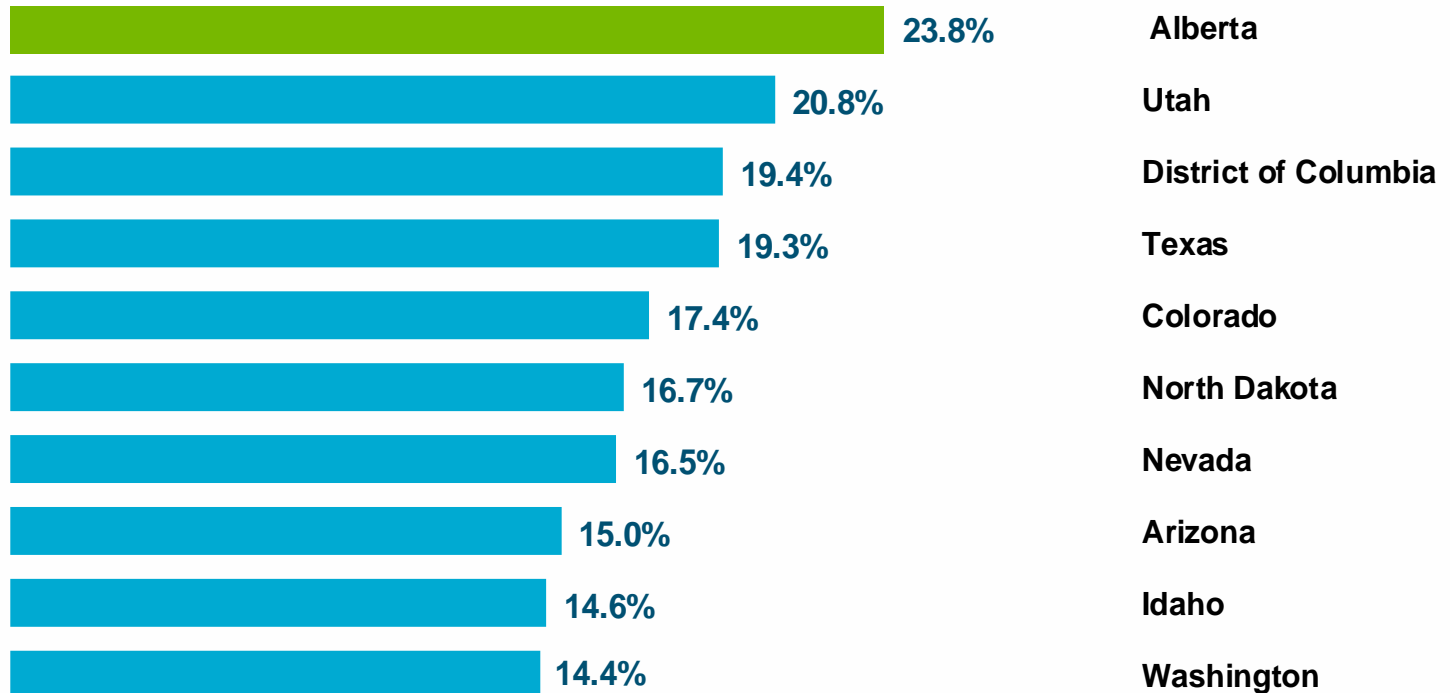
| Ethnic Origin | Number | % of Total Population | Ethnic Origin | Number | % of Total Population |
|---------------|------------------|-----------------------|---------------|------------------|-----------------------|
| Totals | 3,978,145 | 100.0% | Total | 3,978,145 | 100.0% |
| Canadian | 902,310 | 22.7% | Métis | 113,735 | 2.9% |
| English | 899,445 | 22.6% | Russian | 107,800 | 2.7% |
| German | 712,955 | 17.9% | Italian | 101,265 | 2.5% |
| Scottish | 704,200 | 17.7% | Swedish | 97,835 | 2.5% |
| Irish | 596,750 | 15.0% | Welsh | 80,460 | 2.0% |
| French | 411,560 | 10.3% | American | 72,355 | 1.8% |
| Ukrainian | 369,095 | 9.3% | Danish | 60,380 | 1.5% |
| First Nations | 200,285 | 5.0% | Hungarian | 56,275 | 1.4% |
| Dutch | 195,725 | 4.9% | Spanish | 48,060 | 1.2% |
| Chinese | 188,285 | 4.7% | Austrian | 39,530 | 1.0% |
| Polish | 186,510 | 4.7% | Vietnamese | 36,780 | 0.9% |
| Filipino | 175,130 | 4.4% | Romanian | 34,225 | 0.9% |
| East Indian | 174,510 | 4.4% | Lebanese | 32,365 | 0.8% |
| Norwegian | 156,595 | 3.9% | Pakistani | 29,265 | 0.7% |

Note: These numbers add up to more than the total population due to multiple responses
 Source: Statistics Canada, 2016 Census of Population

Living in Alberta

People

Alberta has Highest Population Growth in North America (Top 10 States/Provinces in Population Growth - 2006 to 2016)



Sources: Statistics Canada, U.S. Census Bureau

Living in Alberta

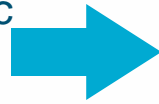
Education

- Albertans are among the best educated people in North America.
- Alberta has 26 diverse educational institutions, modern facilities, integrated technologies, and online learning combine to create innovative teaching and research opportunities for over 268,000 students, spanning every region of the province.
- Alberta's post-secondary system is instrumental in supporting learners, society and the economy. It is a comprehensive, coordinated publicly funded post-secondary system that ensures all Albertans have access to affordable and high quality learning opportunities to meet their lifelong learning goals. This system has benefited from significant ongoing public investment in recent years.
- Alberta's post-secondary system is supplemented by a multitude of community-based, religious, and vocational training opportunities. Together, Alberta's post-secondary providers are offering the quality education and training Albertans need, where and when they need it.

Living in Alberta

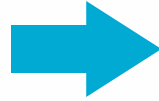
Education

Comprehensive Academic
& Research Institutions



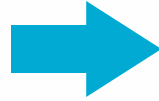
University of Alberta; University of Calgary; University of Lethbridge; Athabasca University

Baccalaureate & Applied
Studies Institutions



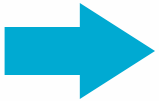
Grant MacEwan University; Mount Royal University

Polytechnical Institutions



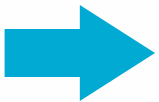
Northern Alberta Institute of Technology; Southern Alberta Institute of Technology

Comprehensive
Community Institutions



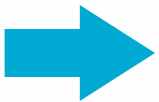
Bow Valley College; Grande Prairie Regional College; Keyano College; Lakeland College; Lethbridge College; Medicine Hat College; NorQuest College; Northern Lakes College; Olds College; Portage College; Red Deer College

Independent
Academic
Institutions



Ambrose University; Burman University; Concordia University; The King's University; St. Mary's University

Specialized Arts &
Culture Institutions



Alberta College of Art and Design; The Banff Centre

Living in Alberta

Quality Education

- Alberta ranks with the world's best in terms of the quality of education.
- The Program for International Student Assessment (PISA) is a tool developed by the Organization for Economic Cooperation and Development (OECD) to provide policy-oriented indicators of the skills and knowledge of 15-year olds' capabilities as they near the end of compulsory education. Since 2000, PISA reports on reading literacy, mathematical literacy and scientific literacy every three years.
- The 2015 examinations placed Alberta among the top ranks of 79 jurisdictions, including 10 Canadian provinces, where the tests were conducted. Alberta students have the second highest average score in science, the third highest score in reading, and the fourteenth highest score in mathematics.
- According to the Programme for the International Assessment of Adult Competencies, Alberta adults ranked first among the provinces for both numeracy and literacy skills and also for problem solving skills.

Living in Alberta

Quality Education

Top Scores in Mathematics, Science and Reading 2015 Program for International Student Assessment (PISA) Examinations Average = 500

| Mathematics | | | Science | | | Reading | | |
|-------------|------------------|-------|---------|------------------|-------|---------|------------------|-------|
| Rank | Jurisdiction | Score | Rank | Jurisdiction | Score | Rank | Jurisdiction | Score |
| 1 | Singapore | 564 | 1 | Singapore | 556 | 1 | British Columbia | 536 |
| 2 | Hong Kong-China | 548 | 2 | Alberta | 541 | 2 | Singapore | 535 |
| 3 | Quebec | 544 | 3 | British Columbia | 539 | 3 | Alberta | 533 |
| 4 | Macao-China | 544 | 4 | Japan | 538 | 4 | Quebec | 532 |
| 5 | Chinese Taipei | 542 | 5 | Quebec | 537 | 5 | Ontario | 527 |
| 6 | Japan | 532 | 6 | Estonia | 534 | 6 | Hong Kong-China | 527 |
| 7 | BSJG-China | 531 | 7 | Chinese Taipei | 532 | 7 | Canada | 527 |
| 8 | Korea | 524 | 8 | Finland | 531 | 8 | Finland | 526 |
| 9 | British Columbia | 522 | 9 | Macao-China | 529 | 9 | Ireland | 521 |
| 10 | Switzerland | 521 | 10 | Canada | 528 | 10 | Estonia | 519 |
| 12 | Canada | 516 | 11 | Vietnam | 525 | 11 | Korea | 517 |
| 14 | Alberta | 511 | 12 | Ontario | 524 | 12 | Nova Scotia | 517 |
| 50 | United States | 470 | 34 | United States | 496 | 33 | United States | 497 |

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

2. The rank is out of 79 jurisdictions

Source: Measuring Up: Canadian Results of the OECD PISA Study, Council of Ministers of Education, Canada

Living in Alberta

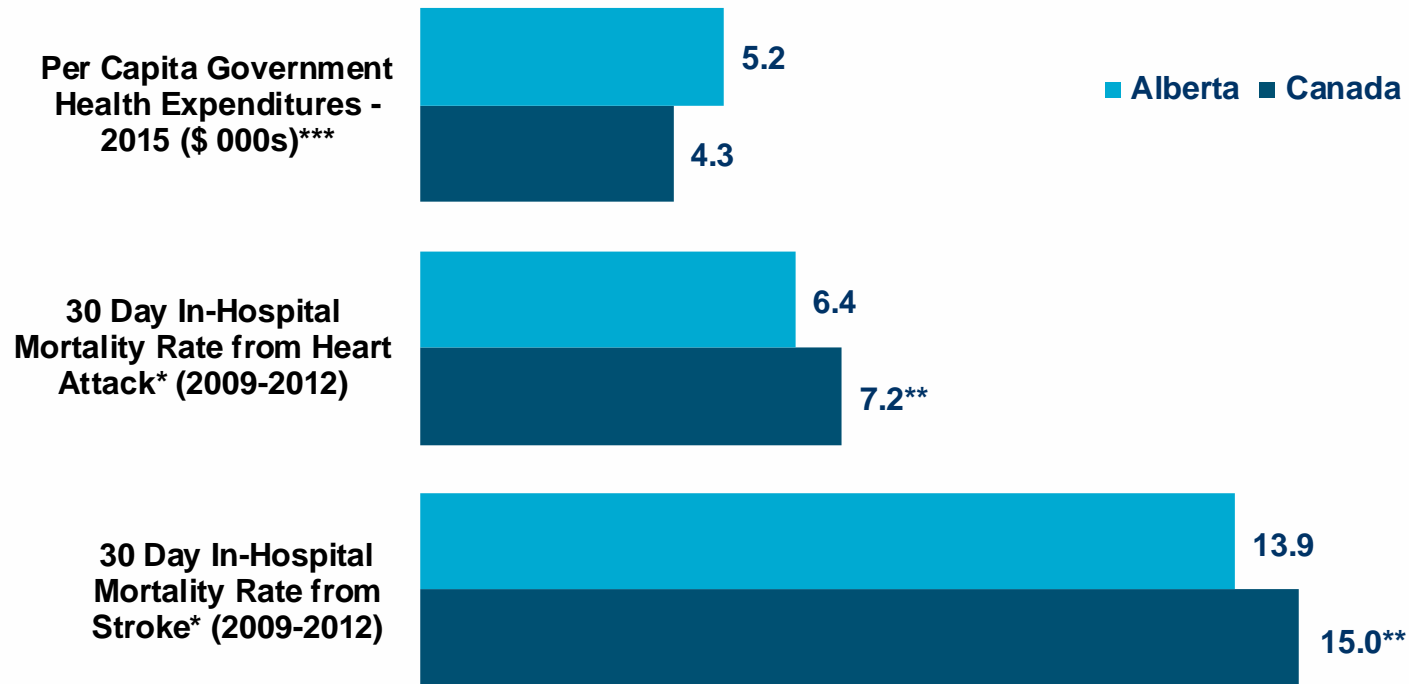
Health Care

- Compared to other Canadian provinces, Alberta has the highest age/gender adjusted per capita spending on government health expenditures, funding more health services than required under the Canada Health Care Act.
- Alberta's health system directly employs over 100,000 people which serves a population of over four million.
- Alberta has the lowest 30-day hospital mortality rate for both strokes and heart attacks in Canada. The University of Alberta Hospital has performed the most heart, lung and heart/lung combined transplants in Canada, and was the first to offer mechanical hearts to both adults and children.
- The province provides 24-hour access to stroke care at 28 centres and prevention clinics around Alberta, resulting in 23 per cent fewer emergency/hospital visits and 25 per cent fewer in-hospital deaths from strokes since 2005.

Living in Alberta

Health Care

Selected Health Indicators



*Note: Risk Adjusted Percentages

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

***Preliminary

Sources: National Health Expenditure Trends, 1975-2015, Canadian Institute of Health Information (CIHI); Health Indicators 2015 Report, CIHI and Statistics Canada

Living in Alberta

Arts and Culture

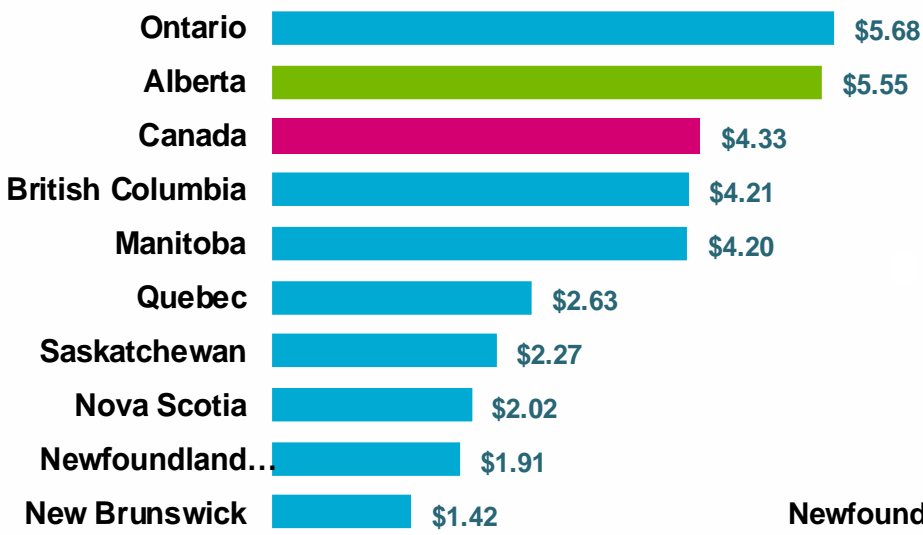
- **Arts and culture activities accounted for 1.6 per cent of Alberta's gross domestic product and employed 55,518 Albertans in 2014.**
- **Alberta's cultural policy, The Spirit of Alberta, supports and creates opportunities for excellence in the arts, recreation and sports, and encourages the growth of the cultural industries.**
- **Alberta is a leader among the Canadian provinces in government investment in the arts and culture. Alberta companies provide the second highest level of per capita support to the arts in Canada.**
- **In 2015-16, the Alberta Media Fund invested in 88 film, television and digital media projects to develop local production expertise and talent.**

Living in Alberta

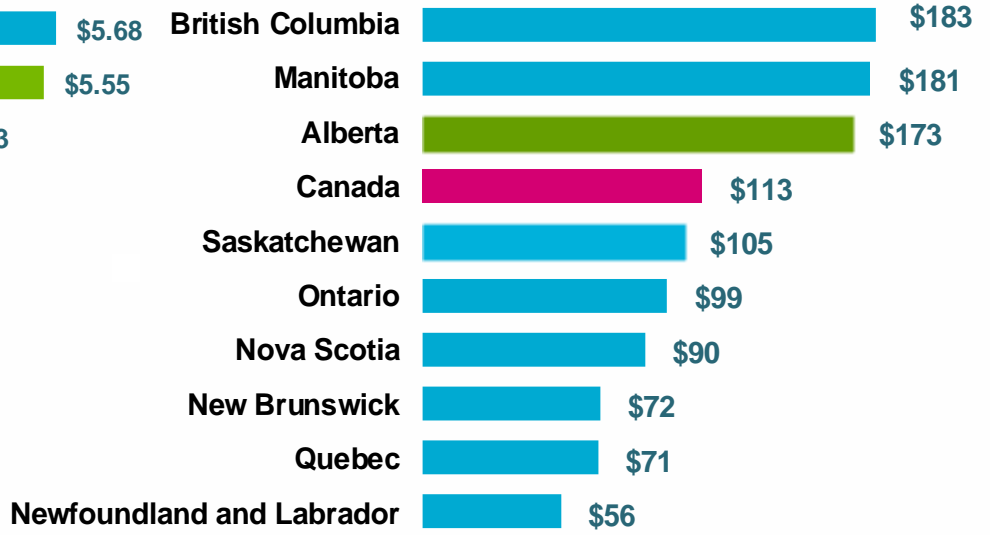
Arts and Culture

Private Sector Support of Performing Arts (2014)

Per Capita



Average Household Spending on Live Sporting and Performing Arts Events: 2011 (Annual Dollars)



Note: Excludes statistics for Prince Edward Island which were suppressed for confidentiality reasons

Note: Excludes statistics for Prince Edward Island which were too unreliable to publish

Source: Statistics Canada



Living in Alberta

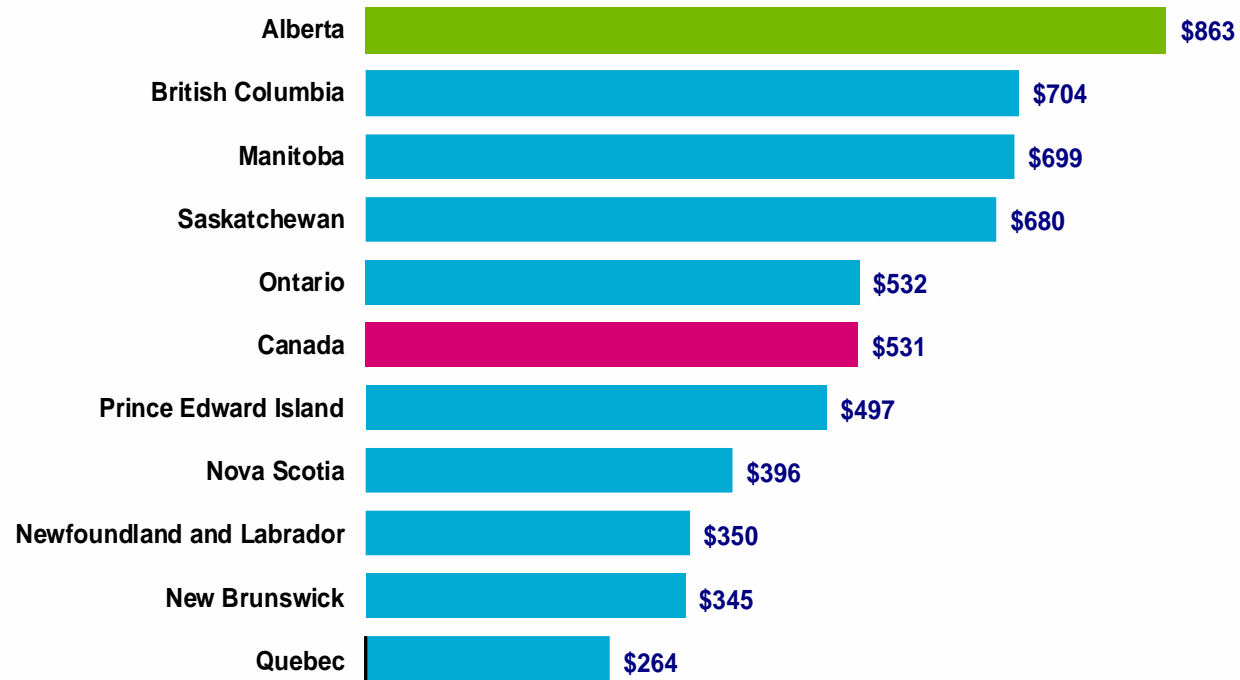
Donations and Volunteerism

- Charitable donations, volunteering time to charitable and non-profit organizations, and helping people in need directly help build community.
- Albertans give generously of their time and money for charitable causes. The average annual donation for Alberta was \$863 in 2013, the highest in the country and far outpacing the Canadian average of \$531.
- The total amount donated by Albertans to charitable and non-profit organizations was \$2.4 billion in 2013, double the \$1.2 billion that was donated in 2004. By comparison, the total amount of donations all Canadians made rose from \$10.4 billion to \$12.8 billion, an increase of 23 per cent.
- In 2013, the volunteerism rate of Albertans in support of schools, charitable and other non-profit organizations was 50.1 per cent compared to 43.6 per cent in Canada. The total annual volunteer hours were 262 million hours or 161 hours per volunteer.

Living in Alberta

Donations and Volunteerism

Charitable Donor Statistics Average Annual Donations, 2013



Source: General Social Survey of Giving, Volunteering and Participating, Statistics Canada

Alberta On-Line Resources

Alberta Government :

www.alberta.ca

Alberta Economic Development and Trade:

economic.alberta.ca
www.albertacanada.com

Doing Business in Alberta:

Investing in Alberta

www.albertacanada.com/business/invest/establishing-a-company.aspx

Export your Products

www.albertacanada.com/business/export-your-products.aspx

Industry Sectors

www.albertacanada.com/business/alberta-industries.aspx

Regional Development

communityeconomicdevelopment.alberta.ca

Community/Market Information

www.albertacanada.com/about-alberta/the-economy.html

Alberta Economic Dashboard

economicdashboard.alberta.ca

Alberta Regional Dashboard

regionaldashboard.alberta.ca

Inventory of Major Alberta Projects

majorprojects.alberta.ca

Visiting Alberta:

Travel Alberta

travelalberta.com

Provincial Parks

www.albertaparks.ca

Tourism

culture.alberta.ca

Working and Living in Alberta:

Immigrating

www.albertacanada.com/opportunity.aspx

Working in Alberta

www.albertacanada.com/opportunity/work.aspx

Health Care

www.health.alberta.ca

Education

education.alberta.ca

Alberta Learning Information Service

alis.alberta.ca