

CALIFORNIA- ALBERTA RELATIONS



PROFILE

Capital: Sacramento

Population: 36.1 million (2005 Estimate)

Language: English (Spanish)

Government: Bicameral state government

Head of Government: Governor Arnold Schwarzenegger (R) Term expires: 2006

Currency: US Dollar
CDN\$1 = 0.89 US (August 2006)

GSP: \$1.471 trillion US (2005)

Per Capita Income: \$37,036 US (2005)

Unemployment Rate: 4.9% (June 2006)

Key Industry Sectors:

Electronic components and equipment, transportation equipment, aerospace, film, food processing, computers and computer software, tourism.

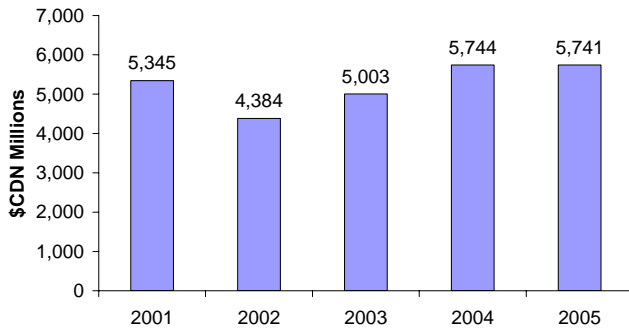
DID YOU KNOW?

- California has the world's 5th largest economy, and a major world center of learning, technology, and entertainment.
- The technology sector accounts for almost half of California's merchandise exports. High tech exports represented about 39% of the state's total exports of close to US\$94 billion in 2003.

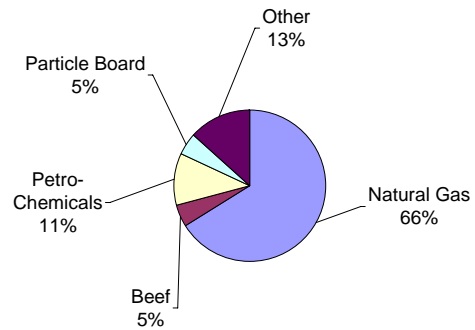
RELATIONSHIP OVERVIEW

- Alberta's annual exports to California have averaged \$5.2 billion over the last five years, making it Alberta's third largest export market (after New York and Illinois).
- Alberta's imports from California totaled \$1.1 billion in 2005, including electrical parts, laboratory equipment, fruits and vegetables, high tech apparatus, wines, and airplane parts.
- California is connected to Alberta by the I-15 highway, providing the southern link along the CANAMEX intermodal transportation corridor.
- In 2002, Alberta Innovation & Science developed the Alberta-California Venture Channel (ACVC). This initiative is aimed at partnering expertise and capital from California with entrepreneurs from Alberta.
- Alberta Innovation & Science has been holding annual expatriate events in California since 1999. Alberta alumni are provided information on the high-technology opportunities that exist in Alberta and encourage their return, investment or participation in future developments.

**Alberta Exports to California
(adjusted for natural gas)**



2005 Alberta Exports to California



TRADE AND INVESTMENT

- Canada is California's third largest export market, after Mexico and Japan.
- Alberta accounts for more than 11 percent of Canada-California trade.
- Alberta's top exports to California are natural gas, petrochemicals, beef, and particle board.
- During the past five years, two-way trade between Alberta and California averaged \$6.6 billion per year.
- Since the implementation of NAFTA, California exports to Canada have increased by 98%.
- In 2004, Alberta agri-food exports to California totaled approximately \$537 million, making it the province's largest agri-food market in the U.S.

Energy

- Alberta exports a large volume of natural gas to California, via pipeline through Washington (these volumes are often reported as exports to Washington in statistical summaries).
- The impact of California's electricity market upon the Western energy grid creates challenges and opportunities for states and provinces.

Tourism

- California is Alberta's second largest source of U.S. visitors and tourist dollars spent, after Montana.
- California is a popular tourist destination for Albertans (Disneyland, San Francisco, Los Angeles, Palm Springs).

EMERGING OPPORTUNITIES

- High technology
- Multimedia & film
- Electronics & telecommunications
- Transportation equipment
- Value-added forest products
- Tourism
- Agri-food

EDUCATION AND CULTURE

- Alberta's universities are developing close linkages with their California counterparts on

NAFTA issues and areas of bilateral mutual interest.

- Alberta is committed to facilitating development of new partnerships between film producers in Alberta and California. Alberta does not provide subsidies, but does offer: no provincial sales tax; low construction and service costs; experienced crews; technical capacity and spectacular locations.

RECENT VISITS

- Jan 2005: Minister Doerksen traveled to Los Angeles and Silicon Valley to develop closer cooperation in information and communication technology.
- Dec 2003: Richard Riordan – Governor Schwarzenegger's education advisor and the former mayor of Los Angeles – visited Edmonton.
- Oct 2003: Premier Klein traveled to Silicon Valley as part of the BC/Alberta Trade and Investment Mission.
- Nov 2001: Premier Klein traveled to Los Angeles as part of the Team Canada West trade mission.
- July 2001: Premier Klein led a Team Alberta mission to Los Angeles for Canada Day, to promote the Alberta Advantage.
- Alberta's Ministry of Innovation and Science has been undertaking regular missions to California to develop closer cooperation in information and communication technology.

DIPLOMATIC REPRESENTATION

- Mr. Tom Huffaker is the U.S. Consul General in Calgary.
- Canada's Consul General in Los Angeles is Mr. Alain Dudoit.