

Texas-Alberta Relations

Government of Alberta ■
International and Intergovernmental Relations



PROFILE

Capital: Austin

Population: 23,904,380 (2007)

Language: English (Spanish)

Government: Bicameral state government

Head of Government: Governor Rick Perry
Term Expires: 2010

GSP (Gross State Product): US\$ 1.142 trillion (2007)

Currency: CDN\$1 = 0.919 US dollar (USD),
June 2009

Per Capita Income: US\$ 37,793 (2007)

Unemployment: 5.1% (November 2008)

Primary Cities (Metro Areas):
(2007)

- Dallas – 6,145,037
- Houston – 5,628,101
- San Antonio – 1,990,675
- Austin – 1,598,161

Key Industry Sectors: oil & gas, agriculture, mining, and high technology (nanotechnology, biotechnology, aerospace, defense, semiconductors).

RELATIONSHIP OVERVIEW

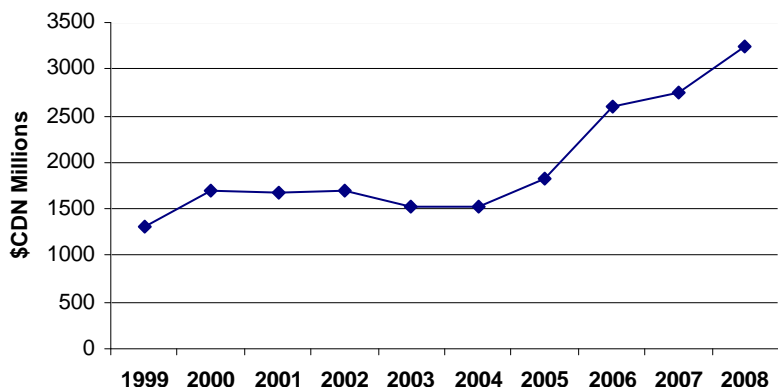
- Texas is a priority state for Alberta due to its important role in energy, agriculture, technology, and U.S.-Mexico relations.
- Alberta has had strong historical linkages to Texas centered on the oil and gas industry. The development of Alberta's oil patch was aided by the investment of capital, expertise, and technology from the U.S., much of it emanating from Texas.
- A significant movement of people accompanied the flow of capital and equipment between Texas and Alberta. The US expat community in the Alberta oil patch is one of the largest in the world outside the U.S., with many tracing their roots to Texas. Almost 10% of Calgary's population is either of American descent or U.S. passport holders.
- The Alberta-Texas relationship has begun to flourish in other areas as well. In the past five years, direct two-way trade has averaged \$4.3 billion annually.

- Texas' strong ties to Mexico, its leading export market, coupled with the growing importance of Mexico as an Alberta trade partner, could provide opportunities for joint ventures or other forms of business collaboration.

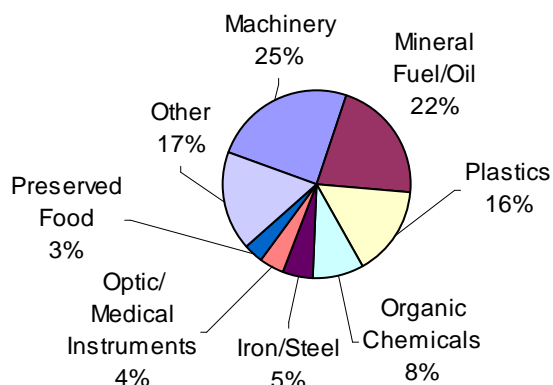
DID YOU KNOW?

- Texas was once part of Mexico and then an independent republic for ten years before becoming the 28th U.S. state in 1845.
- With over 1,100 cities, Texas has more metropolitan centers than any other state and with almost 24 million people, is the 2nd most populous U.S. state after California.
- Texas has the 7th fastest growing population in the U.S. Its population is expected to reach nearly 35 million by 2040 and Hispanics will account for about 83% of this growth.

Alberta's Exports to Texas (1999-2008)



Alberta's Exports to Texas (2004-2008 Average)



TRADE AND INVESTMENT

- Over the past five years, Alberta's annual merchandise exports to Texas have averaged \$2.3 billion.
- The dramatic increase in exports to Texas between 2005 and 2006 was largely the result of increased crude oil and petrochemical exports.
- Alberta exported \$2.75 billion worth of merchandise goods to Texas in 2007, making it the 8th most important U.S. state for Alberta exports.
- Excluding energy exports, Alberta exported \$2.3 billion to Texas in 2007, making it Alberta's largest non energy export market.
- Top Alberta exports to Texas in 2007 included petrochemicals, natural gas, oil and gas machinery, crude oil, and agricultural products.
- In 2007, Alberta imports from Texas were worth almost \$2.5 billion. Main imports were oil and gas equipment, petroleum products, computers, trucks and tractors.

FORESTRY

- Alberta exports a significant amount of softwood lumber to the U.S., of which Texas is a major consumer.

ENERGY

- Oil and gas are key sectors for both Alberta and Texas. In 2006, Alberta oil and gas related exports to Texas totaled \$1.5 billion.
- Texas-based investment is seen as a key to further development of Alberta's oil sands. As well, Alberta is a natural choice as a partner in the development of the United States' northern gas pipelines.
- Growing volumes of Alberta oil sands products are expected to make their way to Texas refineries in the future, displacing heavy oil imports from offshore.
- Texas has the largest proven crude oil reserves in the U.S. with 4.9 billion barrels and accounts for 23 % of U.S. proven crude oil reserves.
- Texas is the largest producer of natural gas in the U.S., accounting for almost 30% of U.S. domestic production.
- Texas is the 5th largest producer of coal in the U.S.

HIGH TECHNOLOGY

- Texas has diversified its economy considerably over the past two decades. High technology is a key industry in Texas.
- Texas exports approximately \$1.5 billion in high tech products to Canada a year, including computers, electronic tubes, and semi-conductors.
- Texas ranks second in the U.S. behind California in total employment and exports in the high-tech sector.

RECENT VISITS

- December 2008: Premier Ed Stelmach led a delegation to Austin for the Texas-Alberta Summit where he also met with Governor Rick Perry. In Houston, the Premier met with officials from Rice University's Richard E. Smalley Institute for Nanoscale Science and Technology to encourage collaborations with Alberta's nanotechnology sector.
- October 2008: Finance & Enterprise Minister Iris Evans travelled to Houston to meet with senior energy and chemical executives to promote value added energy opportunities in energy.
- June 2008: Len Mitzel, MLA Cypress-Medicine Hat met with officials from the Texas Department of Transportation, federal and state senators/congressmen, mayors, business leaders and the Ports-to-Plains Trade Corridor coalition.
- November 2007: Texas Transportation Commissioner Fred Underwood visited Alberta to explore transportation and other economic linkages.
- April 2007: Energy Minister Mel Knight travelled to Houston to meet with energy companies to promote continued investment in Alberta's energy sector, as well as in value-added energy opportunities.
- March 2007: Alberta Employment, Immigration and Industry Minister Iris Evans' mission to Houston to promote value-added energy upgrading and labor force opportunities in Alberta.

DIPLOMATIC REPRESENTATION

- The U.S. Consul General in Calgary is Laura Lochman.
- Canada's Consul General in Dallas is Mr. Norris Pettis. (A satellite office in Houston is attached to the Consulate)

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