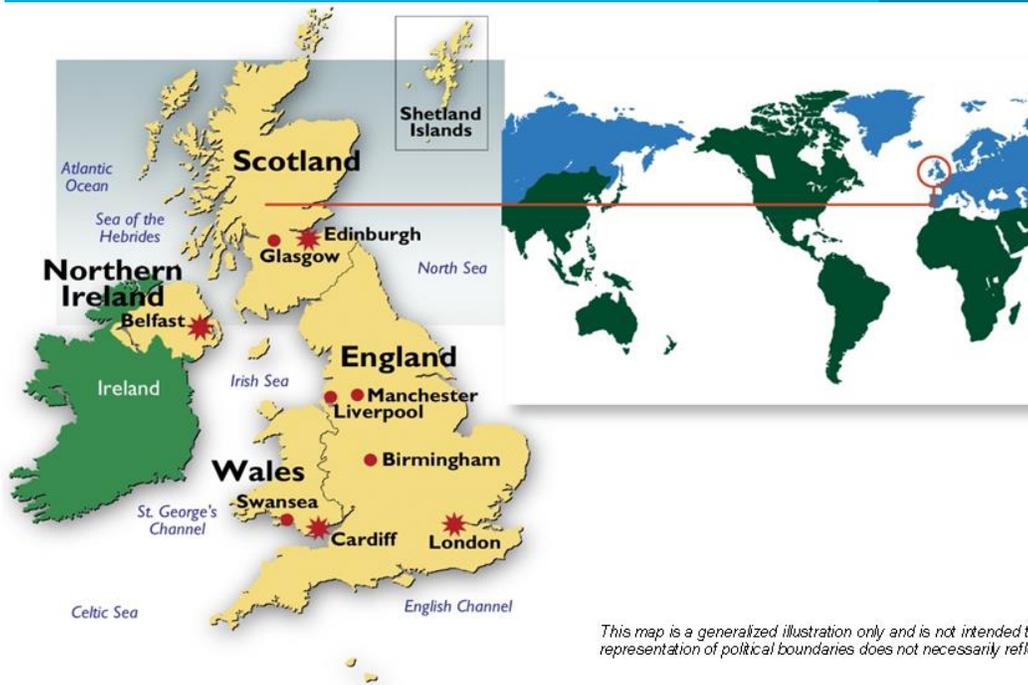


# United Kingdom - Alberta Relations



*This map is a generalized illustration only and is not intended to be used for reference purposes. The representation of political boundaries does not necessarily reflect the position of the Government of Alberta*

## PROFILE

**Capital:** London

**Population:** 65.11 million (2015)

**Language:** English

**Government:** Parliamentary Monarchy

**Head of State:** H.M. Queen Elizabeth II

**Head of Government:** Prime Minister Theresa May (since July 13, 2016)

**Currency:** Pound (£), CAD\$1 = £0.61, £1 = CAD\$1.63 (October 2016)

**GDP:** US\$2.858 trillion (2015)

**GDP (PPP):** \$2.7 trillion current international dollars (2015)

**GDP per Capita (PPP):** \$41,498 current international dollars (2015)

**GDP growth rate:** 2.25 per cent (2015)

**Inflation:** 0.05 per cent (2015)

**Unemployment:** 5.4 per cent (2015)

**Key Economic Sectors:** financial and business services, machine tools, electric power equipment, automation equipment, railroad equipment, shipbuilding, aircraft, motor vehicles and parts, electronics and communications equipment, metals, chemicals (particularly pharmaceuticals), coal, petroleum, pulp and paper products.

*Sources:*

*Bank of Canada, Economist Intelligence Unit*

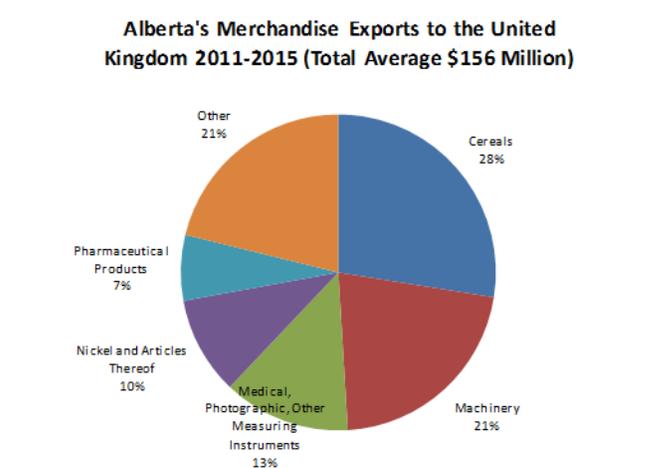
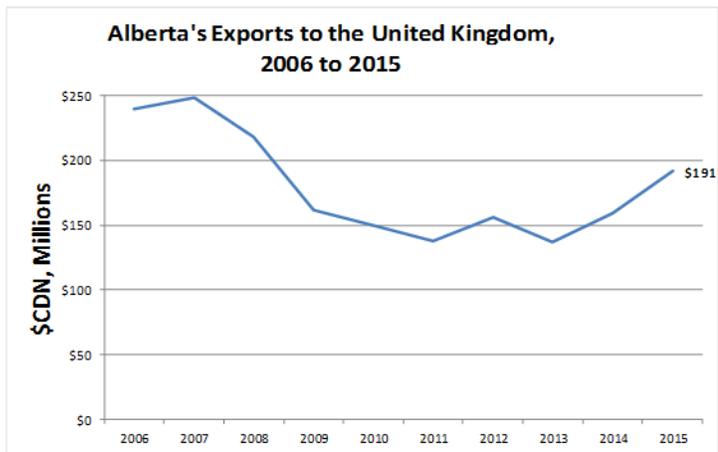
## DID YOU KNOW?

- The United Kingdom (UK) held a referendum on June 23, 2016 to gauge the country's support for remaining in the European Union (EU). 51.9 per cent voted to leave the EU, with a national turnout of 72 per cent.
- The UK government now intends to leave the EU, with its plan known as Brexit. The formal process for the UK to leave the EU would start with the UK triggering Article 50 of the Treaty on European Union. This would give the UK and the EU two years to negotiate a new relationship.
- Prime Minister Theresa May won a Conservative Party leadership race to replace Prime Minister David Cameron who resigned shortly after the Brexit referendum results were finalized.
- In 2016-2017, the World Economic Forum ranked the UK as the 7th most competitive country out of 138 nations on its Global Competitiveness Index.
- London is one of Europe's premier megacities and is a leader in the financial sector. The A.T. Kearney Global Cities Index ranks London 1st overall, overtaking New York for the first time since 2008, primarily due to London's improvements in the cultural experience and

business activity dimensions. However, A.T. Kearney's Global Cities Outlook is expecting London to fall to 4th in the future.

## RELATIONSHIP OVERVIEW

- Traditionally, relations with Britain have been very close with many Albertans serving in Britain during both the First and Second World Wars, and many more Britons making Alberta their new home throughout the last century.
- Alberta's first international office opened in London in 1913, with a focus on immigration, trade and investment.
- Alberta's relations with Britain ebbed somewhat during the 1990s as the British closed their Consulate General in Edmonton and Alberta closed its office in London. During this period, Britain focused increasingly on Europe, and Alberta intensified ties with the U.S. and Asia.
- Reinvigoration of economic relations between the UK and Alberta started in the late 1990s when the UK opened a trade office in Calgary and Alberta reopened its international office in London in November 2003.
- The Alberta UK Office (AUKO) consists of four staff and is responsible for trade and investment promotion between Alberta and the UK and Ireland, and inter-governmental relations with the EU and its member states.



- In recognition of the potential benefits to both jurisdictions in strengthening UK - Alberta relations, the UK opened a Consulate-General in Calgary in September 2012.

### TRADE AND INVESTMENT

- The UK serves as a preferred entry point for many Alberta companies seeking market access to the EU, due to the common language and similar business and legal environments. Britain's prominent role in the EU and its ability to influence EU standards and practices makes it an important ally for Alberta.
- Alberta's exports to the UK from 2011 to 2015 averaged CAD\$156 million per year, consisting mainly of cereals, machinery, and precision instruments.
- During the same period, Alberta's direct imports from the UK averaged CAD\$440 million per year. Top imports included machinery, precision instruments, organic chemicals, and beverages. This figure does not include goods sold in Alberta that arrived via distribution hubs in other provinces.
- In 2015, the UK was Canada's 4th largest source of foreign direct investment reaching CAD\$34.3 billion. This number has decreased gradually over the past five years.
- The UK ranks 2nd for Canada's direct investment abroad with CAD\$92.9 billion in 2015.
- Alberta companies in the advanced industries sectors (e.g., information and communications technology [ICT], aerospace, defence, health) are growing players in the UK market.

### ENERGY

- The UK is the largest oil producer in the EU, with total oil production of 1.0 million barrels per day (bbl/d) (2013). The UK has 3.1 billion barrels (2013) of proven oil reserves versus Alberta's 168.8 billion barrels (2013).

- The majority of the country's oil reserves are located in the North Sea in the UK Continental Shelf and the Shetland Islands. The UK also has the largest onshore oil field in Europe, the Wytch Farm.

- The UK is the second-largest producer of natural gas in the EU with 8.7 trillion cubic feet (Tcf) of proven natural gas reserves (January 2013).

- Despite the UK's large coal, natural gas and oil resources (particularly in the North Sea), oil and natural gas reserves continue to decline, since peaking in 1999, mostly due to a lack of new reserves to replace existing mature fields.

- The country became a net importer of all fossil fuels in 2013, receiving oil imports of just under 1 million bbl/d in 2013.

- The UK government is attempting to decrease its dependence on energy imports and promote energy security. It is focusing on enhanced recovery from maturing oil and gas fields and decreasing the use of fossil fuels through heavy investment into renewable energy.

- The country has a large network of pipelines that allow the transport of oil from the North Sea via Scotland and northern England.

- London-based BP has invested in three Alberta oil sands leases, including partnering with Calgary-based Husky Energy for the Sunrise Energy Project. It is expected to start production in 2015, and produce 60,000 bbl/d through steam-assisted gravity drainage (SAGD).

- Many Alberta-based drilling and service companies operate in the UK. Calgary's Pure Technologies Ltd. has licensed its Smart Ball technology in the UK, which detects leaks in energy pipelines.

### EMERGING OPPORTUNITIES

- The UK is a global hub for venture funds, corporate, and angel investors scouting for innovative companies and investment deals.

- **Agri-Food:** Alberta's agri-food exports to the UK totaled \$49.5 million in 2015, comprised predominantly of wheat (almost 90 per cent), and prepared animal feed.

- The UK is a significant net importer of food, and the trade gap over exports is widening. Innovation and opportunities for growth are being seen in premium products. The greatest current growth is in "free from" foods, especially gluten free and dairy free. Beef must be hormone free, and all food products for human consumption must be genetically modified organism (GMO) free.

- The UK remains one of the top food producing countries within the EU and maintains a highly mechanized and efficient agriculture sector.

- The EU has adopted a 'technical solution' for the low level presence of unapproved GMOs in feed. Before any GMO or GMO containing product can be put on the market, it must meet the EU's approval process, and be labeled as GMO. As a consequence, Canada is at significant tariff disadvantage to EU countries.

- Alberta is working with potential investors in the area of food ingredients, nutraceuticals (specific diets and processed foods, e.g., cereals, soups and beverages), and research and innovation.

- **Information and Communications Technology (ICT):** The UK is the largest ICT sector in Europe worth approximately \$130 billion. Demand is growing in areas such as IoT, cyber security, big data, fintech, business management software aimed at small and medium sized businesses, and cloud services.

- On November 11, 2016, two Alberta health tech companies, Surface Medical and Vista technology, participated in a pitch session to the National Health Services (NHS), organized by the Canadian Trade Commissioner Service (TCS).

- **Aerospace:** The UK is Europe's biggest single market for military and civil aerospace and defence products and services. Growth is

anticipated and being driven by new business opportunities globally (North America and Middle East) and growth within the UK industry. The UK Aerospace industry grew by 6.5 per cent in 2015.

- Since 2006, the Alberta government, along with an estimated dozen organizations, has participated in the biennial Farnborough International Air Show. Eight representatives from five organizations attended Farnborough 2016 with an additional 23 Alberta organizations featured at the event.

- **Health Technologies and Medical Devices:** Opportunities exist for Alberta firms offering innovative new products, specialty products and cost-effective cutting-edge technologies. In particular, due to continued investment by NHS, health ICT offers significant prospects.

- **Infrastructure/Building Products & Technologies:** With Alberta's Inventory of major projects totaling an estimated \$200 billion of infrastructure spending and plans for increasing the renewable energy market, Alberta is attracting interest from European firms. According to TCS Market Report: "The European Commission qualified sustainable buildings as one of the six priority sectors able to create occupational development in the next few years, with an expected value of 2.5 to 3.5 million new job opportunities. Green building and developing sustainable buildings are essential steps towards fulfilling the objectives of the "20-20-20" EU Climate Package.

- **Oil and gas Equipment:** The UK's oil and gas production capacity offers promising opportunities for Alberta equipment and services suppliers.

- **Environmental Technology:** There are opportunities for companies with environmental expertise such as soil remediation technologies.

## EDUCATION

- The Ministry of Enterprise and Advanced Education (EAE) and government representatives from B.C., Manitoba and Ontario led a joint education mission to England and Scotland in September 2011.
- EAE and representatives from the University of Alberta (U of A) and Mount Royal University (MRU) participated in a British Council – China Guanghua Science and Technology Nurse Fund Joint Symposium in Manchester in February 2012.
- There are a number of agreements between post-secondary institutions in Alberta and the UK to facilitate student and faculty exchanges, including the following:
  - The University of Leeds has agreements with the four Alberta universities for student exchanges.

- The University of Edinburgh has agreements with the U of A, the University of Calgary (U of C) and Athabasca University.
- The U of A has agreements with numerous other British institutions, such as Queen's University Belfast, Keele University, University of Sheffield, University of Dundee, University of Lancaster, Swansea University, University of London Royal Holloway, and University of Warwick Medical School.
- The U of C has agreements with a number of institutions including: Durham, Heriot-Watt, Newcastle, Oxford Brookes, Lancaster, Royal College of Art, Manchester, Aberdeen, East Anglia, Exeter, Glasgow, Kent, Leeds, Leicester and Nottingham. In September 2015, U of C signed an MOU with Edinburgh to develop a Joint Master degree in Carbon Capture Systems.
- Grant MacEwan University (GMU) has a letter of understanding with the Liverpool Institute, an MOU with the University for the Creative Arts, and an exchange agreement with Keele University.
- The University of Lethbridge has student exchange agreements with the University of Essex, Canterbury Christ Church University, and is currently finalizing an agreement with Aberystwyth University.
- Concordia University of Edmonton established a comprehensive MOU and student and faculty exchange agreement with the Coventry University in 2013.

- From 2011 to 2015, 1,060 unique international students who were citizens of the United Kingdom held a valid study permit that was signed in the given year and were destined to study in Alberta.

## MILITARY

- The British Army Training Unit Suffield is a training site just north of Medicine Hat. Personnel range from 200 to over 8,000 during training periods, receiving 1,500 soldiers per month from May to October. Battle Group and Brigade sized units train to reach their Operational Readiness states.
- The NATO Flying Training College is based at Cold Lake. Pilots of all NATO countries are eligible to train there.

## CULTURE, COMMUNITY, TOURISM

- Over 1.63 million Albertans claim English, Welsh or Scottish ancestry. The English are the largest ethnic group in the province and the Scots are the 3rd largest.
- In 2012, the UK hosted the summer Olympics in London.

- There were 170,000 overnight visitors from U.K. to Alberta in 2014 which contributed to about \$228 million to tourism expenditures.
- Recently, Culture and Tourism partnered with the AUKO on the screening and panel for the film "She has a Name" by Alberta directors Matthew and Daniel Kooman from a screen play by Andrew Kooman. The film deals with the issue of human trafficking and was partly filmed in Alberta.
- In addition, Culture and Tourism worked with the Canadian Independent Music Association (CIMA) and the Alberta Music Industry Association (AMIA) to establish a headquarters for Alberta music in the UK. This ongoing relationship provides Alberta music artists and talent a staging ground for carrying out projects in the UK and Europe.
- Currently the UK-produced television series by Kudos Productions, Tin Star, is filming its first season in Alberta, and utilizing Alberta's new film studio, the Calgary Film Centre.

Alberta House, London, England, was officially closed in 1995 and the Alberta Foundation for the Arts was the recipient of the 148 artworks that had originally been purchased for it. These artworks were toured around the province (Edmonton, Calgary, Crowsnest Pass, and Grande Prairie) in a travelling exhibit.

- Recipients of Community Performing Arts Organizations (CPAO) grants that have UK heritage include the:
  - Alberta St. George of England Society;
  - The Royal Scottish Country Dance Society, Calgary Branch; and
  - St. David's Welsh Male Voice Choir Association.
- The Three Sisters Scottish Festival Society receives an Arts Presenters grant for the Canmore Highland Games.
- The AMIA is a non-profit, service-based association dedicated to helping professionals in the music industry to succeed in their careers. The Alberta Foundation for the Arts recently provided the AMIA with a Projects Development Grant to do a pilot project to open up the UK market to Alberta musicians.
- Musician John Wort Hannam was recently awarded a Cultural Relations Grant for a UK Tour.
- Eric Moschopedis was awarded a Visual Arts Project Grant to undertake a residency in Birmingham, UK.
- The band "36?," consisting of Taylor Cochrane, Scott White, Mike Malkin and Ryan Kusz, was awarded a Cultural Relations grant to perform at the Great Escape Festival in England.

## IMMIGRATION

- Between 2011 and 2015, 5,927 immigrants who were citizens of the United Kingdom chose Alberta as their destination. Approximately 78 per cent were economic immigrants. This includes principal applicants and their spouses and dependents.
- From 2011 to 2015, 3,497 Temporary Foreign Worker Program (TFWP) work permit holders who were citizens of the United Kingdom were permitted to work in Alberta. These workers were most commonly occupied as motor vehicle and transit drivers; electrical trades, electrical power line and telecommunications workers; and in the machining, metal forming, shaping and erecting trades.
- International labour attraction initiatives continue to take place in key areas where critical shortages cannot be filled by Albertans or Canadians. Research, analysis and evaluation will continue on identified countries as potential labour sources.
- Alberta employers are actively recruiting workers from the UK, in part because of lower barriers, including language, credential recognition and licensing requirements, similar occupational health and safety standards, and education systems.
- The Government of Alberta recently completed a study assessing the training and certification systems of select trade occupations in the UK in comparison to Alberta's system. The study also provided a comparison of occupational definitions to assist Alberta employers in recruiting trades people from the UK.
- A similar study on labour supply and foreign qualifications recognition was completed for engineering occupations in the UK, Ireland, France, Germany and the Netherlands.

## ROYAL VISITS

- Their Royal Highnesses the Duke and Duchess of Cambridge visited Alberta as part of their first royal tour to Canada as a married couple in July 2011.
- Her Majesty the Queen has visited Alberta four times (21 times in Canada) since her coronation in 1953:
  - 1973: Calgary Stampede
  - 1978: Commonwealth Games in Edmonton
  - 1990: Queen Elizabeth II Cup show jumping championship at Spruce Meadows
  - 2005: Alberta's Centennial celebrations.

## RECENT VISITS

- December 2016: Consul General Saunders will visit Edmonton on her first official visit to Edmonton since taking up her post in Calgary.
- November 2016: Consul General Saunders visited Edmonton to participate in the 2016 Canada-UK Colloquium.
- September 2016: His Excellency, Howard Drake, British High Commissioner to Canada, visited Calgary to participate in British Day festivities at Spruce Meadows, and also met with Alberta Economic Development and Trade (EDT) officials.
- June 2016: Consul General Saunders visited Edmonton to meet with EDT officials.
- March 2015: High Commissioner Drake paid and official visit and met with Alberta's Premier and Ministers of Energy and Municipal Affairs.
- October 2013: Sir Mark Walport, Government Chief Scientific Advisor for the UK, visited Alberta to learn about the province's energy industry.
- July 2013: High Commissioner Drake visited Alberta and met with the Minister of International and Intergovernmental Relations.
- April 2013: The Acting British High Commissioner for Canada, Mrs. Corin Robertson, visited Alberta to learn more about the oil sands and to explore opportunities for furthering Alberta-UK relations.

## DIPLOMATIC REPRESENTATION

- His Excellency Howard Drake is the British High Commissioner to Canada.
- Mr. Gordon Campbell is the Canadian High Commissioner to the UK.
- Ms. Caroline Saunders is the British Consul General in Calgary.
- The Alberta UK Office Managing Director position is currently vacant.



For more information, contact:  
Alberta Economic Development and Trade  
Phone: 780-427-6543 Fax: 780-427-0699  
albertacanada.com  
economic.alberta.ca