



United Kingdom

Alberta Relations

PROFILE

Capital: London

Population: 66.47 million (2018)

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 (£), \$1 = £0.58, £1 = \$1.72 (September 2018)

GDP: \$3.67 trillion (2018)

GDP per Capita (PPP): \$55,270.12 (2018)

GDP growth rate: 1.4 per cent (2018)

Inflation: 2.48 per cent (2018)

Unemployment: 4.0 per cent (2018)

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: Global Affairs Canada, Economist Intelligence Unit

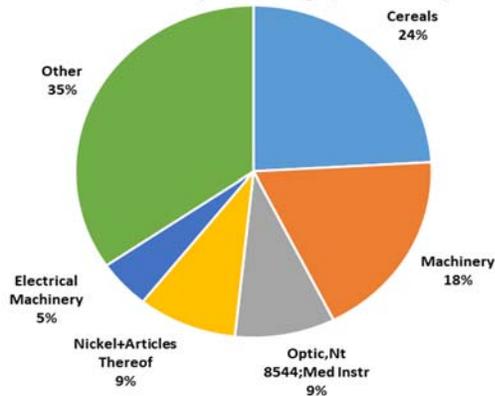
OVERVIEW

- The United Kingdom (UK) held a referendum on June 23, 2016 to gauge the country's support for remaining in the European Union (EU). Results were 51.9 per cent voting to leave the EU with a turnout of 72 per cent. The UK government now intends to leave the EU, known as Brexit.
- In 2017-18, the World Economic Forum ranked the UK as the 8th most competitive country out of 137 nations on its Global Competitiveness Index.
- London is one of Europe's premier megacities and is a leader in the financial sector. London ranked 2nd overall in the 2019 A.T. Kearney Global Cities Index and has the highest cultural experience rating.

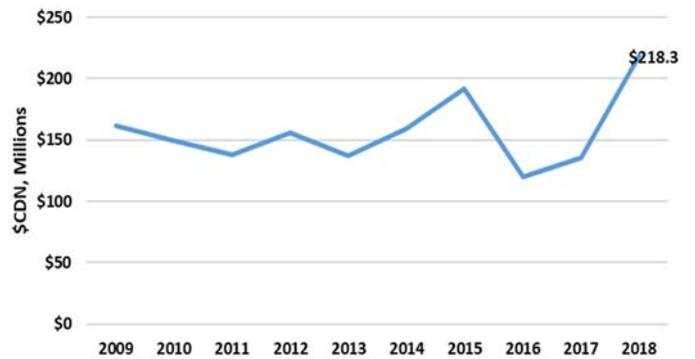
RELATIONSHIP OVERVIEW

- 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 oldest 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 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.

**Alberta's Merchandise Exports to the United Kingdom
2014 to 2018 (Total Average \$165 Million)**



Alberta Exports to the United Kingdom (2009-2018)



- 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.
- The UK-Alberta Low Carbon Innovation and Growth Framework was signed in 2016. Focus areas include increasing renewable energy; energy efficiency; smart cities; environmental performance; and energy regulation.

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. Its position as an entry point to the EU may be impacted by Brexit.
- Alberta's exports to the UK from 2014 to 2018 averaged \$165 million per year, consisting mainly of cereals, machinery, medical, photographic and other measuring instruments, and nickel. These figures do not include trade in services (e.g. tourism, architecture and engineering, or IT services).
- During the same period, Alberta's direct imports from the UK averaged \$446 million per year. Top imports included machinery, beverages, medical, photographic and other measuring instruments, and electrical machinery. This figure does not include goods sold in Alberta that arrived via distribution hubs in other provinces.
- In 2017, the UK was Canada's 5th largest source of foreign direct investment reaching \$7.4 billion.
- The UK ranks 2nd for Canada's direct investment abroad with \$2.6 billion in 2017.

ENERGY

- The UK is the largest oil producer in the EU, with total oil production of 0.9 million barrels per day in 2015. The UK has the most proven crude oil reserves in the EU at 2.8 billion barrels (2015) versus Alberta's 165.4 billion barrels (2016).
- The UK is the second-largest producer of natural gas in the EU. Gross production in 2016 was 41.6 billion cubic meters.

- 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.
- Oil and natural gas production has generally declined since the late 1990s as discovery of new reserves and new production has not kept pace with the maturation of existing fields. The UK is now a net importer of natural gas.
- In 2015, 38 per cent of UK energy consumption was imported. The government is attempting to decrease its dependence on imports and promote energy security, by focusing on enhanced recovery from maturing oil and gas fields and decreasing the use of fossil fuels through heavy investment into renewables.
- The UK government views shale gas development as a way of reversing the decline in gas production, increasing UK energy independence, reducing consumer energy costs, lowering input costs for UK industry and creating thousands of jobs around a new shale gas industry.
- The country has a large network of pipelines to transport oil from the North Sea to Scotland and northern England.
- London-based BP has invested in three Alberta oil sands leases, including partnering with Husky Energy for the Sunrise Energy Project. It began production in 2015 and has a capacity of 60,000 bbl/d using steam-assisted gravity drainage.
- Many Alberta-based drilling and service companies operate in the UK. Calgary's Pure Technologies has licensed its Smart Ball technology in the UK, which detects leaks in pipelines.

EMERGING OPPORTUNITIES

- The UK-Alberta Low Carbon Innovation and Growth Framework will increase business opportunities in renewable energies, energy efficiency and reducing harmful emissions.
- Alberta companies in advanced industries sectors (information and communications technology, aerospace, defence, health, nanotechnology) are growing players in the UK market.

Agri-Food:

- In 2017, Alberta's agri-food exports to the UK exceeded \$53 million consisting predominantly of wheat (\$43 million) and prepared animal feed (\$8 million).

- In 2017, Alberta's agri-food imports from the UK totaled \$76 million consisting mostly of whisky (\$42 million), other beverages (excl. fruit juices) (\$16 million), foods and food materials (\$4 million), cereal preparations (\$3 million) and dairy produce (\$3 million).
- While UK agriculture produces about 60 per cent of the country's food needs, the UK remains reliant on imports to meet the varied demands of the UK consumer who also expect year round availability of all food products.
- Innovation and opportunities for growth are being seen in premium products and "free from" foods, especially gluten free and dairy free, healthy snacks, convenient and ethnic foods.
- Products entering the UK market have to meet UK/EU food laws, packaging and labelling requirements. Beef must be hormone free, and all food products for human consumption must be compliant with the EU's GMO act.

Aerospace:

- The UK is Europe's biggest single market for aerospace and defence products and services. Growth is driven by new business opportunities globally and growth within the UK industry. The UK aerospace industry grew by 39 per cent between 2011 and 2016.
- Since 2006, the Government of Alberta and several Alberta organizations have exhibited in the biennial Farnborough International Air Show. In 2018, 14 representatives from 11 Alberta organizations participated.

Information and Communications Technology (ICT):

- The UK is Europe's major ICT sector market, worth approximately \$130 billion. Demand is growing in areas such as Internet of Things, cyber security, big data, fintech, data centres, and cloud services.
- The UK is the largest, most concentrated and accessible cyber-security market in Europe, worth almost £22 billion in 2015, up from £17 billion in 2014. This market is expanding due to greater awareness, following significant threat activity, high rates of cloud adoption and e-commerce and increased use of online services.

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 current inventory of major projects at an estimated \$200 billion of infrastructure spending and plans for increasing the renewable energy market, Alberta is attracting interest from European firms.
- According to a Canadian Trade Commissioner Service market report, the European Commission named sustainable buildings as one of the six priority sectors able to create occupational development in the next few years. Green building and developing sustainable buildings are essential steps towards fulfilling the objectives of the EU Climate Package.

Oil and Gas Equipment:

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

- Additional opportunities exist for Alberta companies with the equipment and expertise in hydraulic fracturing to help develop resources in the UK.

Environment Technology:

- There are opportunities for companies with environmental expertise such as soil remediation technologies.

Advanced Manufacturing and Materials:

- Although the role of manufacturing in economic growth has declined, it is still a significant component of the British GDP and provides opportunities to a variety of Alberta companies whether they are equipment or materials manufacturers.

EDUCATION

- Alberta hosted three education delegations from Northern Ireland with the following areas of interest:
 - 2018 – Mental health and resilience in students
 - 2017 – Inclusion & cyber-bullying
 - 2016 – Narrowing the achievement gap
- Alberta has been a part of a Commonwealth teacher exchange program for over 50 years. The exchanges are part of a longstanding program bridging Commonwealth countries.
- Advanced Education and representatives from the University of Alberta (UAlberta) and Mount Royal University participated in a Britain– China Science and Technology Nurse Fund Joint Symposium
- 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 UAlberta, University of Calgary (UCalgary) and Athabasca University.
 - UAlberta also has agreements with numerous other British universities, including Queen's Belfast, Keele, Sheffield, Dundee, Lancaster, Swansea, London Royal Holloway, and Warwick Medical School.
 - UAlberta Research Experience (UARE) internship program, organized by UAlberta International, is open to students from the University of Leeds. UAlberta signed a reciprocal internship exchange agreement with Leeds in June 2016.
 - UCalgary 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 2015, UCalgary signed an MOU with Edinburgh to develop a Joint Master degree in GeoEnergy.
 - MacEwan University also has agreements with the Liverpool Institute, University for the Creative Arts, Keele, Wales Trinity Saint David, Queen Margaret, Staffordshire and Gloucestershire.
 - The University of Lethbridge has student exchange agreements with the Essex, Canterbury Christ Church, and is currently finalizing an agreement with Aberystwyth.
 - Concordia University established a comprehensive MOU and student and faculty exchange agreement with Coventry in 2013, and has been exchanging students on a regular basis.

- Mount Royal University has reciprocal student exchange agreements with Solent, University for the Creative Arts, De Montfort, Hull, and Robert Gordon. As an Ashoka U Changemaker Campus, MRU signed an agreement with Glasgow Caledonian in 2018 to support student exchange, innovative joint curricula related to social innovation and field school learning opportunities. MRU is currently developing partnership agreements with Queen Margaret and Derby.
- Between 2013 and 2017, 942 citizens of the United Kingdom had international study permits come into effect for Alberta.

FORESTRY

- The UK uses large amounts of wood products with 85 per cent imported from around the globe and accounting for \$12.5 billion in imports of lumber, engineered wood panels, wood pellets, and pulp and paper.
- The UK government introduced the Renewable Heat Incentive to private, public and domestic property owners in 2011 to reduce emissions from fossil fuels. By providing long-term financial support for renewable heat installations, the demand for biofuel exceeds the capacity of the UK's forests to yield sufficient volumes of biomass for generating heat.

MILITARY

- British Army Training Unit Suffield (BATUS) is a training site just north of Medicine Hat, 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.
- There were 146,000 overnight person-visits from UK to Alberta in 2016, which contributed \$190 million in tourism spending.
- In 2016, the Government of Alberta partnered with the Alberta UK Office on screening panel for the film "She has a Name" by Alberta directors Matthew and Daniel Kooman. The production was partly filmed in Alberta.
- The Government of Alberta has worked with the Canadian Independent Music Association to provide Alberta music artists and talent a staging ground for projects in the UK and Europe.
- 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:
 - Alberta St. George of England Society;
 - The Royal Scottish Country Dance Society, Calgary Branch;
 - St. David's Welsh Male Voice Choir Association.

- The Alberta Foundation for the Arts provided the Alberta Music Industry Association with a Projects Development Grant to do a pilot project to open up the UK market to Alberta musicians.

IMMIGRATION

- Between 2014 and 2018, 129 citizens of United Kingdom became Permanent Residents of Canada, with Alberta as their intended destination. Of these, 58 per cent were economic immigrants, including applicants, spouses, and dependents.
- Between 2014 and 2018, 1,494 citizens of United Kingdom had Temporary Foreign Worker Program LMIA work permits comes into effect for Alberta.
- Alberta employers are actively recruiting workers from the UK, in part because of lower barriers, such as language, credential recognition and licensing requirements, similar occupational health and safety standards, and education systems.
- The Government of Alberta completed a study in 2016 assessing the training and certification systems of select trade occupations in the UK in comparison to Alberta's system. The study provided a comparison of occupational definitions to assist Alberta employers in recruiting tradespeople from 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

- Her Royal Highness Anne, Princess Royal, visited Edmonton in November, 2018 to attend the Commonwealth Agriculture Conference.
- 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 to 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

- October 2018: High Commissioner Susan le Jeune d'Allegeershecque made her official visit to Alberta.
- October 2017: The Minister of Alberta Economic Development and Trade travelled to the UK to support the delivery of the Government of Alberta's international priorities.
- December 2016: Consul General Caroline Saunders made her official visit to Edmonton after 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 EDT officials.

- March 2015: High Commissioner Drake paid an official visit and met with Alberta's Premier and Ministers of Energy and Municipal Affairs.
- May 2014: The Alberta Minister of Treasury Board and Finance met with financial officials and investors in Germany, Switzerland, the Netherlands and England.
- May 2014: The Minister of Innovation and Advanced Education visited the UK to support technology collaboration and investment attraction.
- December 2013: The Minister of Health attended the G8 Dementia Summit in London to participate in international policy dialogue to co-ordinate global efforts on dementia.
- 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 Affairs.
- January 2013: The Alberta Minister of Health travelled to England, Ireland and Belgium to attend the European Health Summit to learn about effective health service management.

DIPLOMATIC REPRESENTATION

- Her Excellency Susan Le Jeune d'Allegre, is the British High Commissioner to Canada.
- Mrs. Janice Charette is the Canadian High Commissioner to the UK.
- Ms. Caroline Saunders is the British Consul General in Calgary.