

CALIFORNIA - ALBERTA RELATIONS



PROFILE

Capital: Sacramento

Population: 35 million (2003)

Language: English

Government: Bicameral

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

Currency: US Dollar
CDN\$1 = 0.74 US (April 2004)

GSP: \$1.359 trillion US (2001)

Per Capita Income: \$32,898 US (2002)

Key Industry Sectors:

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

DID YOU KNOW?

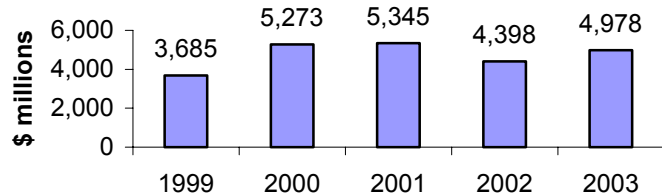
- California has the world's 5th largest economy, and a major world center of learning, technology, and entertainment.
- The technology sector accounts for almost half of California's merchandise exports. High tech exports represented 43% of the state's total exports of US\$92.2 billion in 2002.
- In 2002, the motion picture industry contributed US\$19.5 billion to California's Gross State Product (GSP).

RELATIONSHIP OVERVIEW

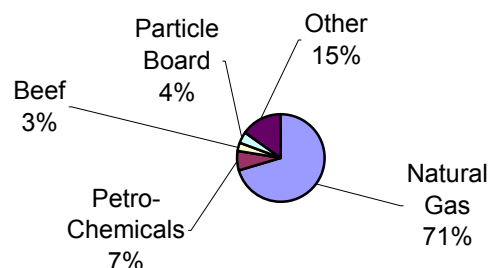
- Alberta's annual exports to California have averaged \$4.7 billion over the last five years, making it Alberta's third largest export market (after New York and Illinois).
- Alberta's imports from California totaled \$1.5 billion in 2003, including electrical parts, laboratory equipment, fruits and vegetables, high tech apparatus, wines, and airplane parts.
- Alberta had a trade office in Los Angeles from 1962-1991.
- Currently, Alberta Innovation & Science and Alberta Economic Development have a local representative on contract in Silicon Valley.
- 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)



2003 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 \$6.1 billion per year.
- Since the implementation of NAFTA, California exports to Canada have increased by 98%.
- In 2002, Alberta agri-food exports to California totaled approximately \$442 million, making it the province's third largest agri-food market worldwide (after the U.S. as a whole and Japan).

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).
- In 2003, the dollar value of Alberta's natural gas exports to California totaled more than \$3.4 billion.
- 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 (117,000 visitors in 2001) and tourist dollars spent, after Montana (121,000 visitors).
- California is the #1 foreign 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

- 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.
- Nov 2000: IIR Minister Shirley McClellan addressed the Council of State Governments-WEST meeting in San Diego.

DIPLOMATIC REPRESENTATION

- Mr. Naim Ahmed is the U.S. Consul General in Calgary.
- Canada's Consul General in Los Angeles is Mr. Colin Robertson.