

Millennium (due to come on stream in 2002), Syncrude's Aurora mine project, Imperial Oil's Cold Lake expansion and Shell's Muskeg River Project (all due to start production in 2003).

International Trade

Alberta exported \$55.3 billion worth of goods in 2000, an increase of 59.9 percent over 1999. In 1999, total exports of goods and services were \$38.1 billion; this included, \$34.5 billion in goods and \$3.6 billion in services.

The rise in value of Alberta's exports in 2000 was primarily attributable to strong demand and high prices for the province's crude oil, natural gas and related energy products. This success, however, should not overshadow the strong growth in sales experienced by a wide variety of non-energy related exports, particularly telecommunications equipment, wood pulp, wheat and beef.

Alberta commodity exports are classified into three sectors, namely mining, primary agriculture and manufacturing. In 1999, the mining sector accounted for the majority of exports at \$18.7 billion, followed by the manufacturing sector at \$12.7 billion and primary agriculture at \$2.4 billion. Although the oil and gas industry is still number one in terms of export value, manufacturing has become one of the fastest growing sectors in Alberta (See Table 4). For example, the value of manufacturing exports doubled from \$6.6 billion in 1994 to \$12.7 billion in 1999, and real growth for this sector is forecast at 6 percent in 2001.

The key components of Alberta's manufactured exports include chemicals and petrochemicals, electrical and electronics equipment, agri-food products, paper and allied products and wood products industries. Although chemicals and chemical products remained Alberta's largest export sub-sector, and increased 7.2 percent from 1998 to 1999, electrical and electronics industry has become one of the fastest growing manufacturing industries in Alberta. From 1994 to 1999, electronics sector exports increased 227 percent.

Major markets for chemicals and chemical products are the United States, China, Taiwan, and South Korea. Key markets for electrical and electronic equipment include the United States, United Kingdom, Australia, Taiwan and Mexico.

Alberta International and Intergovernmental Relations, working with the Western Centre for Economic Research at the University of Alberta, has undertaken a series of studies that have documented Alberta's export performance since the Canada-U.S. FTA and the NAFTA have come into force (www.iir.gov.ab.ca/iir/trade/documents/1988-99_WCER_NAFTA_REPORT.pdf).

Market Access Issues

On July 29, 1999, the Government of Alberta announced its agricultural trade negotiating positions (www.gov.ab.ca/acn/199907/7952.html). These positions, developed after consultation with industry in Alberta and other parts of western Canada, have been forwarded to the federal government.

In September 2000, the Alberta government released proposals for reform of anti-dumping measures in agricultural trade (www.iir.gov.ab.ca/iir/trade/media/ag_prod.pdf).

A number of studies undertaken by the provincial government have revealed that Alberta exporters continually encounter a number of barriers in various international markets:

- In June 2000, the Alberta government released a study identifying barriers to Alberta businesses exporting their services; the study focussed on specific sectors such as engineering, computer services, oil & gas services and environmental services (www.gov.ab.ca/acn/200006/9325.html). The United States led all other countries as the market where respondents have an interest in pursuing business opportunities, followed by Brazil, Argentina, Mexico and Chile. The majority of market access barriers encountered fell within the category of unfavourable domestic regulations such as "buy local" policies (also a problem for trade in goods), and requirements such as having to hire local citizens as a precondition to contracting was reported as a problem by many respondents. A lack of regulatory transparency is also a problem in some countries. Inconsistent application of temporary entry rules is a problem continually faced by business travelers to the United States.