



# West at a Glance

JUNE 2017



# WEST AT A GLANCE

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# PROVINCIAL GOVERNMENT DEVELOPMENTS

## BRITISH COLUMBIA

- **BC election results** – The May 9<sup>th</sup> BC provincial election resulted in the BC Liberals winning 43 of the province's 87 ridings. The BC NDP won 41, and the BC Green Party won three. As both the Liberals and NDP fell short of the 44 seats required to form a majority government, the Green Party had the ability to support either side. As final election counts were announced in late May, the NDP and Green Party leaders, John Horgan and Andrew Weaver, revealed intentions to [form](#) a coalition to defeat Christy Clark's minority Liberal government. By convention, if the Liberals are defeated in the legislature, BC Lieutenant Governor Judith Guichon will look to the Green-backed NDP party to form a government. The situation increases uncertainty around various large-scale projects and strategies currently underway, most notably Kinder Morgan's Trans Mountain Expansion and the Site C hydroelectric dam project.

## ALBERTA

- **Alberta plans orphan wells cleanup** – The Government of Alberta [introduced](#) legislation that will allow it to lend \$235 million to the Orphan Well Association (OWA) to fund the proper abandonment and reclamation of a growing number of orphan Alberta oil and gas sites. The Government of Alberta estimates that the loan will create up to 1,650 new jobs in reclamation work in Alberta over the next three years. The loan program would be in addition to the ongoing closure and reclamation operations undertaken annually by the OWA, and the loan will be repaid to the Government of Alberta out of the association's existing levy over the next ten years. The cost of the loan will be covered by the federal government's one-time \$30 million payment to the Government of Alberta announced in the 2017 Federal Budget.
- **Alberta appoints new softwood lumber envoy** – The Government of Alberta [retained](#) former Manitoba Premier and Canada's Ambassador to the US from 2009 to 2016, Gary Doer, to champion the province's lobbying efforts on softwood lumber in Washington, DC. Doer is currently a senior business advisor at Dentons global law firm, working on Canada-US cross-border legal matters. In this new role, Doer will be assisting the Alberta government's Washington office in connecting with key decision-makers from government and industry and providing advocacy advice.
- **Alberta Indigenous tourism funding announced** – The Government of Alberta is [providing](#) the Aboriginal Tourism Association of Canada (ATAC) with a \$100,000 grant to help establish a provincial Indigenous tourism organization and grow tourism-related businesses across the province. This is the first time that ATAC has received grant funding from a provincial or territorial government. It plans to use the funds to help grow tourism businesses in First Nations and Métis communities in Alberta, which includes developing an Indigenous tourism entrepreneurship program.
- **New funding for Alberta Indigenous apprenticeship training** – The Government of Alberta [announced](#) funding of \$500,000 towards the Trade Winds to Success Training Society's pre-apprenticeship program. The program targets Indigenous people and incorporates cultural practices such as Elder mentorship and a daily smudge ceremony in parallel with instruction to pursue careers in the trades. In 2016, WD [provided](#) over \$1 million to support the expansion of the program including launching a new marketing plan to increase the number of participants and industry partners. As of 2016, a total of 1,191 students have graduated and 96 percent have found work.
- **Alberta introduces pilot digital media grants** – The Government of Alberta is [introducing](#) two \$1.5 million grants for digital media. The Post-Production, Digital Animation and Visual Effects grant and the Interactive Digital Media grant will assist small and medium-sized enterprises and will award up to \$200,000 in funding per company. The funding for the pilot grants has been made possible through the Capital Investment Tax Credit, introduced in January 2017. Applications for the grants will be accepted beginning May 23.
- **Alberta and JOGMEC sign partnership agreement** – Premier Notley [signed](#) a strategic partnership agreement with the Japan Oil, Gas and Metals National Corporation (JOGMEC) to collaborate on scientific research and technical aspects of oil and gas exploration, development, and production. JOGMEC is a Japanese crown corporation that invests in early-stage resource exploration projects. It has invested \$1 billion in Canada and has worked on commercializing "Super Critical Water Cracking" technology in Alberta to reduce emissions associated with oil sands upgrading.



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## SASKATCHEWAN

- **Government of Saskatchewan responds to the federal carbon tax** – On May 18, 2017, Federal Environment Minister Catherine McKenna, unveiled plans for a federal carbon tax which would impose a \$10 charge per tonne of CO<sub>2</sub> for any jurisdiction that has not implemented their own carbon pricing strategy. The Premier of Saskatchewan, Brad Wall, is opposed to the carbon tax [saying](#) it would remove \$1.3 billion from the provincial economy and affect key industries like mining and agriculture. Premier Wall cited Saskatchewan-based innovations like the carbon capture and sequestration facility at Boundary Dam, zero-till farming methods, and ongoing research at the province's universities as ways in which Saskatchewan is already reducing its carbon footprint.
- **Canada and Saskatchewan invest in water and wastewater infrastructure** – The governments of Saskatchewan and Canada are [investing](#) up to \$3 million toward the \$6.4 million expansion project of the wastewater system in the Town of Balgonie. The investment will support the expansion of the existing wastewater system, contribute to the health and well-being of residents, protect provincial waterways, and benefit the local environment.
- **Saskatchewan is leading the provinces in the growth of building permits** – On May 9, 2017, the Government of Saskatchewan issued a news release [announcing](#) that year-over-year building permits increased by 13.2 percent (seasonally adjusted) in March 2017. It is the highest percentage increase among the provinces and far above the 1.5 percent national average. Residential permits were up 26.8 percent over the same period. Building permit revenue totalled \$151 million in March 2017, up from \$137 million in 2016.

## MANITOBA

- **Manitoba announces Public Private Partnerships (P3s) to be used for new schools** – The Manitoba government announced a request for proposals on May 2, 2017 to [build](#) four new schools worth over \$100 million beginning in 2019. The proposal calls for the use of a P3 model that has had success in Saskatchewan.








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## NEWS AND OPINION HIGHLIGHTS

- **US announces preliminary duties on Canadian softwood lumber** – The US Department of Commerce [announced](#) preliminary countervailing duties (CVD) on softwood lumber imports from Canada. The determination places a CVD rate of 19.88 percent on typical Canadian producers, with specific rates for five named companies: Canfor (20.26 percent); Resolute (12.82 percent); Tolko (19.50 percent); West Fraser (24.12 percent); and J.D. Irving (3.02 percent). Duncan Davies, Chair of the BC Lumber Trade Council, [said](#) that there is not likely to be any immediate fallout since the tariff has already been absorbed in the 30 percent rise in the price of lumber over the past three months. No job losses have yet to be reported in BC, but this could change with the preliminary anti-dumping duties expected to be announced later in June.
- **Kinder Morgan issues IPO for its Trans Mountain Pipeline project** – Kinder Morgan is [moving](#) ahead with its plan to begin construction on the Trans Mountain Pipeline in September, now that financing and a final investment decision have been completed. The company has begun to award initial contracts and to fulfill benefit agreements with Indigenous and local communities. Their resolution comes in spite of continued opposition from local citizens, environmental groups, First Nations, and the newly formed coalition between the BC NDP and Green party who are opposed to the expansion of the Kinder Morgan pipeline. Kinder Morgan Canada's May 31<sup>st</sup> IPO [raised](#) the necessary \$1.75 billion in the largest energy sector IPO on the TSX in two years.
- **Alberta's cleantech sector reaches critical mass** – The Alberta Clean Technology Industry Alliance (ACTia) [released](#) its Alberta Cleantech Sector industry survey, which finds that the sector is approaching critical mass. Over 90 percent of the surveyed companies plan to hire more staff this year, with companies paying an average salary of just under \$100,000 per year. These companies brought \$307 million in revenues into Alberta in 2015, with 65 percent coming from exports to the US. Companies identified public funding as a critical capital source and cited a lack of access to capital as a major barrier to growth. Additional barriers included a lack of opportunities to prove their technologies at a commercial scale and a lack of regulatory drivers for novel technology adoption.
- **Alberta's planned coal phase-out is accelerating** – Alberta's two largest coal power producers, ATCO and TransAlta Corp., have [announced](#) plans to accelerate the conversion of their coal-fired power plants to natural gas. An early conversion has become financially feasible because of the oversupply of cheap natural gas in Western Canada. Both companies hope to convert the majority of their units by 2020 ahead of the provincial 2030 deadline.
- **Red River College unveils Innovation Centre** – Winnipeg's Red River College [announced](#) the construction of a \$95 million Innovation Centre. The new facility will bring together science, research and development, entrepreneurship, and student learning. Alongside its primary function as a teaching facility, local start-ups will bring in projects which will be turned into assignments for the students.
- **\$20 million defence contract awarded to local company** – Winnipeg-based Arne's Welding Ltd. will [produce](#) 300 trailers for the Department of National Defence over the next two years and supply parts for the next 30. The \$20 million contract could lead to another 270 unit order, worth an addition \$18 million.
- **Livestock and Forage Centre of Excellence receives federal funding** – On May 26, 2017, the federal government [announced](#) \$4.47 million contribution towards a new research centre at the University of Saskatchewan. The \$37.5 million Livestock and Forage Centre of Excellence will conduct research to improve beef quality, food safety, productivity, and environmental sustainability.
- **Vale Canada suspension of mine operations** – Vale Canada [announced](#) it will be suspending operations at its Birchtree Mine located in Thompson, Manitoba. There are currently 200 people employed at the mine that will be affected by the closure. Vale Canada previously announced it would be closing their Thompson smelter and refinery in 2018. In total, 700 positions will be cut.
- **Cameco Corp. of Saskatchewan signs new deal with Ontario's Bruce Power** – On May 26, 2017, Bruce Power of Ontario and Cameco Corporation of Saskatchewan [announced](#) long-term arrangements in support of Ontario's Long Term Energy Plan. The two companies extended their exclusive fuel supply arrangement for an additional 10 years and entered an arrangement for Cameco to provide reactor components for all six of Bruce Power's Major Component Replacement projects starting in 2020. The total value of the arrangements is estimated to be approximately \$2 billion to 2030.



## KEY ECONOMIC INDICATORS

	 British Columbia	 Alberta	 Saskatchewan	 Manitoba	 Canada	Last Update
<b>Gross Domestic Product</b>						
<b>Real GDP<sup>1</sup></b> (2007 \$billions, forecast)	\$221	\$295	\$58	\$57	\$1,710	2017
% ch. from year earlier	2.4%	2.2%	-1.2%	2.0%	2.1%	
<b>Labour Market</b>						
<b>Employment (SA, thousands)</b>	2,467	2,291	570	643	18,366	May-17
Change from previous month	12.3	2.1	2.1	2.7	54.5	
% ch. from previous month	0.5%	0.1%	0.4%	0.4%	0.3%	
% ch. from year earlier	4.2%	1.8%	0.3%	1.1%	1.8%	
<b>Unemployment Rate (SA,%)</b>	5.6%	7.8%	6.3%	5.3%	6.6%	May-17
percentage points from previous month	0.1	-0.1	0.1	-0.1	0.1	
percentage points from year earlier	-0.5	-0.2	0.3	-0.6	-0.3	
<b>Regular EI beneficiaries (SA)</b>	52,660	84,390	18,400	15,480	551,070	Mar-17
Change from previous month	-690	-3,640	310	-140	-2,850	
% ch. from previous month	-1.3%	-4.1%	1.7%	-0.9%	-0.5%	
% ch. from previous year	-2.1%	21.1%	14.1%	-1.5%	0.7%	
<b>Average weekly earnings</b>	\$932.94	\$1,117.59	\$1,008.48	\$908.32	\$966.06	Mar-17
Change from previous year	\$17.52	-\$9.40	\$25.45	\$21.41	\$8.25	
<b>Prices</b>						
<b>CPI (y/y)</b>	2.1%	1.7%	1.4%	1.6%	1.6%	Apr-17
CPI (y/y) previous month	2.0%	1.3%	0.6%	1.6%	1.6%	Mar-17
<b>Consumers and Business</b>						
<b>Retail Sales (SA, \$millions)</b>	\$6,807	\$6,631	\$1,727	\$1,635	\$48,290	Mar-17
% ch. from previous month	2.3%	-0.5%	2.7%	0.3%	0.7%	
% ch. from previous year	8.9%	7.2%	8.7%	2.2%	6.9%	
<b>Manufacturing Sales (SA, \$millions)</b>	\$4,021	\$6,005	\$1,258	\$1,460	\$54,431	Apr-17
% ch. from previous month	1.2%	3.0%	-6.0%	-0.2%	1.1%	
% ch. from previous year	8.8%	15.8%	10.7%	-1.2%	7.6%	
<b>Building Permits (SA, \$millions)</b>	\$1,210	\$992	\$174	\$202	\$7,057	Apr-17
% ch. from previous month	23.4%	-10.8%	13.2%	11.5%	-0.2%	
% ch. from previous year	-0.3%	-22.4%	4.1%	-36.7%	-3.3%	
<b>Housing Starts (SAAR, thousands)</b>	48	33	6	11	195	May-17
% ch. from previous month	5.2%	4.0%	30.2%	89.6%	-8.8%	
% ch. from previous year	32.5%	48.0%	55.5%	88.4%	4.1%	
<b>International Trade</b>						
<b>Merchandise Exports (\$millions)</b>	\$3,857	\$8,406	\$2,363	\$1,139	\$41,490	Apr-17
% ch. from previous month	-5.3%	-11.5%	-6.7%	-0.7%	-9.2%	
% ch. from previous year	34.9%	55.6%	13.0%	-0.7%	14.3%	
<b>Merchandise Imports (\$millions)</b>	\$4,184	\$2,365	\$1,124	\$1,833	\$46,421	Apr-17
% ch. from previous month	-2.2%	-1.0%	12.9%	-12.5%	-6.7%	
% ch. from previous year	9.2%	19.8%	26.5%	5.9%	5.4%	
<b>Demographics</b>						
<b>Population (estimate)</b>	4,789,221	4,291,980	1,161,365	1,332,629	36,591,241	Q2 2017
% ch. from previous year	1.3%	1.4%	1.4%	1.6%	1.2%	
<b>Largest Cities (CMAs)</b>	Vancouver (2,463,431) Victoria* (367,770)	Calgary (1,392,609) Edmonton* (1,321,426)	Saskatoon (295,095) Regina* (236,481)	Winnipeg* (778,489)		2016

\* Provincial Capital

<sup>1</sup> Real GDP at basic prices, forecast (Conference Board of Canada Provincial Outlook Executive Summary: Spring 2017)

SA - Seasonally adjusted

SAAR - Seasonally adjusted at annual rates

Sources: Statistics Canada and Conference Board of Canada



## UPCOMING EVENTS

Event	Description	Location	Date
<b>BRITISH COLUMBIA</b>			
<b>Canada's New Vision for Defence</b>	The Greater Vancouver Board of Trade will host Minister of National Defence Harjit Sajjan for a presentation on the new national defence policy.	Vancouver, BC	<a href="#">June 9, 2017</a>
<b>2017 BC Economic Summit</b>	The BC Economic Development Association will host this year's summit, focusing on key issues facing economic developers, community planners, and Indigenous leaders and communities.	Victoria, BC	<a href="#">June 11-13, 2017</a>
<b>Aboriginal Opportunities Forum</b>	The Greater Vancouver Board of Trade will host its annual Aboriginal Opportunities Forum 2017 with keynote speaker Minister Jody Wilson-Raybould.	Vancouver, BC	<a href="#">June 16, 2017</a>
<b>2017 Technology Impact Awards</b>	The BC Tech Association's annual Technology Impact Awards recognize successes in the B.C. industry.	Vancouver, BC	<a href="#">June 22, 2017</a>
<b>The Cascadia Innovation Corridor: Progress and Prospects for the Future</b>	Microsoft President Brad Smith will present on how business, academic, and government leaders from both sides of the border can deepen collaboration.	Vancouver, BC	<a href="#">June 28, 2017</a>
<b>ALBERTA</b>			
<b>CERI 2017 Petrochemicals Conference</b>	An event hosted by the Canadian Energy Research Institute (CERI) focused on global opportunities and challenges for the Canadian petrochemicals manufacturing industry.	Kananaskis, AB	<a href="#">June 4-6, 2017</a>
<b>Alberta &amp; Saskatchewan Renewable Energy Summit</b>	A summit on renewable energy opportunities in Alberta and Saskatchewan with speakers and industry exhibits.	Calgary, AB	<a href="#">June 5-6, 2017</a>
<b>Smart Energy Communities</b>	An Energy Futures Lab Community Meeting to discuss smart energy communities.	Edmonton, AB	<a href="#">June 6, 2017</a>
<b>Radical Carbon Efficiency in Energy Production</b>	An Energy Futures Lab Community Meeting to discuss radical carbon efficiency in energy production.	Calgary, AB	<a href="#">June 8, 2017</a>
<b>The Festival of Big Ideas</b>	An exhibition held by ABC Tech featuring Edmonton Region innovators.	Edmonton, AB	<a href="#">June 9-10, 2017</a>
<b>Global Petroleum Show</b>	An industry event featuring educational seminars, networking, and exhibitions related to the energy sector.	Calgary, AB	<a href="#">June 13-15, 2017</a>
<b>Business Retention &amp; Expansion International Annual Conference</b>	A conference featuring internationally recognized speakers and three breakout streams focused on community building and development.	Edmonton, AB	<a href="#">June 19-23, 2017</a>



<b>Tecnovate 17</b>	TECTERRA's forum providing Canadian geospatial technology companies with opportunities to network, build alliances, and develop commercial opportunities.	Calgary, AB	<a href="#">June 21, 2017</a>
<b>SASKATCHEWAN</b>			
<b>Aboriginal Business Match Event (ABM)</b>	The event in June will spotlight Agriculture and Manufacturing. The event will connect community, national, and international decision-makers to provide business-ready opportunities for productive land base use and diverse and industrial equipment.	Regina, SK	<a href="#">June 5-7, 2017</a>
<b>Canada's Farm Progress Show (40<sup>th</sup> Anniversary)</b>	This milestone event – the 40 <sup>th</sup> Anniversary of the Canada Farm Progress Show – brings in more than 40,000 attendees and 700 exhibitors from around the world. The event connects local producers and international customers with the latest in dry land farm equipment, technology, and innovation.	Regina, SK	<a href="#">June 21-23, 2017</a>
<b>"Ag in Motion"</b>	Ag in Motion is an outdoor, agricultural trade show in Western Canada with interactive exhibits and live field and crop plot demonstrations. Now in its third year, the Expo was created to empower farmers by providing the knowledge they need to make informed decisions.	Saskatoon, SK	<a href="#">July 18-20, 2017</a>
<b>Carbon yXe</b>	The Greater Saskatoon Chamber of Commerce and Tourism Saskatoon are attempting to 'Change the Conversation Around Carbon.' A committee of Saskatoon business leaders has invited the international Carbon X Prize finalists to Saskatoon to attend a summit on July 19 & 20, 2017 where the prize, worth \$20 million, will be awarded.	Saskatoon, SK	<a href="#">July 19-20, 2017</a>
<b>MANITOBA</b>			
<b>Economic Developers Association of Manitoba (EDAM) – Spring Forum</b>	EDAM is hosting a 3-day strategic economic development forum.	Melita, MB	<a href="#">May 31-June 2, 2017</a>
<b>Manitoba Aerospace Week</b>	Manitoba Aerospace Association will be hosting a range of activities to celebrate Manitoba's aerospace sector.	Winnipeg, MB	<a href="#">June 5-9, 2017</a>
<b>Consortium For Aerospace Research and Innovation in Canada (CARIC) Regional Research Forum</b>	The CARIC National Research Forum aims to generate innovative ideas and new collaborations among the various players in the Canadian aerospace industry.	Winnipeg, MB	<a href="#">June 6, 2017</a>
<b>World Class Plant Tour: Duha Group</b>	The Association for Manufacturing Excellence has developed a tour that showcases how world-class organizations, such as the Duha Group in Winnipeg, have implemented lean and other continuous processes.	Winnipeg, MB	<a href="#">June 13, 2017</a>
<b>Supply Chain Management Association (SCMA) National Conference</b>	The SCMA National Conference will host hundreds of supply chain leaders at their Linking the Nation Conference.	Winnipeg, MB	<a href="#">June 14-16, 2017</a>





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**CanolaPALOOZA**

Manitoba Canola Growers in partnership with Canola Council of Canada and AAFC is hosting a second annual conference on the canola industry.

[June 22, 2017](#)

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**2017 Canada Summer Games**

Over 4,000 young athletes from across Canada will come to Winnipeg to compete in 16 different sports. In addition, The Forks will host the Games' festival where athletes, fans, and families can celebrate with live music, dancing, and cultural activities.

Winnipeg, MB

[July 29 – August 13, 2017](#)

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### *Western Economic Diversification Canada*

The role of Western Economic Diversification Canada (WD) is to improve the long-term economic competitiveness of Western Canada by supporting programs and services that enhance innovation, business development, and community economic development. In addition, the department undertakes policy, advocacy, and coordination activities in order to advance the interests of Western Canada in national economic decision-making.