

# ALBERTA ECONOMIC OUTLOOK

PACIFIC NORTHWEST REGIONAL ECONOMIC CONFERENCE

PORTLAND OREGON

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# HISTORY AND PERSPECTIVE

- Alberta was 1.5 million in 1970 and is now over 4.1 million
- Alberta had about 100,000 unemployed in August of 1970 and about 100,000 unemployed in August of 2013!
- To March of this year, Alberta created just over 87% of all of the net new jobs in Canada during the previous 12 months.
- Alberta has generated approximately 500,000 new jobs in the past decade.
- Alberta is expected to reach 5 million in 2021 and 6 million in 2027
- Alberta's GDP will likely be the second largest economy in Canada before the end of the decade.

# Housing Starts

2014	39,000
2015	37,000
2016	37,000
2017	38,000

- The most interesting story behind these numbers is that they come with the statement that the numbers are based on strong demand, population growth and high incomes as opposed to some of the fears elsewhere in Canada of an emerging “bubble.”

# GDP Growth

2014	3.9
2015	3.4
2016	3.1
2017	3.2

- Gross Domestic Product will continue to lead the country over the time period outlined here.
- Interestingly enough, if you look back over the past 15 years, the “average” GDP prognostications have been low for 12 of those years.

# Population

2014	4,150,000
2015	4,255,000
2016	4,356,000
2017	4,470,000
2018	4,581,000

- These numbers are somewhere between very optimistic if immigration and interprovincial migration revert to historical norms to very pessimistic if the expansion continues.

# inflation

2015	2.5
2016	2.1
2017	2.0
2018	2.0

- Alberta inflation is likely to follow that of Canada as a whole with the possibility of being somewhat higher if labour movement is limited

# unemployment

2014	4.6
2015	4.3
2016	4.3
2017	4.2
2018	4.0

- The unemployment rate will likely continue to drop as major inward movement of people to the province is a lagging variable.

# The Variables

- The future is bright if oil is above \$100!
- Calgary as Detroit? Edmonton as Akron?
- The pipelines...are they important? Yes, but....
- LNG....all upside? Well, mostly.
- US Economy...always important!
- Climate Change...mixed!



# Next Year-A Return to a Music Themed Outlook

- The great songs like
  - Mr. Brightside by the Killers
  - You Can't Hold us Down or Keeps Getting Better By Christine Aguilera
  - Hot by April Lavigne
  - 99 Problems by Jay Z or Boom Boom Pow by the Black Eyed Peas
  - Gimme More or Toxic or Overprotected by Brittany Spears
  - Boulevard of Broken Dreams by Green Day
- For those of you a little older...not necessarily more mature
  - Hurts So Good by John Cougar Mellancamp
  - Abracadbra by Steve Miller Band
  - Hot Stuff by Donna Summer
  - I'm a Believer by the Monkees
  - Stayin' Alive or You Should be Dancing by the Bee Gees or maybe
  - Imagine by John Lennon or Somewhere over the Rainbow by Judy Garand
  - God Only Knows by the Beach Boys