

ACCESS AGRICULTURE

SECTOR PROFILE



LOW COST OPERATING ENVIRONMENT

Central Alberta has one of the most competitive operating environments for the agri-food industry in all of Western Canada with a 3.1% operating cost advantage to the U.S.¹

- Lowest transportation costs in Western Canada due to its central location along major transport routes to the U.S. Pacific Northwest, a market area of over 15 million
- 8% lower income tax rate than the United States
- Highly competitive facility and utility costs
- No sales, capital, income and business taxes

Tap into the opportunities of Central Alberta today.

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¹ KPMG's Competitive Alternatives 2010

AGRI-FOOD & AGRI-PROCESSING

Central Alberta has an historical, thriving agriculture industry, complemented by an emerging value-added agri-processing industry which includes:

- Over 20 meat processing facilities
- The largest pork processing facility in the province with a slaughter capacity of over 90,000 hogs/week
- Alberta's only federally-inspected lamb processing facility
- Almost 1/3 of the province's feed manufacturers
- Excellent primary supply source and agricultural inputs supported by rich black soil and a favourable climate

CENTRAL ALBERTA FAST FACTS:¹

- Accelerated growth is anticipated as research is carried out in bio-lubricants, composite materials, and biofuels
- Meat snacks, replacement products, protein concentrates and pet food ingredients have been identified as prime candidates for investment in the region
- Alberta's top agricultural region alongside Central Alberta's southernmost region
- Canada's largest producer of cattle, hogs and poultry, accounting for over 19% of the total market value of \$970 million in Alberta
- Largest amount of farm land in Alberta (3.8 million acres)
- Central Alberta is the province's largest producer of barley (21.5%)
- Alberta is Canada's second largest exporter of agri-food products, with 20.7% of Canada's total agri-food exports headed to the U.S., Australia, Japan and China
- In 2010, the top five agri-food exports were: wheat, beef, canola seed, cattle, and pork
- Home of Western Canada's largest indoor/outdoor agriculture exhibition, Agri-Trade.

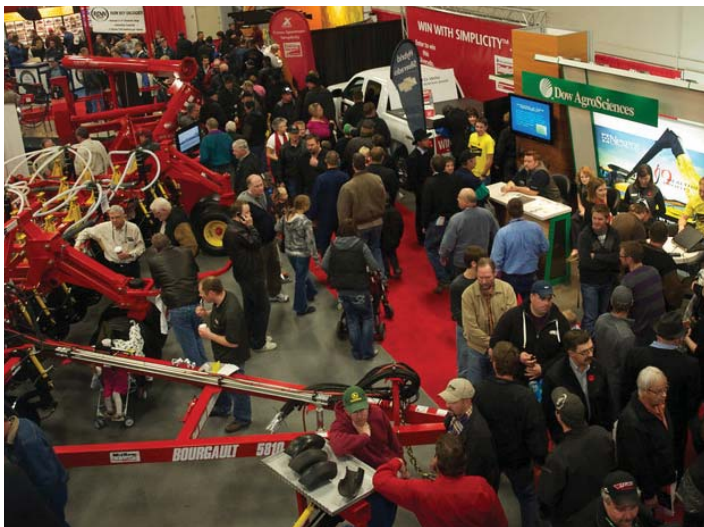


Photo: Agri-Trade 2010

“Businesses in Central Alberta still appreciate the economic activity and jobs that food production (including agriculture) provides. It makes it easier to develop long term business relationships with suppliers and customers.”

(Ray Price, President, Sunterra/SunGold Group)

1. Statistics Canada 2006 (most recent available)

MAJOR EMPLOYERS IN CENTRAL ALBERTA

Central Alberta has over 300 agri-food and agricultural processing businesses. Major employers include:

Olymel S.E.C.	Permolex
Sunterra Meats Ltd.	RAHR Malting Ltd.
Nossack's Fine Meats Ltd.	Banner Pharmacaps
Canadian Premium Meats	Champion Hay Processors
Nestle Purina Pet Care	Transfeeder Inc.

PROGRAMS & INCENTIVES

- Tap into a growing number of programs and incentives offered by Agriculture and Agri-Food Canada, Alberta Agriculture and Rural Development Agriculture and Food Council, Alberta's Livestock and Meat Agency (ALMA), AVAC (Alberta Value-Added Corporation), Canadian Food Inspection Agency, Natural Resources Canada, Canadian Dairy Commission, National Research Council, and Agriculture Financial Services Corporation
- *Growing Forward* is a federal-provincial initiative which offers over 20 programs aimed at enhancing competitiveness and innovation
- Food & Beverage Canada provides programs that help businesses access markets and increase export sales

RECENT INVESTMENTS IN CENTRAL ALBERTA

Recent Agri-Food and Agricultural Processing investments in Central Alberta include²:

- \$35 million biorefining demonstration facility in Lacombe
- \$200 million wheat ethanol plant in Red Deer County, which plans to put out 140 million litres of ethanol per year, as well as 40,000 tonnes of vital wheat gluten, 145,000 tonnes of distillers dried grains and solubles, and 100,000 tonnes of marketable carbon dioxide.

AGRICULTURE INNOVATION

At Olds College, the School of Innovation offers research in sustainable agriculture & environment, and new products from crops & bio-processing. At the Biofuel Technology Centre and Bioindustry Resources Centre, skilled researchers collaborate with national and international academic and research institutions, as well as train students in these emerging fields.

Central Alberta is also home to the Field Crop Development Centre, and the Lacombe Research Centre, two leading edge research facilities that help develop and commercialize products and processes.



2 Inventory of Major Alberta Projects 2011