



## ALBERTA SET FOR SOLID GROWTH IN 2011: RBC ECONOMICS

**TORONTO, March 11, 2011** — Signs of progress in Alberta's job market will set the stage for further improvement in the overall provincial economy, according to the latest Provincial Outlook report released today by RBC Economics.

"We expect employment creation to gain traction in Alberta and this will be an important piece of the provincial growth puzzle that was missing last year," said Craig Wright, senior vice-president and chief economist, RBC.

Despite notable gains in many other sectors of the provincial economy – including consumer spending, housing construction, business investment, oil and gas drilling, crude oil production and exports – Alberta was one of only two provinces where employment fell in 2010.

The good news in January was that 21,600 new jobs were created, marking the largest monthly employment gains since 2006 in Alberta. "Although the burst of new jobs is not likely to be repeated, we believe that improved job prospects will attract more people to move to Alberta, and boost consumer spending and demand for housing", said Wright.

The RBC report noted that a strengthening labour market will be one of the many benefits spreading from renewed vigour in Alberta's oil sands development, where the ramping up of capital investment will be the catalyst for stronger activity in many parts of the provincial economy.

"With China and other emerging economies driving global energy demand higher and crude oil supply facing disruptions in the Middle East, there will continue to be a strong focus on developing Alberta's oil sands capacity," added Wright. "This will allow certain investment megaprojects to move ahead and increase Alberta's non-conventional crude oil production."

RBC anticipates that Alberta's economy will be among the top three fastest growing provincial economies this year, projecting acceleration in real GDP growth of 4.3 per cent in 2011 from last year's 3.3 per cent.

Looking ahead to 2012, Alberta's economic picture is expected to be quite similar to this year. Energy-related spending, paired with rising non-conventional oil production, will continue to drive growth to an expected 3.8 per cent.

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The *RBC Economics Provincial Outlook* assesses the provinces according to economic growth, employment growth, unemployment rates, retail sales, housing starts and consumer price indexes.

The full report and provincial details are available online as of 8 a.m. ET today, [www.rbc.com/economics/market/pdf/provfcst.pdf](http://www.rbc.com/economics/market/pdf/provfcst.pdf).

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