

Metal Manufacturing

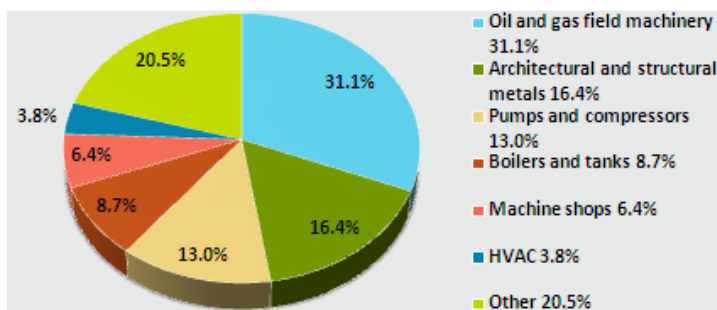
Industry at a Glance

Alberta will require more than \$200 billion of new construction and maintenance spending over the next ten year period. A significant part of that spending will go towards fabricated metal and equipment. Alberta is home to the third largest metal manufacturing and fabrication sector in Canada, and is well positioned to support the projected growth. This incredible market opportunity has also attracted global supply chains. Alberta companies support the projected growth by continuing to innovate, as well as deploying the latest manufacturing technology and providing competitive, reliable products and services while setting the standards for quality, health and safety.

Fast Facts

- Sector revenues more than \$10 billion in 2010, up from \$9 billion in 2009.
- There are nearly 1,700 firms in the sector and more than 85 per cent have fewer than 50 employees.
- There were close to 40,000 employees in 2010.
- About 55 per cent of this sector's output is shipped to customers within the province, mainly in the oil sands and conventional oil and gas sectors, and 15 per cent is shipped to customers in other provinces.
- About 30 per cent of this sector's production is exported internationally. International exports of the metal manufacturing industry more than quadrupled between 1999 and 2008 to \$4.3 billion, mostly as a result of very strong growth in exports of oil and gas field machinery.

Revenue Shares in 2010 for Major Sub-Sectors



Areas of Expertise

- **Fabricated Metal Products:** Plate work and fabricated structural products; boilers, pressure vessels, tanks and heat exchangers; metal buildings and components; and machine shops.
- **Machinery and Equipment Manufacturing:** Oil and gas field equipment; construction, mining, agricultural and forestry machinery; trailer and transportation equipment manufacturing; and HVAC and commercial refrigeration equipment.
- **Primary and Metal Manufacturing:** Iron and steel mills; steel pipe and tube rolling; and extruding.



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Growth Trends

Between 2000 and 2010, the Alberta metal manufacturing industry was the fastest growing manufacturing sector in the province with an output growth of 67 per cent over that period. The sector's GDP saw a marginal decline between 2006 and 2008, followed by a 20 per cent decline in 2009, but the value of shipments rebounded strongly in the second half of 2010. Given the capital and maintenance investments taking place in the province, the prospects for future growth are strong but may be affected by labour availability.

Opportunities

There are many active Alberta markets consuming fabricated metal and equipment. They include oil sands and heavy oil; conventional oil and natural gas; unconventional natural gas; mining; petrochemicals; commercial construction and infrastructure. In order to capitalize on these markets, companies will need to ensure they are investing in the latest technology, productivity improvements and training. Resources that can assist in making these innovation decisions include Productivity Alberta [<http://www.productivityalberta.ca>], the Canadian Centre for Welding and Joining at the University of Alberta, and Alberta Innovates-Technology Futures.

To learn the latest news and opportunities in the oil sands sector, download the **Alberta Oil Sands Quarterly Update** at <http://www.albertacanada.com/oil-sands-quarterly>.

How we Can Help

The Government of Alberta can provide your company with metal manufacturing industry intelligence and business resources. We can help you:

- Gain insight into the challenges and opportunities of the metal manufacturing sector in Alberta;
- Build strategic alliances with local and international partners; and
- Connect you with local business development representatives.

Industry Resources

Visit the metal manufacturing homepage at www.albertacanada.com/metalfab and the metal fabrication industry resource page at www.albertametal.ca to learn about:

- Industry facts and opportunities
- Policies and regulations
- Key stakeholders and industry associations
- Metal manufacturing business listings
- News and events

Contact Information

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