

NEWS RELEASE

B.C. and Alberta least-attractive Canadian provinces for oil and gas investment, according to annual global survey

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For immediate release

CALGARY—British Columbia now ranks as the least-attractive Canadian jurisdiction for oil and gas investment—followed by Alberta, finds the annual global survey of petroleum-sector executives released today by the Fraser Institute, an independent, non-partisan, Canadian public policy think-tank.

Since B.C.’s provincial election in May, the province has plummeted to near the bottom of the global rankings.

“Investor confidence matters, and having a government that’s openly hostile to resource development has apparently sent a chill throughout the oil and gas industry,” said Kenneth Green, senior director of the Fraser Institute’s Centre for Natural Resources and co-author of the *2017 Global Petroleum Survey*.

This year B.C. dropped to 76th out of 97 jurisdictions (from 39th out of 96 last year) on the global index, a comprehensive measure of the extent policy deters oil and gas investment.

In the survey, which was conducted after the B.C. election, oil and gas executives gave the province low marks for political stability and the high cost of regulatory compliance.

Meanwhile Alberta—ranked 33rd overall this year—is the second-lowest Canadian jurisdiction after B.C., and even though Alberta’s score improved slightly this year, its ranking remains far behind 2014 levels when it placed 14th globally out of 156 jurisdictions.

More than 50 per cent of survey respondents said Alberta’s high taxes deterred investment in the province’s oil and gas sector.

Elsewhere in Canada, Newfoundland and Labrador was the top ranked province having moved up from 25th last year to the fourth most attractive worldwide this year. Saskatchewan—ranked 4th globally last year—ranks 7th this year.

South of the border, six U.S. states rank in the top 10 global jurisdictions including Texas, Oklahoma, North Dakota, West Virginia, Kansas and Wyoming. And because the U.S. administration is pursuing major tax reforms and reducing regulatory red tape for the energy industry, American jurisdictions could be viewed even more favourably in coming years.

“The competitive headwinds Canadian jurisdictions already face in the energy sector will likely get stiffer as regulatory and tax burdens continue to lighten in the U.S.,” Green said.

“The shackles are being taken off the U.S. energy sector, which spells trouble for Canadian jurisdictions trying to attract oil and gas investment dollars.”

Canadian provincial rankings from the 2017 Global Petroleum Survey

Province	2017 Global Rank (out of 97)	2016 Global Rank (out of 96)
Newfoundland and Labrador	4	25
Saskatchewan	7	4
Manitoba	12	14
Nova Scotia	26	56
Alberta	33	43
British Columbia	76	39

*NOTE: 2017 data were not available for Ontario, Quebec, Yukon, NWT and New Brunswick.

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