

Edmonton is on the move

The city is No. 1 in the North American mid-west when it comes to cost competitiveness

By **TIM LeRICHE**
Sun Media

It has to be, because the city that has always been the "Gateway to the North" is also a major staging area for \$80-billion worth of oilsands expansions and other projects in Alberta.

In addition, Edmonton is home to Canadian National's network operations centre, Western operations centre as well as the rail line's northern Alberta Intermodal station. The Alberta capital's regional population has topped one million, and the city itself has \$40 billion in annual economic output (GDP).

Edmonton Airports operates a system that readily connects the city to destinations across North America and the North. Put it all together, and there is a significant amount of material and people on the move.

At affordable costs, to boot.

In a 2004 study by KPMG called Competitive Alternatives, Edmonton ranked No. 1 in cost-competitiveness for the North American mid-west. In addition, Edmonton ranked No. 2 among world cities within its population range.

"In transportation, outbound shipments from Edmonton, going in every direction, are less costly than if you were shipping from other cities such as Vancouver, Calgary or Toronto," said Bob Carwell, chairman and CEO of MTE Logistix, citing lower backhaul rates. "In terms of facilities, we still enjoy lower construction and lower land costs, for anybody that wants to locate in the region."

Relying on Edmonton

Located in the centre of Western Canada, Edmonton's air, rail and road systems put it in competitive proximity to markets anywhere.

Air cargo services through Edmonton support the oil and gas and mining industries and supply groceries, mail, consumer goods and fuel to northern communities.

Supplies for the diamond mining industry represent about 450,000 pounds of consumables per week; mainly perishables for the workers on the campsites. The main carriers serving the north through Edmonton are First Air, Canadian North and Air North.

"Edmonton International Airport is the northern-most international airport in Canada and it is strategically located at the crossroads of Highway 2 and Highway 19 making it easily accessible for East-West and

South-North supply shipping," said airports spokesman Traci Bednard.

"In the next two years, we expect cargo activity at Edmonton International Airport to build to new levels, first with the Mackenzie Valley Gas Pipeline construction, followed by two more major pipeline projects (Alaska Highway and Gateway-West Coast), and additional oilsands and northern diamond mine work accompanied by additional heavy equipment services."

Edmonton International Airport supports non-stop service to 44 destinations, including eight U.S. hubs - Minneapolis, Seattle, Denver, Los Angeles, Las Vegas, Houston, Phoenix, and Chicago. It was Canada's fifth busiest in 2003, flying in and out

about four million passengers.

On the road, Edmonton is serviced on the north-south line by Highway 2, part of the Canamex trade corridor, a proposal to eventually establish a four-lane highway directly from Edmonton, through the U.S. and into Mexico.

Western Tiger

In addition, Highway #2 is the major road connecting Edmonton to Red Deer and Calgary. Together the region between those communities has been dubbed the "Western Tiger," for its economic growth and wealth-accumulating status.

Meanwhile, Edmonton is one of CN Rail's largest bases, with about 1,450 employees in the city. About 35 trains

a day move in or out of Edmonton.

"It's a busy, busy centre," said Jim Feeny, senior manager of government and public affairs for CN. "We originate a lot of traffic here at the Intermodal terminal. Chemicals, grain, lumber."

It's not all oil or diamonds. Edmonton is also a centre for forestry in Alberta. Forestry in Alberta employs 54,000 people directly and is the third-largest manufacturing industry.

But it's not natural resources either. Edmonton's economy is changing and is becoming a consolidation point for agri-food exports. The city excels in biotechnology and computer sciences and is home to the National Institute for Nanotechnology.



- Photo Courtesy TRANSCANADA YELLOWHEAD HIGHWAY ASSOCIATION

Located in the centre of Western Canada, Edmonton's air, rail and road systems put it in competitive proximity to markets anywhere in the world.