

Benefits of Refining Bitumen in Alberta

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A value added chain is a series of activities that turn raw products into higher value finished goods. Alberta's oil sands are a perfect example of a value chain. Bitumen extracted from the oil sands is used to create higher value products, including useful by-products naturally resulting from the upgrading process that are utilized by companies in Alberta's Industrial Heartland and across Alberta.

The extraction side of the bitumen value chain is seeing steady positive growth. However, the upgrading side is experiencing a troubling trend. More companies are shipping Alberta's bitumen to the United States for upgrading. Without a reversal in this trend, the share of material processed in Alberta will fall from about 65% to 40% by 2020.

The benefits of the bitumen value chain are tremendous. Each newly constructed upgrader generates 13,000 person years of construction employment, 1,000 permanent jobs, and millions in tax revenues, not to mention the positive ripple effect for service, supply, and maintenance sectors. Upgrading bitumen also helps supply the multi-billion dollar petrochemical industry with feedstock, or the building blocks for end products like anti-freeze and plastic films. It creates a talent pool of highly educated professionals, and provides a reason for schools like the University of Alberta and NAIT to continue training engineers and trades people. Upgrading our bitumen into synthetic crude oil also opens doors to emerging and growing markets around the world like China and India.

To bring attention to this issue, a coalition of municipalities, labor groups, industry associations and companies is promoting the need to "Refine It Where We Mine It" and support the upgrading side of the bitumen value chain. The coalition is raising awareness of the important choice we have on managing our resources to ensure the best return for Albertans.

For more information on bitumen upgrading, visit www.industrialheartland.com or www.refineitwherewemineit.ca to participate in the poll and share your stories on why you feel upgrading in Alberta is important to you.

*Brought to you by **Life in the Heartland**, a partnership aimed at improving access to information, contacts, and resources for residents in and around Alberta's Industrial Heartland. For more information, visit www.lifeintheheartland.com or email info@lifeintheheartland.com.*