



Forecast

The current economic recession reminds us that the regional economy is not immune to changes in its external environment. The recession in the world economies has resulted in a sharp reduction in international trade and this has had a depressing effect on commodity prices. The recovery of the Calgary Economic Region is therefore closely connected to the recovery of the world commodity markets.

Calgary's Economic Outlook: 2009-2019



THE CITY OF
CALGARY
LAND USE PLANNING & POLICY

Table of Contents

Table of Contents.....	ii
Executive Summary	iii
City of Calgary.....	1
Calgary Economic Region (CER)	4
Assumptions: Alberta economy	7
Assumptions: North American economy	10
The global economy	13
Construction Commodities.....	14
Forecast risks.....	17
The equation for growth is tested.....	18
Forecast tables.....	20
Appendix	30

Executive Summary

The global recession played a significant role in creating a set of conditions in the Calgary economy that were not conducive to real estate construction. For example:

- The supply of office space in Calgary is expected to rise sharply over the early part of the forecast period, as office space that is currently under construction is completed.
- The value of building permits for both residential and non-residential buildings dropped sharply during the first four months of 2009 and sending the value of permits authorized well below the previous 5-year average.

The real estate forecast for the city of Calgary has remained relatively unchanged from the last quarter (2009 Q1). The following are the highlights:

- Reduction in building permit values,
- Reduction in the number of housing starts,
- Possible further corrections in the value of existing housing.

Economic activity in Calgary and the Calgary Economic Region (CER) has moderated in 2009 in response to slower growth in the world outside their borders.

- The forecast is for overall economic activity to contract by 2.0 per cent in 2009 and then increase by 1.2 per cent in 2010. As economic growth in the U.S. and the emerging economies gather momentum, the CER's output should expand by 3.4 per cent in 2011.
- Total employment in the CER was estimated at 756,000 in 2008, up from 735,000 in 2007. The forecast is for total employment to decline to 745,000 in 2009 and rebound to 755,000 in 2010 as economic growth resumes. Total employment is expected to reach 900,000 by 2019.

- The consumer price inflation rate is expected to average negative 1.0 per cent in 2009 and increase to 1.5 per cent in 2009 and 2.0 per cent 2010.
- The CER's May 2009 unemployment rate was estimated at 6.6 per cent. The forecast expects the unemployment rate to trend higher as job seekers from the rest of Canada are attracted to the region by a relatively lower unemployment rate.

The pullback in capital expenditures in Alberta's energy sector should weaken overall job creation in the province and soften the domestic economy.

- The economy is expected to contract by 3 per cent in 2009 and grow at 2.6 per cent in 2010.
- Natural gas prices are expected to remain at \$4/GJ in 2009 and 2010, as the surge in unconventional gas supply and Liquefied Natural Gas¹ (LNG) is expected to overshadow current demand increases. North American markets are expected to tighten in 2011 and 2012, with stronger GDP growth.
- WTI prices are expected to average US\$60/bbl in 2009 and increase to US\$68/bbl in 2010.

The shrinking of Canada's economy deepened in the first quarter 2009 at an annualized rate of 5.4%, reflecting broad declines in investment, consumption and import and export.

- The Canadian GDP growth is expected to be negative in 2009, positive in 2010, and trend down to the long-term potential of 2.1 per cent at the end of the forecast period.

The forecast for the U.S. GDP growth is negative this year (-3%) and back to positive next year (+2%). With the economic growth gaining momentum in 2011-2012, the withdrawal of monetary and fiscal stimulus should reduce the growth rate of aggregate demand and push the economy to its long-term trend of 2.6 per cent.

Executive Summary

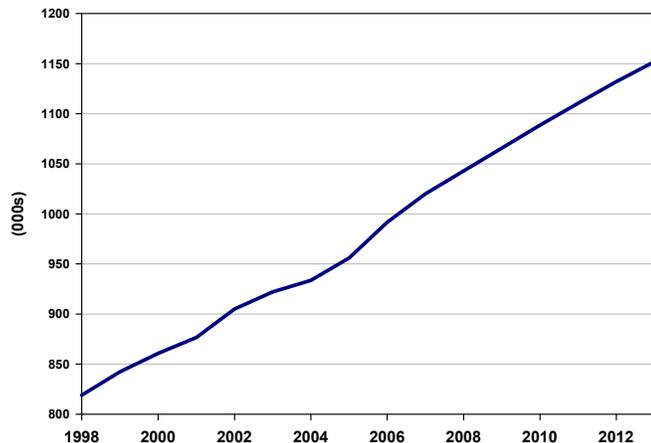
Following a massive financial crisis and an acute loss of confidence, global economic growth and related world trade suffered a steep decline.

- Global GDP is expected to contract by 1.7 percent in 2009, which would be the first decline in world output since the World War II. The economy should pick up modestly by 1.9 percent next year
- The global economic recovery hinges on the restoration of consumer confidence, which requires policy makers to provide significant fiscal and monetary stimulus to boost aggregate demand.
- On average, commodity prices are expected to firm in 2010 as the global economy records positive growth. Prices are expected to grow at faster pace in 2011 and 2012 as economic growth gathers strength.

New LNG capacity in Qatar, Russia, Indonesia and Yemen are expected to come on stream this year. From: Confidential forecaster.

City of Calgary

Chart 1: City of Calgary Total Population ('000 Persons)



Source: Corporate Economics
Update note: unchanged from 2008 estimates; An update will be available in next outlook.

- The estimate for Calgary's population is unchanged from the last update. A new estimate will be available in next quarterly outlook update.

City of Calgary: summary for housing market prospects

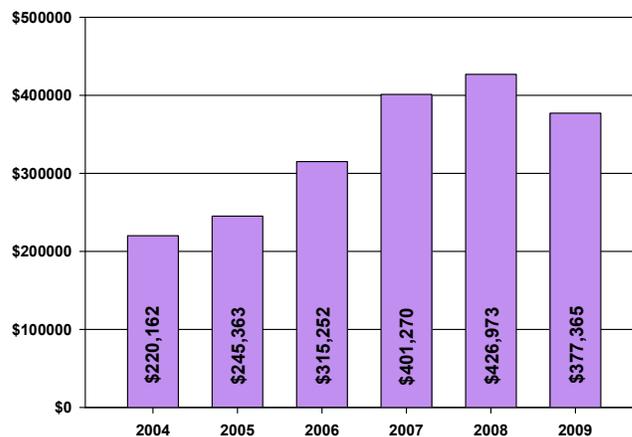
The global recession played a significant role in creating a set of conditions in the local economy that were not conducive to new home construction. The following were some of these conditions:

- Disappearance of many well paid full-time jobs due to the contraction of the energy industry (tarsand projects on hold) and resulting retrenchment by supporting businesses.
- Creation of part-time jobs that supported renting rather than owning a house.
- Sagging consumer confidence lowered demand for new houses and big ticket items.
- The combination of job losses, credit tightening and declining consumer confidence reduced the demand for both re-sale and new housing. Oversupply in the housing market placed downward pressure on the average house price.

The Bank of Canada, in an effort to counteract the crisis, reduced short-term interest rates to historically low levels. The combination of low mortgage rates and falling house prices in Calgary contributed to increasing housing affordability.

Alberta has a relatively low unemployment rate and the highest weekly earnings rate in Canada. Increasing housing affordability in Calgary, positive net-migration and wage gains contributed to the stabilization of the Calgary housing market in April and May. The sales to listings ratio was estimated at 64 per cent for May 2009, in line with the 5-year moving average of 65 per cent.

Chart 2: City of Calgary, MLS Residential Average Price 2004-2009 (average for four months Jan - April)



Source: Calgary Real Estate Board; Corporate Economics

The real estate forecast for Calgary remains unchanged from that of the last quarter. The following are the forecast highlights:

- Reduction in building permit values,
- Reduction in the number of housing starts,
- Possible further corrections in the value of existing housing,
- People deciding to renovate rather than 'move up', or demanding better house value for their money.

Building permits are an expression of investment intentions. They tell us what is likely to happen in the future...

The value of building permits for both residential and non-residential buildings dropped sharply during the first four months of 2009. Consequently, current permit values are well below the average for the last five years.

- The total building permits authorized for single family houses for the first quarter 2009 were 440 units, 44 per cent lower than the same period last year (783 units).
- The value of single family building permits was \$114.4 million, down 42 per cent year-over-year (\$197.2 million for first quarter of 2008).
- The total value of all residential building permits for Q1 2009 was \$167.0 million, a 61 per cent decrease year-over-year (Q1 2008 had \$433.4 million).
- The total value of non-residential building permits for first quarter of 2009 was \$328.1 million, down 51 per cent year-over-year (Q1 2008 the value was \$667.8 million).

The source of investment has changed for the non-residential market. In early 2009, 70 per cent of investment was initiated by the public sector (institutional projects) while at the end of 2007, public investment accounted for only 4 per cent of the total building permit values.

High vacancy rates in the residential and non-residential sectors of the real estate market should limit the construction of new space. Consequently building permit values for the forecast period should fall below recent trends.

Chart 3: City of Calgary, Total value for residential building permits & number of permits for single family units (Q1 2005 - Q1 2009)

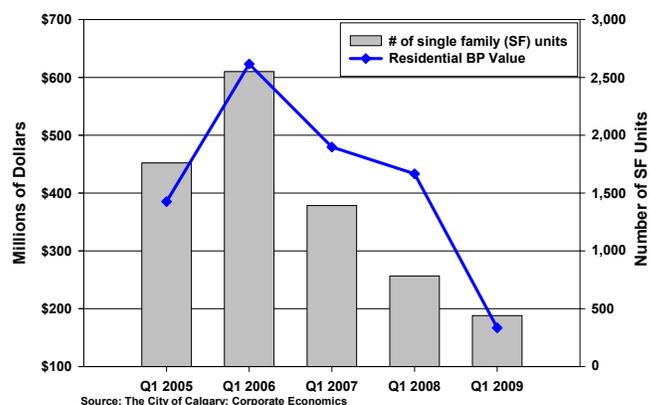


Chart 4: City of Calgary, Non-Residential Building Permits Value (Q1 2005 - Q1 2009)

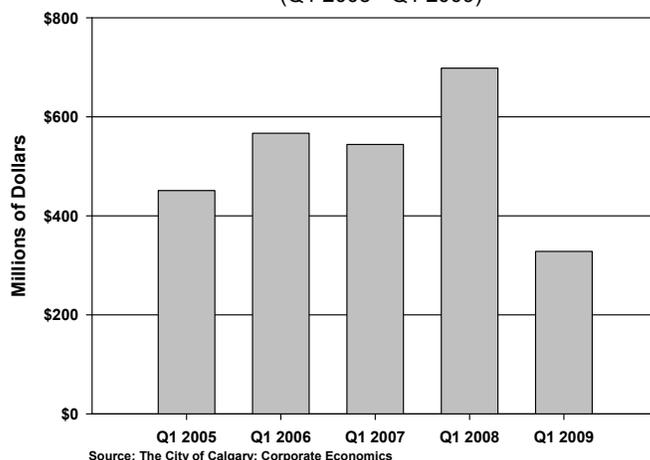
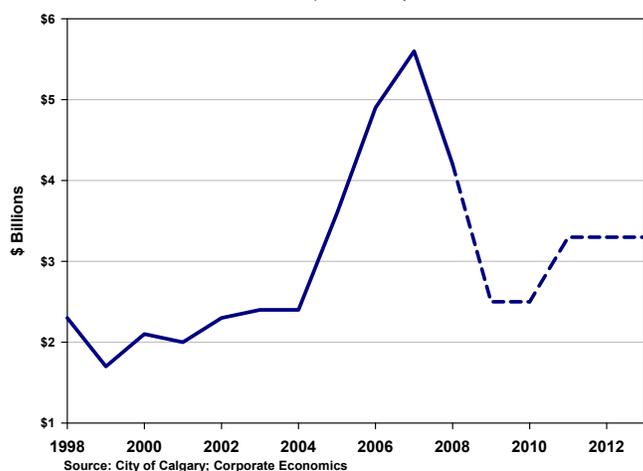


Chart 5: City of Calgary, Total Building Permits (\$ Billions)



Non residential real estate market

Office market:

The supply of office space in Calgary is expected to rise sharply over the early part of the forecast period, as office space² that is currently under construction is completed. In this period, the demand for office space is expected to increase at a modest pace. Office based employment is expected to grow below past trends and this should result in a slight increase in the demand for new space. Mergers and acquisitions in the energy sector may result in an offset to increased demand for office space³.

Vacancy rates in Calgary’s office market climbed to 8.4 per cent in Q1 2009, from 6.6 per cent in Q4 2008⁴. The vacancy rate is expected to trend higher in 2010 and 2011, as supply growth exceeds demand growth. For 2010, the vacancy rate for downtown office is estimated to range from 10 to 13 percent by Colliers International and Barclay Street Real Estate respectively.

Industry market:

Q1 2009 – Calgary industrial market further softened from Q4 2008 and it is expected that conditions would worsen further⁵ in coming quarters. High vacancy rates are expected to depress prices and rents and the construction of new space in the industrial market.

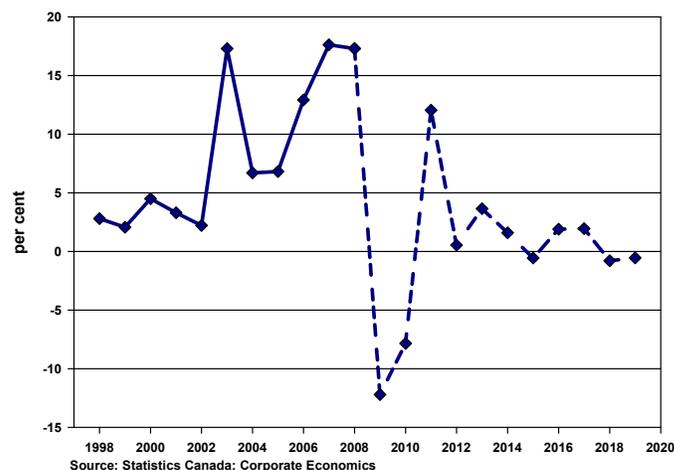
	Inventory Q1 2009	Overall vacancy rate Q1 2009
Office space	52,509,375	8.4%
Industrial space	103,282,241	4.2%

Source: Cushman & Wakefield LePage

Non-Residential Building Costs

Non-residential building costs are expected to decline slightly over the next two years as softening materials prices make their way to customers. However, labour costs are expected to remain stubbornly high, mostly due to recently announced electricity transmission projects that should absorb many construction workers around the province. In the longer term we expect prices to escalate at a much slower pace than recently due to slower growth in input prices like transportation costs and oil based inputs.

Chart 6: Calgary CER, Non-residential building inflation (%)



2 Avison Young, Calgary Office Market Report, spring 2008. The document stated: “Calgary will add about 12 million square feet of space between 2007 and 2011, increasing the overall (office space) inventory by about 25 per cent”. What was ‘appropriate & desirable’ when the oil price averaged USD 102, became difficult to support when the average oil price hit USD 45.

3 On top of these issues, the process of building big office construction projects is not flexible. There is always a time lag to start the construction and then – in case of a downturn - a chance to adjust down with such project.

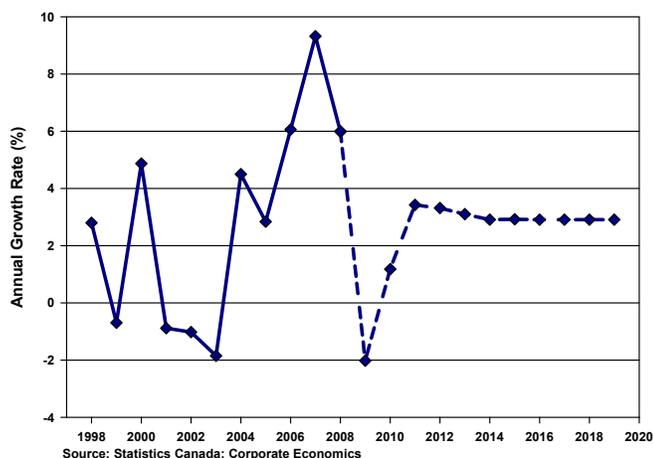
4 Marketbeat, Calgary Office Report, 1Q09, Cushman & Wakefield LePage and Office Space Across the World 2009, Cushman & Wakefield LePage

5 Marketbeat, Calgary Industrial Report, Q1 2009 and Q4 2008, Cushman & Wakefield LePage, Industrial Space Across the World 2009, Cushman & Wakefield LePage

Calgary Economic Region (CER)

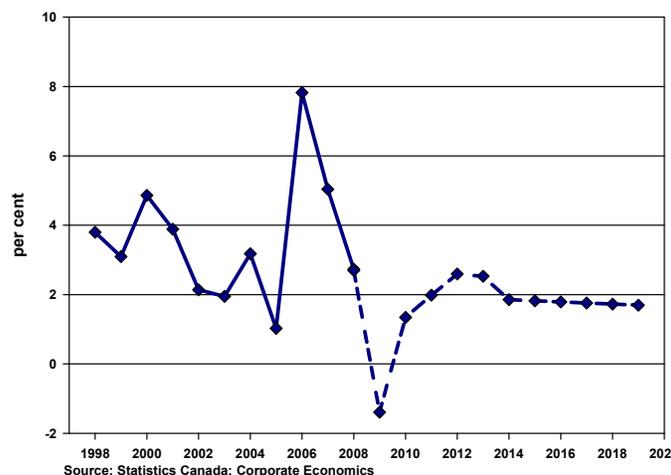
- Economic activity in Calgary and the Calgary Economic Region moderated in 2009 in response to slower growth in the world outside their borders. The CER and Alberta economies are adversely affected by falling resource prices which squeezed the energy industry's profit margins. These changes along with tighter credit conditions and higher labour costs resulted in the postponement or cancellation of several large investment projects in northern Alberta. This had a negative affect on the demand for various goods and services in the Calgary area.
- The forecast is for overall economic activity to contract by 2.0 per cent in 2009 and then increase by 1.2 per cent in 2010. As economic growth in the US and the emerging economies gather momentum, the CER's output should expand by 3.4 per cent in 2011. Towards the end of the forecast period, we expect the baby boom generation to enter their retirement years. Replacement of those workers is not possible with natural increase in the labour pool and international immigration will be limited as all developed nations compete for globally mobile labour. After 2012 the unemployment rate is expected to stabilize at a low level and economic growth in the CER should be limited by the availability of labour.

Chart 7: Calgary CER, Real GDP Growth (%)



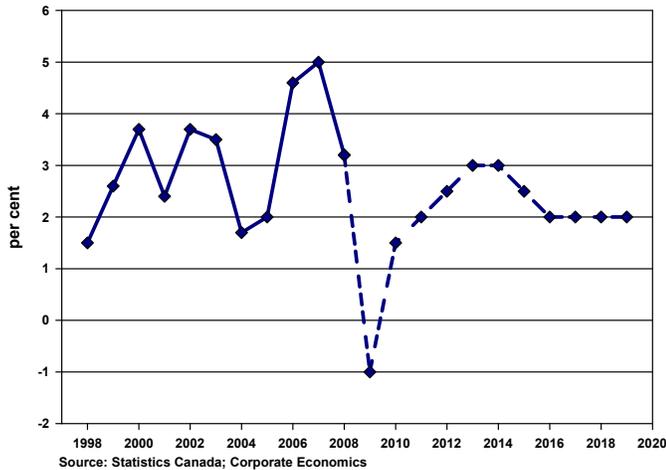
- Total employment in the CER was estimated at 753,000 in 2008, up from 735,000 in 2007. The forecast is for total employment to decline to 745,000 in 2009 and rebound to 755,000 in 2010 as economic growth resumes. Total employment is expected to reach 900,000 by 2019. Employment growth rate is expected to increase between 2010 and 2012 as the region uses up its spare capacity. Once this capacity is exhausted, employment should grow in line with population growth.

Chart 8: Calgary CER, Total Employment Growth (%)



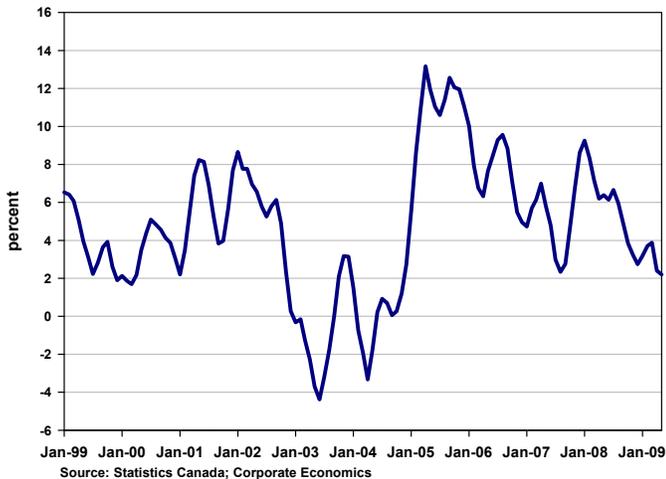
- Consumer prices rose by 3.2 per cent in 2008, down from 5 per cent a year earlier. The consumer price inflation rate is expected to average negative 1.0 per cent in 2009 and increase to 1.5 per cent in 2010 and 2.0 per cent in 2011. Inflation rates are expected to increase as the regions spare capacity becomes exhausted. By 2019, the inflation rate should trend lower as the region grows in line with population growth and the mid-point of The Bank of Canada's inflation target range.

Chart 9: Calgary CMA, Inflation Rate (%)



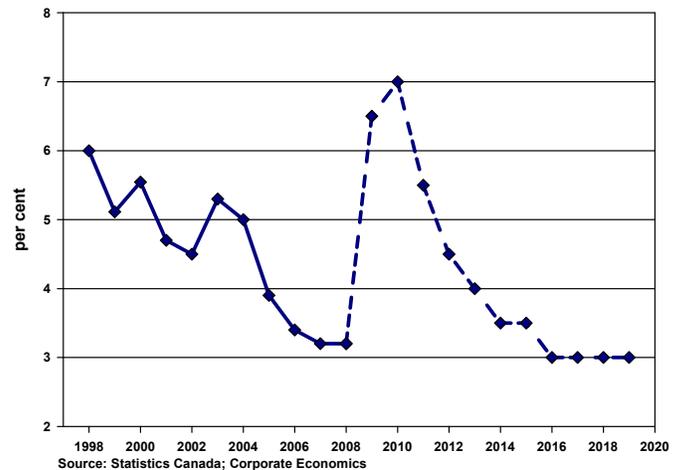
- Calgary's average hourly wage rate increased by 3.9 per cent in March 2009, down from 7.2 per cent for the same 2008 period. The wage inflation rate has moderated in response to a higher unemployment rate as employers were able to fill vacant positions from a larger pool of workers without having to offer increasingly higher salaries to attract workers.

Chart 10: Calgary CMA average hourly wage inflation (y-o-y % wage changes)



- The CER's May 2009 unemployment rate was estimated at 6.6 per cent. The forecast expects the unemployment rate to trend higher as job seekers from the rest of Canada are attracted to the region by a relatively lower unemployment rate. The housing markets in both Alberta, the receiving province, and Ontario, the sending province, may serve as an offset to high levels of net migration. Housing prices in Calgary are high. In places such as Toronto, potential sellers are finding it difficult to complete a sale on their listings. In other words, housing affordability in Calgary may serve as a barrier to higher levels of in-migration.
- The unemployment rate is expected to average 6.5 per cent in 2009 and 7.0 per cent in 2010. Labour force growth is expected to outpace employment growth as the economy begins its recovery from the recession. Individuals who left the labour force because of diminished hopes of finding employment would now return.

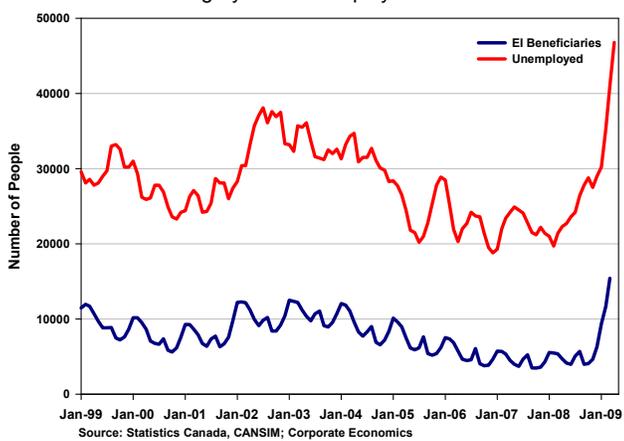
Chart 11: Calgary CER, Unemployment Rate (%)



Calgary Economic Region (CER)

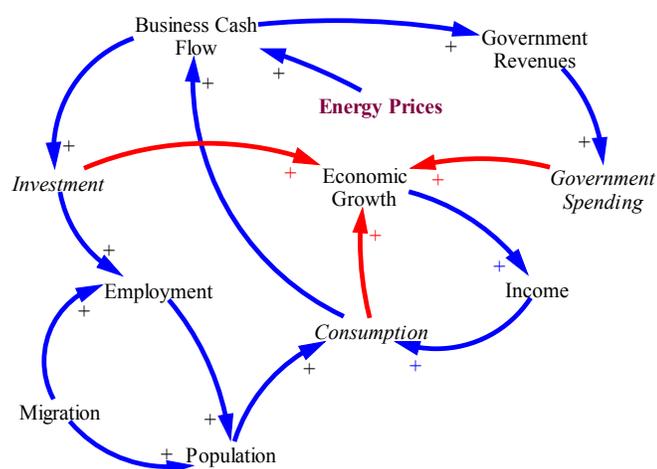
- The number of recipients of employment insurance benefits in Calgary jumped sharply in recent months as the numbers of unemployed increased. For example, 15,410 persons received benefits in March 2009, up from 5,370 a year earlier. This statistic is expected to increase in coming months as the number of unemployed individuals in the Calgary area increases.

Chart 12: Calgary CER Unemployment and EI Beneficiaries



Alberta economy

Figure 1: Drivers of Alberta's GDP



Economic growth in Alberta is closely correlated with investment in the non-residential sector (figure 1). Alberta's spectacular economic growth, in recent years, was sustained by rising energy prices. Lower energy prices therefore led to the cancellation or postponement of capital spending in oil and gas and related sectors. Capital projects valued at eighty five billion dollars were put on hold, representing nearly 6 per cent of the total value of projects previously announced. The Scotford upgrader 2 (Shell Canada) led the way with an estimated investment of \$22 billion, followed by the Voyageur oil sands third upgrader (Suncor Energy Inc; \$11.6 billion), the Fort Hills oilsands mine (Fort Hills Energy Corp; \$10 billion) and the Firebag oilsands project stages 3 to 6 (Suncor Energy Inc; \$9 billion).

Table 1: Alberta Major Projects

Project Sector	Projects			Projects On Hold			"% of Previous Value Projects"
	#	Value	%	#		Value	
Agriculture & Related	5	\$72.9	0.0%				
Biofuels	13	\$1,785.0	0.7%				
Chemicals & Petrochemicals	3	\$120.0	0.1%				
Commercial/Retail	83	\$10,868.1	4.6%	4	4.8%	\$167.2	1.5%
Commercial/Retail and Residential	15	\$5,295.5	2.2%	1	6.7%	\$750.0	14.2%
Infrastructure	305	\$19,215.8	8.0%	4	1.3%	\$45.4	0.2%
Institutional	223	\$12,704.0	5.3%	10	4.5%	\$395.6	3.1%
Manufacturing	4	\$667.5	0.3%				0.0%
Mining	5	\$4,742.0	2.0%				0.0%
Oil & Gas	9	\$1,162.0	0.5%	1	11.1%	\$70.0	6.0%
Oilsands	40	\$136,294.0	57.1%	15	37.5%	\$76,930.0	56.4%
Other Industrial	10	\$175.5	0.1%				
Pipelines	33	\$11,411.8	4.8%	1	3.0%	\$2,000.0	17.5%
Power	53	\$16,270.0	6.8%	4	7.5%	\$950.0	5.8%
Residential	101	\$6,642.3	2.8%	15	14.9%	\$2,345.8	35.3%
Telecommunications	1	\$700.0	0.3%				
Tourism/Recreation	115	\$10,664.9	4.5%	3	2.6%	\$1,818.7	17.1%
Total	1,018	\$238,791.3	100.0%	58	5.7%	\$85,472.7	35.8%

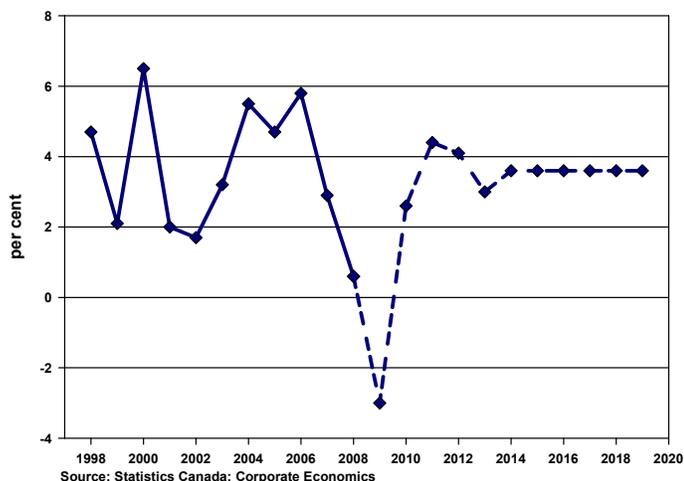
Source: Alberta Economic Development, May 2009

Assumptions: Alberta economy

The pullback in capital expenditures in the energy sector has weakened overall job creation in the province and softened the domestic demand. The Alberta economy is expected to contract by 3 per cent in 2009 and grow at 2.6 per cent in 2010.

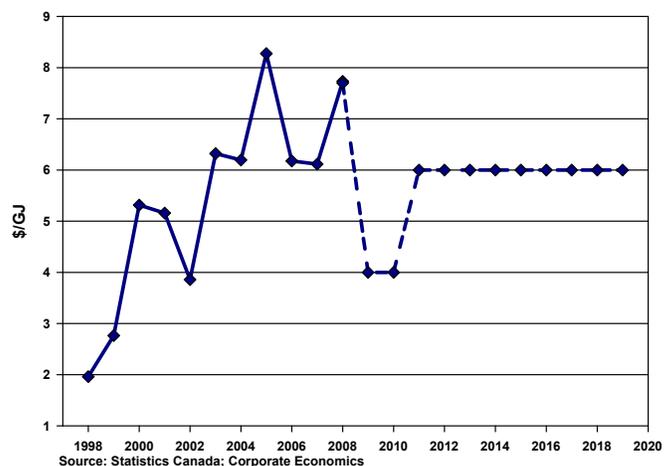
In May 2009, Alberta Economic Development announced that \$238.8 billion (see table 1) in major construction projects were either planned or underway in Alberta. The majority of these projects are in oil sands (57 per cent).

Chart 13: Alberta Real GDP Growth (%)



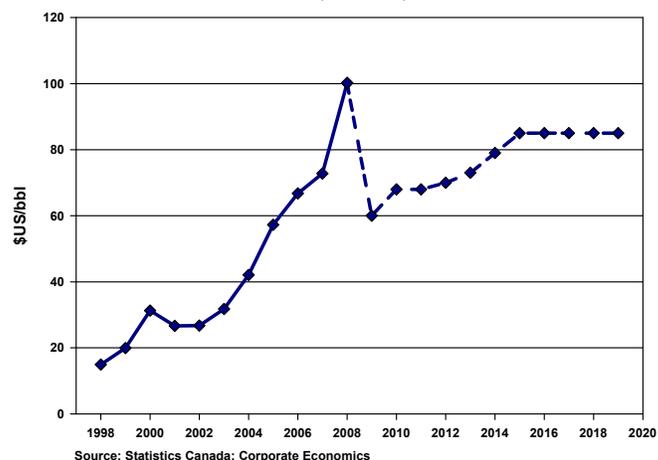
The economic recession weakened the demand for residential and commercial natural gas in 2009. The power sector's usage of natural gas increased during this period due to displacing coal-fired generation, but industrial demand declined significantly as the automotive industry required less steel, plastics and other gas-intensive input. Natural gas prices are expected to remain at \$4/GJ in 2009 and 2010, as the surge in unconventional gas supply and Liquefied Natural Gas (LNG) supply are expected to overshadow current demand increases. North American markets are expected to tighten in 2011 and 2012, with stronger GDP growth, which could restore industrial gas demand to prerecession levels. Alberta natural gas prices are expected to average \$6/GJ by 2011.

Chart 14: Alberta Natural Gas Price-AECO/NIT (\$/GJ)



The main driver of recent increases in crude oil price is increased demand from China, Japan, and South Korea. Reduced cash flows in early 2009 led to sharp reductions in capital investment, combined with reasonably high OPEC compliance with production cuts and weaker non-OPEC output, particularly in the North Sea have tightened supply. Economic recovery in late 2009 and early 2010 should cause oil demand to grow at a faster pace than supply and therefore cause prices to increase. WTI prices are expected to average US\$60/bbl in 2009 and increase to US\$68/bbl in 2010.

Chart 15: Crude Oil Price - WTI (\$US/bbl)



Assumptions: Alberta economy

Consumer price inflation in Alberta should average 0.6 per cent in 2009, as lower house prices offset the expected increase in the food component of the Consumer Price Index (CPI). The real estate market is expected to gain momentum in 2010 and this should push the inflation rate to 1.7 per cent.

In 2009, the province is expected to have a smaller employed workforce compared to last year due to reduced economic activity. Employment is expected contract by 2 per cent in 2009 and increase by 1 per cent in 2010 as the global economy begins to recover.

The unemployment rate is projected to average 6.3 per cent in 2009, as labour force growth overshadows the growth in employment. An expected increase in the number of job seekers should push the unemployment rate further to 7 per cent in 2010.

The residential real estate market is anticipated to grow below trend in 2009, constrained by a contracting work force, slower growth of wages and a surplus of completed and unabsorbed units (figure 2). Economic conditions are expected to strengthen beyond 2009, inducing job growth and attracting migrants to the province.

For the fiscal year 2009-10, the provincial government spending is expected to be 1.8 per cent less compared to last year. Increases in social services spending (7 per cent) are anticipated to be offset by cuts in other programs (8.8 per cent) and debt servicing cost (4.7 per cent). The provincial government therefore is not using spending to stimulate the economy.

Figure 2: Demand for Space

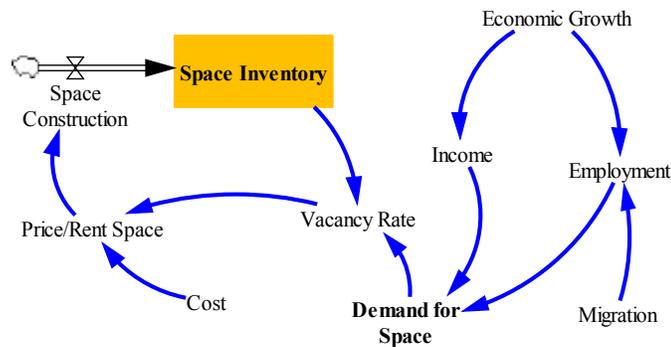
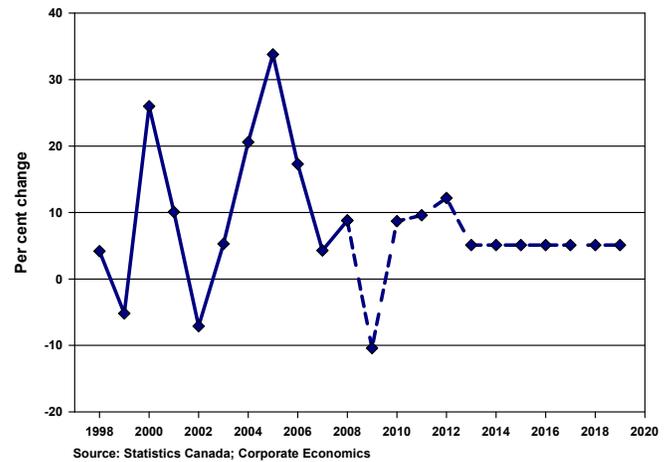


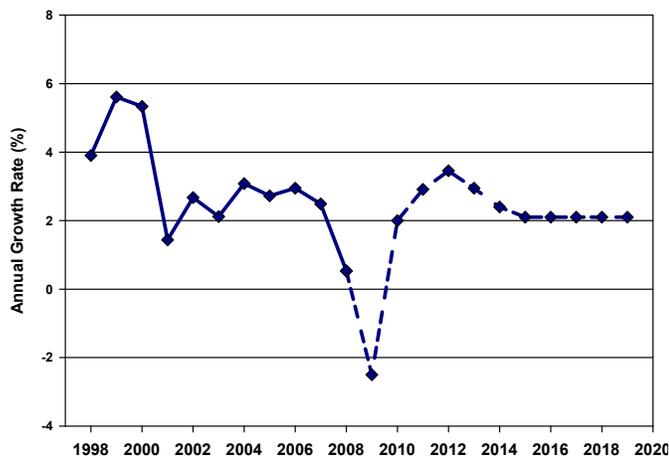
Chart 16: Alberta Non-Residential Investment (%)



Canada economy

Canadian real GDP dropped 5.4 per cent in 2009Q1, on declines in investment, consumption and net exports. The decline in net exports resulted from the re-structuring of the automobile sector and the reduction in economic activity in the U.S. However, financial markets, commodity prices and consumer and business confidences have all shown signs of improvement in recent weeks. In addition, the pace of GDP decline has moderated recently. The forecast expects the Canadian economy to expand in the latter part of 2009. For 2009 as a whole, the economy should contract. Economic growth should accelerate from 2010 to 2011, and then trend down to the long-term potential rate of 2.1 per cent at the end of the forecast period.

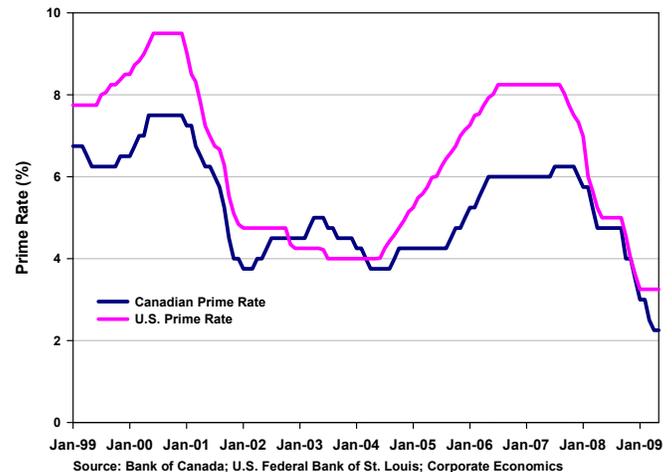
Chart 17: Canada Real GDP Growth (%)



Source: Statistics Canada; Corporate Economics

The Bank of Canada cut its overnight interest rate again in April 2009 to a historic low of 0.25 per cent, to stimulate the economy. Also, the federal government is running larger deficits (at a recent estimate of \$50 billion) to provide a sizeable stimulus package, including infrastructure investments. The combination of monetary and fiscal stimulus should boost domestic demand.

Chart 18: Canada vs. U.S. Prime Rate (%)

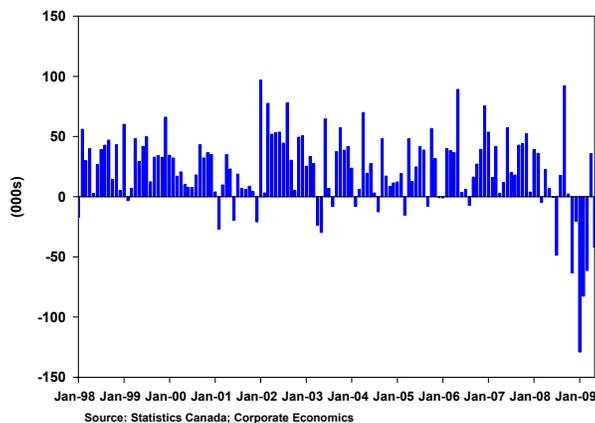


Source: Bank of Canada; U.S. Federal Bank of St. Louis; Corporate Economics

The economic recovery is expected to be very subdued.

- The reported 67 per cent annualized decline in pre-tax corporate profits provides little support for the near-term investments. The overpriced and overbuilt housing market also prevents a quick recovery in new housing starts.
- The Canadian job market has shed 362,000 jobs since November 2008, pushing the unemployment rate to 8.4 per cent in May. More job cuts are expected in the coming months, as businesses try to improve their profitability. Labour income is expected to show modest improvement and should not provide much support for growth in consumer spending.
- Concerns about near-term job and financial security should cause consumers to spend less on discretionary items, as they attempt to rebuild household balance sheets.

Chart 19: Canadian Total Employment Month-over-month Changes
(Seasonally adjusted, thousands of positions)

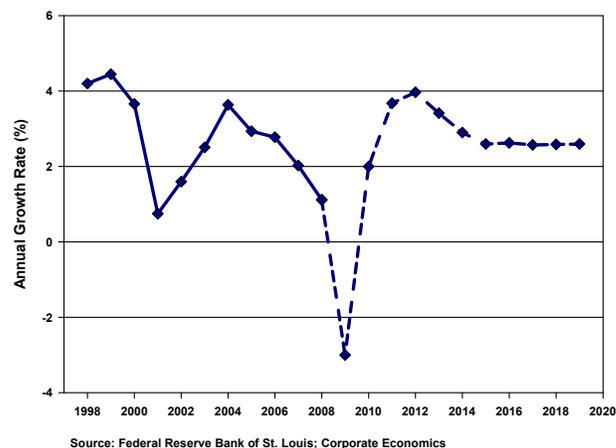


The United States

The U.S. economy posted a worse-than-expected decline in the first quarter at an annualized rate of 5.7 per cent, because of the sharp declines in business investment, exports and construction. However, the decline is moderating compared to the drop of 6.5 per cent in the fourth quarter 2008. The most recent reports have surprised on the upside, indicating the emergence of “green shoots” of economic revival. The forecast for the U.S. GDP growth is negative this year (-3%) and back to positive next year (+2.0%). With the recovery entrenched in 2011-2012, the withdrawal of stimulus should cool the economy to its long-term trend of 2.6 per cent.

In addition, the recent rally in the Canadian dollar, if it proves persistent, could hurt Canadian exporters’ competitiveness and dampen the economic recovery.

Chart 20: U.S. Real GDP Growth (%)



Assumptions: North American economy

The financial system appears to have responded favorably to the massive injections of liquidity. Business and consumer confidences along with other economic indicators are showing signs of improvement.

- Record-low mortgage rates, higher affordability and the granting of a \$8,000 tax credit to first-time home buyers have lifted home sales from all-time lows.
- Commodity prices have climbed higher, led by crude oil and copper.
- Equities have rebounded from their March lows, with widespread gains across industries.
- Job losses in the U.S. moderated in recent months. In May, the non-farm payroll employment fell by 345,000, about half the average monthly decline for the prior six months.

However, the recovery of housing and job markets are the essential ingredients for a return of growth in the U.S. economy, which is still not in sight.

- The unemployment rate reached 9.4 percent from 4.9 percent in December 2007, the official start of the recession. In the past seventeen months, six million jobs disappeared in the U.S. economy, many of them in the manufacturing and construction industries.

- The number of housing starts declined again after an increase in February. The market is still driven by sales of foreclosed homes. The high inventory needs to be absorbed before the new housing market could rebound.

Chart 22: Total U.S. New Privately Owned Housing Units Started (Seasonally adjusted annual rate, thousands of units)

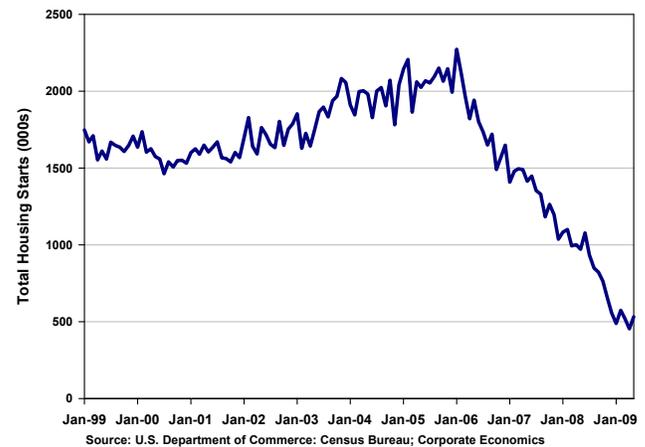
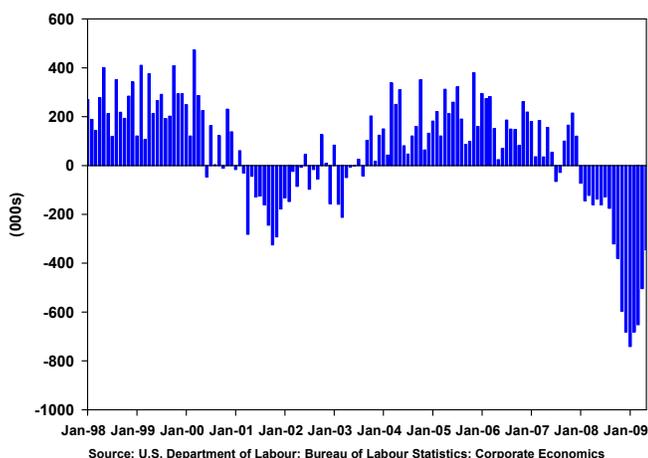


Chart 21: U.S. Total Employment Month-over-month Changes (Seasonally adjusted, thousands of positions)

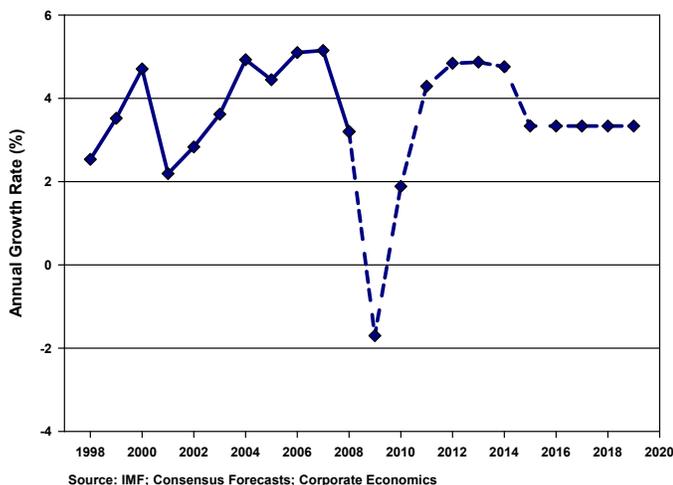


Global economy

Following a massive financial crisis and an acute loss of confidence, global economic growth and related world trade suffered a steep decline. For example, global trade volumes are expected to shrink by 9%, according to The World Trade Organization. The contraction should be particularly severe in developed countries with exports falling by 10% this year. The global economy is therefore undergoing a severe recession, with advanced economies experiencing deep contractions and emerging and developing economies growing below past standards. Global GDP is expected to contract by 1.7 percent in 2009, which would be the first decline in world output since the World War II. The economy will pick up modestly by 1.9 percent next year.

The economic turnaround depends on the restoration of consumers' confidence, which requires the policy makers to provide significant fiscal and monetary stimulus to support aggregate demand.

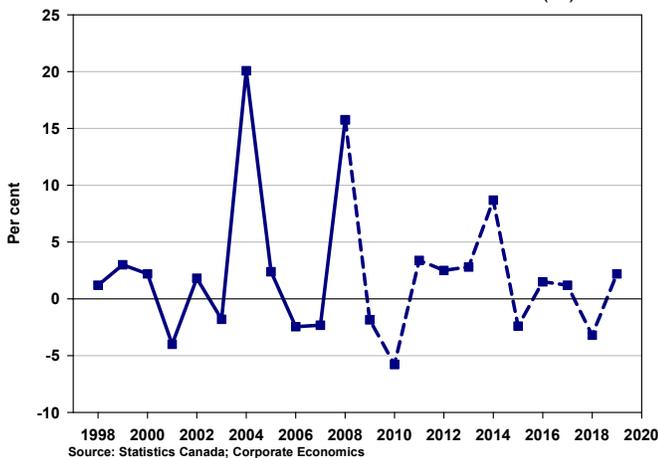
Chart 23: World Real GDP Growth (%)



Construction Commodities

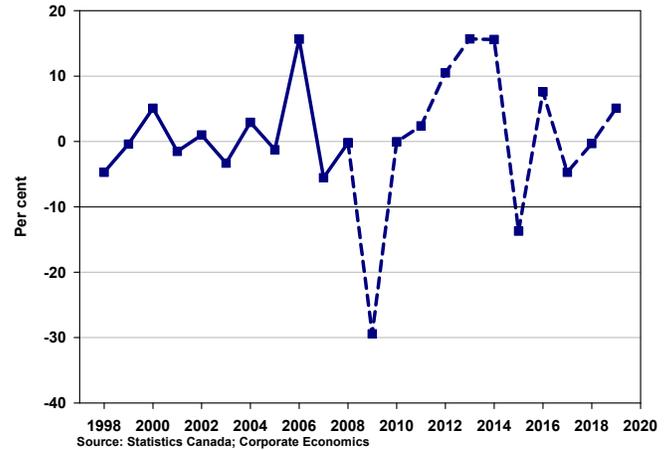
Iron and Steel: Steel demand is heavily affected by construction and vehicle production which are both down significantly this year. In the U.S. steel demand is down 36 per cent, in Canada it is down 22.4 per cent. The outlook calls for stagnant vehicle demand until 2014 when a rebuilt U.S. auto industry is expected to finally produce vehicles people will want. However when that demand does return we expect a 19 per cent drop in iron use as aluminum takes over more of vehicle frames and parts as the U.S. strives for greater fuel efficiency. The decreased demand is expected to be partially offset by increased use as a building material as steel is gaining popularity in residential properties in the southern U.S. due to its fire and termite resistance.

Chart 24: Iron and Steel Price Inflation (%)



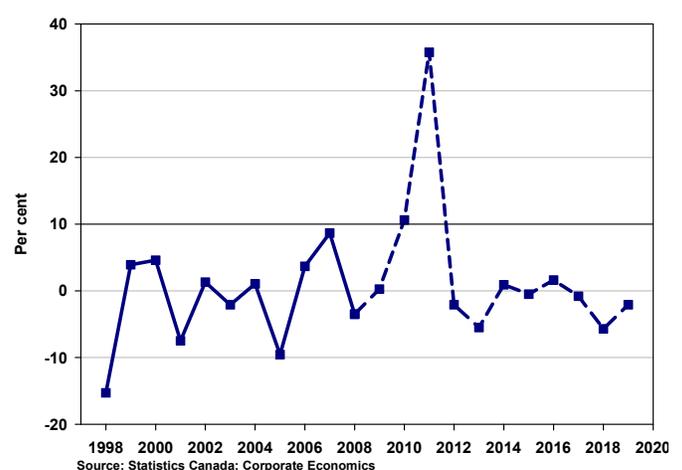
Aluminum Products: Aluminum is prized for its strength, light weight, resistance to heat and corrosion as well as its high electrical conductivity. Aluminum is used in many car parts and demand for aluminum is expected to increase as more parts are made from it. Electric transmission facilities utilize great amounts of this metal too, but proposed extensive new transmission projects in the U.S. are stalled in regulatory hearings. Declines in U.S. vehicle production will dramatically affect Aluminum prices in 2009, with long range electric transmission facilities being stalled by regulatory proceedings for several years. We expect high price volatility as production struggles to meet demand with the market stabilizing by the end of the forecast horizon.

Chart 25: Aluminum Price Inflation (%)



Wood: On April 8th, 2009 the U.S. slapped a 10 per cent duty on softwood from Ont., Man., Sask. and Quebec as these provinces failed to reduce exports as agreed under the 2006 softwood lumber agreement. As the recession drags on it is highly likely that the softwood agreement will be replaced with countervailing duties which will limit Canadian access to the U.S. market and prevent Canadian prices from rising when the U.S. recession ends and housing construction in the U.S. resumes. In the long run wood price inflation is limited by the availability of substitute building products like steel, foam reinforced chip board and engineered building materials.

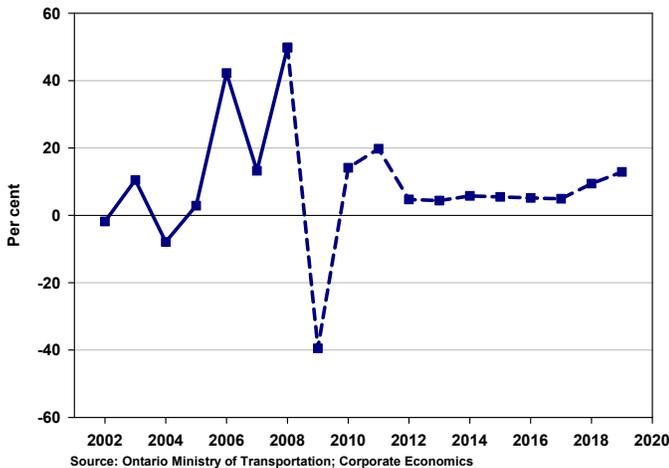
Chart 26: Wood Price Inflation



Construction Commodities

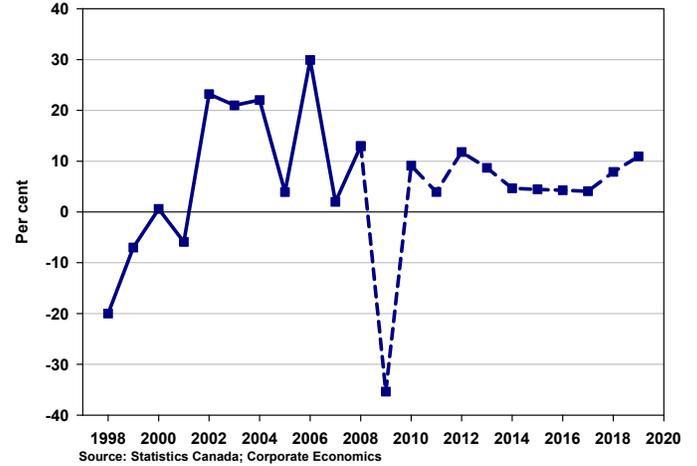
Asphalt: Asphalt is the residue left over after all the good stuff is processed out of a barrel of oil. In Canada asphalt goes 80 per cent to roads and 20 per cent to roofing materials. Prices fluctuate with the price of oil, exchange rates and interest rates, but only shift around during the summer (paving and roofing) months. The price spike of 2008 was not sustainable and was due to an exceptionally high level of road construction nationally. With these projects and oil prices waning in 2009 look for significant price adjustments. Beyond 2010 look for moderate escalation in line with oil price adjustments.

Chart 27: Asphalt Price Inflation (%)



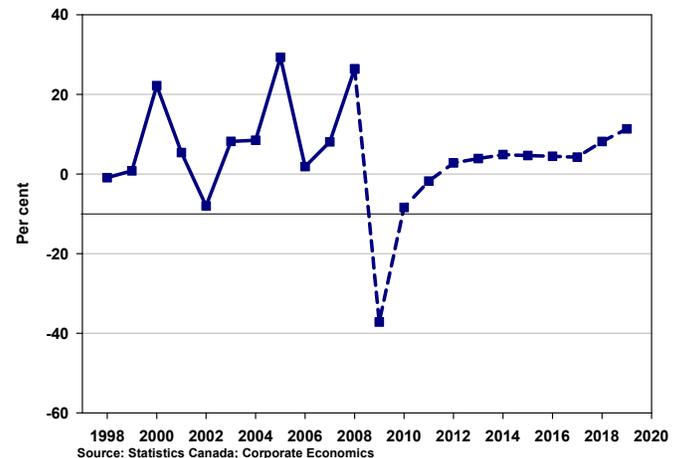
Rubber: Used primarily to make tires 2009 demand and prices are off significantly due to declines in world auto manufacturing. In 2010 look for demand to return to normal as people can only put off replacing old tires for so long whether or not they replace their vehicles. In the long run look for oil prices to be more influential in this market as synthetic production increases to keep pace with demand while natural production reaches its limit. However, should Malaysia again prohibit foreign workers from working on plantations prices could spike by as much as 20 per cent.

Chart 28: Rubber Price Inflation (%)



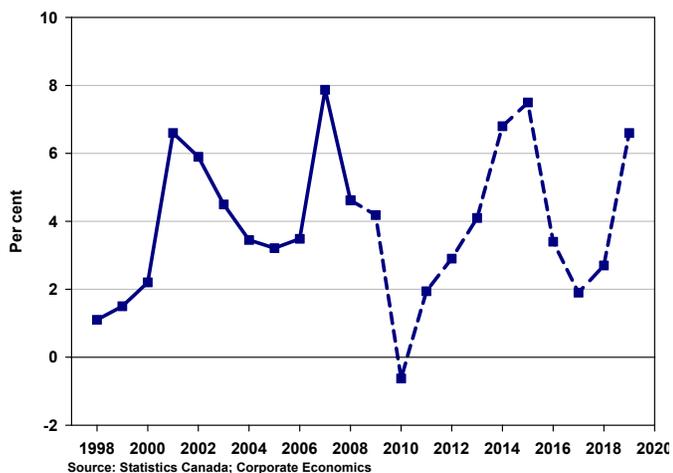
Diesel: Alberta diesel prices closely track Canadian oil prices and as such are exposed not only to international demand for oil but to exchange rate volatility. Recently financial markets have realized how much money oil exports bring to Canada and the exchange rate is now linked to the international price of oil raising the local price volatility of this commodity. We anticipate these trends to continue and project diesel prices along with our expectations for oil and exchange rates.

Chart 29: Diesel Price Inflation (%)



Vehicle Parts: The GM and Chrysler bankruptcies are expected to result in a significant shift in vehicle parts prices. In the near term a surplus of parts will keep prices low but re-tooling of suppliers' plants to make new parts for new designs using new materials are expected to raise prices in the medium term. In the longer range we anticipate North American vehicle manufacturers to be more responsive to fluctuating consumer demand which means shorter life cycles and manufacturing runs for parts, further causing price increases beyond traditional low inflationary trends.

Chart 30: Vehicle Parts Inflation (%)



Forecast risks

Given the high inter-dependence of the world economy, no county, region or city is immune from the current economic crisis. The volatility of world energy prices poses both upside and downside risks for the Calgary economic outlook. On balance, the risks appear to be weighted on the downside. Potential political instability in some of the key energy producing countries would cause short-term price volatility.

Downside risk

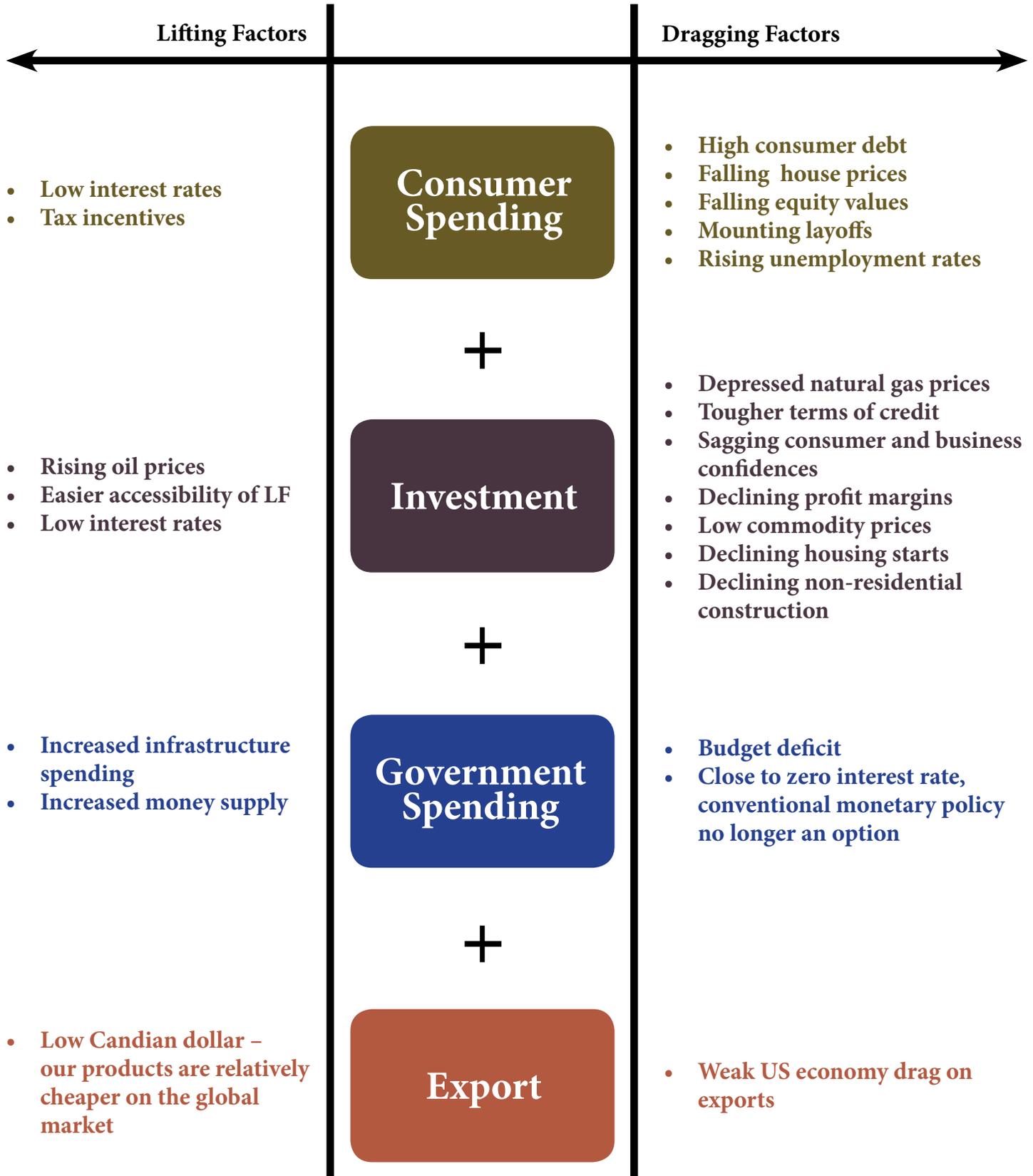
The consumer sector accounts for about 70 per cent of GDP in North America and therefore consumer spending could be a major factor in leading the economy out of recession. However, North American households are plagued by financial and job insecurity and consequently they are not expected to be a major factor in boosting consumer spending.

The current high level of fiscal and monetary stimulus is not sustainable over the long term. The sharp increase in the money supply has renewed fears of inflation over the long-term. Also, the massive increase in U.S. government spending has increased the sizes of both the deficit and debt. The forecast therefore assumes that both fiscal and monetary stimulus would be withdrawn in the near future.

Upside risk

Alberta, as an energy producer, would benefit from higher energy prices. Oil prices after bottoming out, at \$US39 (per barrel) in February 2009, have staged a strong rebound and have traded around \$US70 as of June 3, 2009. These prices are expected to increase the energy industry's cash flow and profitability and therefore induce further drilling for conventional oil and investments in tarsands facilities. For example, Shell Canada announced that it would proceed with the building of the Kearl Lake heavy oil mine. In addition, other oilsands companies are re-examining the economics of their stalled projects in view of rising prices and falling input costs. Increased investment spending should result in non-residential and residential construction growing above the baseline forecast as economic and demographic activity increase.

The equation for growth is tested...



Forecast tables

Table 1 - Selected Economic Indicators

Rest of the World, United States, Canada, Alberta, Calgary Economic Region & Calgary CMA

FORECAST COMPLETED: June, 2009

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
ASSUMPTIONS											
Global Economy											
World Gross Domestic Product (annual % change)	2.5	3.5	4.7	2.2	2.8	3.6	4.9	4.4	5.1	5.2	3.4
The United States											
U.S. Real Gross Domestic Product growth (chained 2000 dollar) (%)	4.2	4.4	3.7	0.8	1.6	2.5	3.6	2.9	2.8	2.0	1.1
Canada											
Real Canada Gross Domestic Product growth, (chained 2002 dollar) (%)	3.9	5.6	5.3	1.4	2.7	2.1	3.1	2.7	2.9	2.5	0.5
Prime Business Loan Rate (%)	6.6	6.4	7.3	5.8	4.2	4.7	4.0	4.4	5.8	6.1	4.7
Canadian/US. Exchange Rate (US¢/Cdn\$)	0.67	0.67	0.67	0.65	0.64	0.72	0.77	0.83	0.88	0.94	0.94
Alberta											
Gross Domestic Product (%)	4.7	2.1	6.5	2.0	1.7	3.2	5.5	4.7	5.8	2.9	0.6
Total Employment Growth (%)	4.2	2.3	2.5	3.0	2.3	2.8	2.5	1.5	4.8	4.7	2.7
Unemployment Rate (%)	5.6	5.8	5.0	4.6	5.3	5.1	4.6	3.9	3.4	3.5	3.6
Crude Oil Price - WTI (US\$/bbl)	14.9	19.9	31.3	26.7	26.7	32	42	57	67	73	100
Housing Starts ('000 Units)								40.8	49.1	48.2	30.0
Alberta Power Pool Prices (\$/MWh)	NA	NA	133.0	71.5	43.7	63.1	54.9	70.2	80.5	66.9	87.4
Inflation Rate (%)	1.2	2.5	3.5	2.3	3.4	4.4	1.4	2.1	3.9	4.9	3.4
Alberta Natural Gas Price - AECO/NIT (Cdn\$/GJ)	2	3	5	5	4	6	6	8	6	6	8
FORECAST											
Calgary Economic Region (CER)											
Gross Domestic Product (%)	7.8	1.5	6.3	2.3	2.4	2.5	6.1	5.4	6.8	5.0	0.5
Total Employment ('000 Persons)	533	549	576	598	611	623	643	649	700	735	756
Total Employment Growth (%)	3.8	3.1	4.9	3.9	2.1	1.9	3.2	1.0	7.8	5.0	2.7
Unemployment Rate (%)	6.0	5.1	5.5	4.7	4.5	5.3	5.0	3.9	3.4	3.2	3.2
Inflation Rate (%)	1.5	2.6	3.7	2.4	3.7	3.5	1.7	2.0	4.6	5.0	3.2
Building Permits (\$billion)	2.8	2.1	2.5	2.5	2.9	3.0	3.1	4.3	6.0	7.1	5.1
<i>Low Forecast</i>	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
<i>High Forecast</i>	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Housing Starts ('000 Units) CMA	12.5	10.6	11.1	11.3	14.3	13.6	14.0	13.7	17.0	13.5	11.4
Non-Residential Building Price Inflation (%)	2.8	2.1	4.5	3.3	2.2	3.1	6.7	6.8	12.9	17.6	17.3
Numbers may not add up due to rounding			UPDATED BY CORPORATE ECONOMICS, June 2009								

Forecast tables

FORECAST COMPLETED: June, 2009	BASE FORECAST										
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
ASSUMPTIONS											
Global Economy											
World Gross Domestic Product (annual % change)	-1.7	1.9	4.3	4.8	4.9	4.8	3.3	3.3	3.3	3.3	3.3
The United States											
U.S. Real Gross Domestic Product growth (chained 2000 dollar) (%)	-3.0	2.0	3.7	4.0	3.4	2.9	2.6	2.6	2.6	2.6	2.6
Canada											
Real Canada Gross Domestic Product growth, (chained 2002 dollar) (%)	-2.5	2.0	2.9	3.5	2.9	2.4	2.1	2.1	2.1	2.1	2.1
Prime Business Loan Rate (%)	3.0	4.8	6.2	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3
Canadian/US. Exchange Rate (US¢/Cdn\$)	0.89	0.90	0.91	0.92	0.93	0.94	0.94	0.94	0.94	0.94	0.94
Alberta											
Gross Domestic Product (%)	-3.0	2.6	4.4	4.1	3.0	3.6	3.6	3.6	3.6	3.6	3.6
Total Employment Growth (%)	-2.0	1.0	2.3	1.9	1.4	1.4	1.4	1.4	1.4	1.4	1.4
Unemployment Rate (%)	6.3	7.0	5.5	4.0	3.5	3.5	3.5	3.5	3.5	3.5	3.5
Crude Oil Price - WTI (US\$/bbl)	60	68	68	70	73	79	85	85	85	85	85
Housing Starts ('000 Units)	15	17	42	42	38	38	35	35	35	35	35
Alberta Power Pool Prices (\$/MWh)											
Inflation Rate (%)	0.6	1.7	2.1	2.2	2.2	2.0	2.0	2.0	2.0	2.0	2.0
Alberta Natural Gas Price - AECO/NIT (Cdn\$/GJ)	4	4	6	6	6	6	6	6	6	6	6
FORECAST											
Calgary Economic Region (CER)											
Gross Domestic Product (%)	-2.0	1.2	3.4	3.3	3.1	2.9	2.9	2.9	2.9	2.9	2.9
Total Employment ('000 Persons)	745	755	770	790	810	825	840	855	870	885	900
Total Employment Growth (%)	-1.4	1.3	2.0	2.6	2.5	1.9	1.8	1.8	1.8	1.7	1.7
Unemployment Rate (%)	6.5	7.0	5.5	4.5	4.0	3.5	3.5	3.0	3.0	3.0	3.0
Inflation Rate (%)	-1.0	1.5	2.0	2.5	3.0	3.0	2.5	2.0	2.0	2.0	2.0
Building Permits (\$billion)											
<i>Low Forecast</i>	3.1	3.1	3.8	3.8	3.8	3.5	3.5	3.5	3.5	3.5	3.5
<i>High Forecast</i>	3.8	3.8	4.4	4.4	4.4	4.0	4.0	4.0	4.0	4.0	4.0
Housing Starts ('000 Units) CMA	4.4	5.0	13.0	13.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0
Non-Residential Building Price Inflation (%)	-12.2	-7.8	12.1	0.5	3.7	1.6	-0.6	1.9	2.0	-0.8	-0.5
Numbers may not add up due to rounding	UPDATED BY CORPORATE ECONOMICS, June 2009										

Table 2 - Selected Indicators

City of Calgary

FORECAST COMPLETED: June, 2009

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Municipal price Index (as of June, 2009)											5.5

DEMOGRAPHY

Total Population ('000 Persons)	819	842	861	877	905	922	933	956	992	1,020	1,043
Total Population Growth (%)	3.7	2.8	2.2	1.8	3.2	1.9	1.2	2.4	3.7	2.9	2.2
Net Migration ('000 Persons)	21.7	15.6	11.3	8.0	21.0	9.0	2.3	13.7	25.6	17.6	16.8

REAL ESTATE

Residential Market

Total Housing Stock ('000 Units) (as of April)	316	325	340	349	360	372	384	396	408	420	432
Total Housing Starts ('000 Units) (as of December)	10.7	9.3	9.6	9.9	12.4	11.9	12.2	12.0	14.1	10.9	9.6
New House Price Inflation (%)	10.7	9.3	9.6	9.9	5.3	5.6	5.6	6.9	43.6	16.2	0.8
Total Building Permits (\$billions)	2.3	1.7	2.1	2.0	2.3	2.4	2.4	3.6	4.9	5.6	4.2
<i>Low Forecast</i>											
<i>High Forecast</i>											

Numbers may not add up due to rounding

UPDATED BY CORPORATE ECONOMICS, June 2009

Forecast tables

FORECAST COMPLETED: June, 2009	BASE FORECAST										
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Municipal price Index (as of June, 2009)	2.8	4.5	3.5	NA	NA						
DEMOGRAPHY											
Total Population ('000 Persons)	1,066	1,089	1,111	1,132	1,152						
Total Population Growth (%)	2.2	2.1	2.0	1.9	1.8						
Net Migration ('000 Persons)	14.6	12.6	12.2	10.7							
REAL ESTATE											
Residential Market											
Total Housing Stock ('000 Units) (as of April)	432	436	443	451	460	469	478	486	493	500	507
Total Housing Starts ('000 Units) (as of December)	3.5	4.0	10.0	10.0	9.0	9.0	8.5	8.5	8.5	8.5	8.5
New House Price Inflation (%)	-3.0	2.0	2.0	2.0	2.0						
Total Building Permits (\$billions)	2.5	2.5	3.3	3.3	3.3						
<i>Low Forecast</i>	<i>2.0</i>	<i>2.0</i>	<i>3.0</i>	<i>3.0</i>	<i>3.0</i>						
<i>High Forecast</i>	<i>3.0</i>	<i>3.0</i>	<i>3.5</i>	<i>3.5</i>	<i>3.5</i>						
Numbers may not add up due to rounding	UPDATED BY CORPORATE ECONOMICS, June 2009										

Table 3 - Selected Commodity Prices

City of Calgary

FORECAST COMPLETED: June, 2009

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
CONSTRUCTION COMMODITIES											
Iron and steel products	-20.0	-7.0	0.6	-5.9	23.2	21.0	22.0	3.9	29.9	2.0	13.0
Aluminium products	-0.9	0.8	22.2	5.4	-8.0	8.2	8.5	29.3	1.9	8.1	26.4
Wood	1.1	1.5	2.2	6.6	5.9	4.5	3.5	3.2	3.5	7.9	4.6
Asphalt**					-1.8	10.5	-7.9	2.9	42.2	13.3	49.8

OPERATIONAL COMMODITIES

Rubber	-20.0	-7.0	0.6	-5.9	23.2	21.0	22.0	3.9	29.9	2.0	13.0
Diesel Oil	-0.9	0.8	22.2	5.4	-8.0	8.2	8.5	29.3	1.9	8.1	26.4
Vehicle Parts	1.1	1.5	2.2	6.6	5.9	4.5	3.5	3.2	3.5	7.9	4.6

Numbers may not add up due to rounding

UPDATED BY CORPORATE ECONOMICS, June 2009

** Based on Ontario Ministry of Transportation Asphalt Price Index

Forecast tables

FORECAST COMPLETED: June, 2009	BASE FORECAST										
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
CONSTRUCTION COMMODITIES											
Iron and steel products	-1.9	-5.8	3.4	2.5	2.8	8.7	-2.4	1.5	1.2	-3.2	2.2
Aluminium products	-29.4	0.0	2.4	10.5	15.7	15.6	-13.7	7.6	-4.7	-0.3	5.1
Wood	0.3	10.6	35.8	-2.1	-5.5	0.9	-0.5	1.6	-0.8	-5.7	-2.1
Asphalt**	-39.5	14.2	19.8	4.7	4.4	5.8	5.5	5.2	4.9	9.4	12.9
OPERATIONAL COMMODITIES											
Rubber	-35.4	9.1	3.9	11.8	8.7	4.7	4.5	4.3	4.1	7.9	11.0
Diesel Oil	-37.2	-8.4	-1.8	2.8	3.9	4.9	4.7	4.5	4.3	8.2	11.4
Vehicle Parts	4.2	-0.6	1.9	2.9	4.1	6.8	7.5	3.4	1.9	2.7	6.6
Numbers may not add up due to rounding	UPDATED BY CORPORATE ECONOMICS, June 2009										
** Based on Ontario Ministry of Transportation Asphalt Price Index											

Table 4 - Calgary Gross Domestic Product by Major Industry Group

FORECAST COMPLETED: June, 2009

Calgary GDP by Major Industry	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
All Industries	39.1	39.9	43.3	44.0	45.2	45.9	47.9	50.3	55.8	64.0	70.1
Agriculture	0.22	0.19	0.21	0.22	0.14	0.21	0.27	0.27	0.24	0.37	0.94
Forestry, Fishing, Mining, Oil and Gas	7.83	7.29	6.87	6.94	7.10	6.16	6.94	6.90	8.39	9.95	10.14
Utilities	0.88	0.94	0.91	1.08	1.33	1.16	0.68	0.82	1.24	1.69	1.18
Construction	2.95	2.75	3.67	3.60	3.64	3.73	4.03	4.67	5.68	6.60	8.06
Manufacturing	4.42	3.71	5.36	4.74	4.29	4.42	4.55	4.68	5.28	5.53	6.05
Wholesale Trade	1.68	2.07	2.11	1.95	2.07	2.36	2.36	2.80	2.72	3.54	3.51
Retail Trade	1.61	1.74	1.69	1.97	2.20	2.22	2.49	2.53	2.97	3.02	3.46
Transportation and Warehousing	2.86	3.15	2.88	2.79	3.01	2.85	2.89	2.91	2.46	2.75	2.64
Finance, Insurance, Real Estate and Leasing	6.33	7.21	7.99	7.93	8.50	9.32	9.54	10.28	11.25	13.24	15.46
Professional, Scientific and Technical Services	2.44	2.54	2.90	3.44	3.31	3.35	3.68	3.84	4.10	4.37	5.13
Business, Building and Other Support Services	0.71	0.96	0.89	0.96	1.01	0.97	1.16	1.07	1.24	1.56	1.49
Educational Services	1.43	1.35	1.52	1.35	1.47	1.55	1.47	1.72	1.95	1.84	1.82
Health Care and Social Assistance	1.33	1.38	1.65	1.73	1.79	1.98	1.89	2.11	2.23	2.61	2.65
Information, Culture and Recreation	1.27	1.45	1.57	1.93	1.85	2.14	2.06	1.99	2.21	2.51	2.45
Accommodation and Food Services	0.99	1.00	1.03	1.06	1.01	1.05	1.19	1.10	1.36	1.29	1.46
Other Services	0.75	0.69	0.72	0.98	1.05	1.09	1.20	1.09	1.06	1.39	1.44
Public Administration	1.42	1.46	1.36	1.33	1.40	1.31	1.53	1.51	1.38	1.77	2.19
Real GDP (2002 base year)	44.22	43.91	46.05	45.64	45.17	44.34	54.89	56.45	59.87	65.45	69.37
Real GDP Growth (%)	2.8	-0.7	4.9	-0.9	-1.0	-1.9	4.5	2.8	6.1	9.3	6.0

Numbers may not add up due to rounding

UPDATED BY CORPORATE ECONOMICS, June 2009

Forecast tables

FORECAST COMPLETED: June, 2009	BASE FORECAST										
Calgary GDP by Major Industry	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
All Industries	68.0	69.8	73.6	78.0	82.8	87.8	92.6	98.2	104.1	110.3	116.9
Agriculture	0.50	0.49	0.52	0.54	0.58	0.61	0.64	0.67	0.70	0.74	0.76
Forestry, Fishing, Mining, Oil and Gas	8.95	9.08	9.01	9.25	9.56	9.63	9.79	9.77	10.02	10.23	10.36
Utilities	2.00	2.23	2.49	2.81	3.17	3.39	3.61	3.74	4.01	4.30	4.57
Construction	8.30	8.51	9.17	9.85	10.58	11.31	11.97	12.68	13.45	14.23	14.96
Manufacturing	5.23	5.33	5.76	6.24	6.72	7.22	7.68	8.17	8.70	9.23	9.73
Wholesale Trade	2.73	3.21	3.40	3.61	3.90	4.22	4.53	4.87	5.26	5.66	6.05
Retail Trade	3.27	3.34	3.54	3.76	4.03	4.33	4.62	4.93	5.28	5.65	6.00
Transportation and Warehousing	2.62	2.44	2.48	2.61	2.84	3.13	3.42	3.74	4.10	4.53	4.97
Finance, Insurance, Real Estate and Leasing	15.36	15.15	16.18	17.14	18.61	20.12	21.57	23.10	24.74	26.30	27.78
Professional, Scientific and Technical Services	5.40	5.87	6.20	6.46	6.77	7.40	7.80	8.17	8.86	9.55	9.77
Business, Building and Other Support Services	1.55	1.61	1.72	1.83	1.95	2.10	2.24	2.39	2.56	2.74	2.91
Educational Services	2.31	2.33	2.40	2.46	2.56	2.71	2.81	2.90	3.05	3.20	3.26
Health Care and Social Assistance	2.76	2.85	3.10	3.40	3.79	4.25	4.72	5.24	5.81	6.44	7.07
Information, Culture and Recreation	3.13	3.21	3.38	3.56	3.80	4.09	4.37	4.68	5.03	5.40	5.76
Accommodation and Food Services	1.52	1.61	1.68	1.76	1.84	1.98	2.07	2.15	2.30	2.45	2.50
Other Services	1.52	1.72	1.73	1.75	1.80	1.96	2.07	2.15	2.38	2.60	2.66
Public Administration	1.96	1.97	2.05	2.13	2.24	2.36	2.47	2.59	2.73	2.87	3.00
Real GDP (2002 base year)	67.96	68.77	71.13	73.49	75.77	77.98	80.26	82.60	85.00	87.48	90.03
Real GDP Growth (%)	-2.0	1.2	3.4	3.3	3.1	2.9	2.9	2.9	2.9	2.9	2.9
Numbers may not add up due to rounding	UPDATED BY CORPORATE ECONOMICS, June 2009										

Table 5 - Calgary Employment by Major Industry Group

FORECAST COMPLETED: June, 2009

Calgary Employment by Major Industry	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
All Industries	532.6	549.1	575.8	598.2	611	622.9	642.7	649.3	700.1	735.4	755.5
Agriculture	6.2	4.6	4.3	4.5	3.7	4.7	5.5	4.3	3.8	5.7	13.9
Forestry, Fishing, Mining, Oil and Gas	33.1	27.3	27.5	35.5	34.6	30.8	36.7	41.5	53.3	59.4	55.9
Utilities	2.8	3.2	3.9	5.2	8.0	5.9	3.3	3.7	6.8	8.7	5.7
Construction	38.9	40.5	49.4	46.6	50.1	53.3	56.6	56.5	61.7	66.5	75.3
Manufacturing	50.5	45.4	57.7	54.6	53	55.5	53.4	46.6	50.5	50.9	52.7
Wholesale Trade	16.4	24.6	25.1	23.1	21.8	26.4	23.7	25.7	24.3	30.9	29.6
Retail Trade	58.4	62	59.5	63	67.3	66.2	74.6	71.7	75.1	72.4	78.6
Transportation and Warehousing	34.8	39.9	39.4	40	42.7	39.3	38.6	46.3	41.2	43.4	37.0
Finance, Insurance, Real Estate and Leasing	28	33	34	33	34	36	38.2	41.3	42.2	45.6	49.9
Professional, Scientific and Technical Services	48	52.7	59.8	72	66	62	66.3	71.7	80.5	79.8	89.9
Business, Building and Other Support Services	20.7	28.5	23.4	20.8	23.2	24.2	28.5	24.4	26.1	30.8	27.6
Educational Services	32.9	32.4	34.2	31.7	33.8	34.7	32.2	39.9	47.5	42.6	38.8
Health Care and Social Assistance	43.8	44.2	50.4	49.5	51.2	55.4	52.6	59.9	63.5	67.3	67.7
Information, Culture and Recreation	29.2	29.0	27.4	33.8	32.4	37.1	34.1	31.4	32.2	34.3	32.1
Accommodation and Food Services	38.2	37.7	39.2	39.2	38.8	41.5	46.5	36.9	43.7	38.6	41.2
Other Services	25.8	21.6	21.3	26.4	28.9	28.4	29.9	26.9	26.2	32.6	32.6
Public Administration	22.5	20.1	17.4	17.2	17.3	17.3	19.3	17.9	18.7	22.6	25.9
Net Change in Employment	35.4	16.5	26.7	22.4	12.8	11.9	19.8	6.6	50.8	35.3	20.1

Numbers may not add up due to rounding

UPDATED BY CORPORATE ECONOMICS, June 2009

Forecast tables

FORECAST COMPLETED: June, 2009	BASE FORECAST										
Calgary Employment by Major Industry	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
All Industries	745	755	770	790	810	825	840	855	870	885	900
Agriculture	14.1	15.1	15.7	15.7	15.6	15.2	14.9	14.6	14.2	13.9	13.7
Forestry, Fishing, Mining, Oil and Gas	46.9	47.5	48.4	48.8	49.3	48.8	48.6	48.6	48.2	47.2	46.7
Utilities	8.9	10.3	11.1	11.9	12.6	12.7	12.9	12.9	13.2	13.5	13.9
Construction	67.5	62.3	68.1	80.1	90.1	95.7	100.0	103.9	106.1	108.0	110.9
Manufacturing	46.3	45.6	48.4	49.5	51.0	51.3	52.2	53.5	53.9	54.5	55.9
Wholesale Trade	21.0	28.6	29.4	30.1	30.8	31.4	32.3	33.7	34.7	35.9	37.7
Retail Trade	78.8	79.6	81.1	81.9	83.1	83.4	84.5	86.4	87.4	88.5	91.1
Transportation and Warehousing	42.4	42.3	42.1	42.5	44.0	45.2	46.9	48.8	50.0	52.1	54.9
Finance, Insurance, Real Estate and Leasing	50.7	49.3	50.6	51.2	52.7	53.4	54.5	56.0	56.7	57.3	58.7
Professional, Scientific and Technical Services	83.2	89.5	93.7	95.3	96.4	101.0	103.2	104.9	109.4	113.9	113.7
Business, Building and Other Support Services	31.9	33.6	34.6	35.2	35.6	36.0	36.5	37.6	38.2	38.9	40.3
Educational Services	48.0	47.5	47.4	46.9	46.8	46.9	46.7	46.5	46.7	46.8	46.4
Health Care and Social Assistance	65.3	55.2	57.0	57.7	59.8	60.5	61.8	63.1	62.9	63.5	64.7
Information, Culture and Recreation	37.4	40.8	38.9	40.5	40.3	40.6	41.9	42.2	43.3	44.0	45.7
Accommodation and Food Services	42.3	45.9	46.3	46.3	46.1	46.6	46.6	46.3	47.3	48.2	47.4
Other Services	33.8	37.2	35.7	34.5	33.6	34.7	34.8	34.5	36.3	37.8	37.1
Public Administration	26.7	24.9	21.7	22.1	22.2	21.8	21.7	21.7	21.6	21.4	21.5
Net Change in Employment	-10.5	10.0	15.0	20.0	20.0	15.0	15.0	15.0	15.0	15.0	15.0
Numbers may not add up due to rounding	UPDATED BY CORPORATE ECONOMICS, June 2009										

Alberta Oilsand Projects

