

Calgary & Area Labour Market Report Fourth Quarter 2008

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Disclaimer

Alberta Employment and Immigration has made every effort to ensure that the information contained in this report is reliable, but makes no guarantee of its accuracy or completeness. The user of any information in this report accepts full responsibility and risk of loss resulting from decisions made by the user.

INTRODUCTION

Alberta Employment and Immigration provides career and labour market information products and resources, with both a provincial and local/regional focus, in order that Albertans have the skills, supports and information they need to succeed in the labour market.

This report provides labour market information and analysis for use by Albertans in learning about the labour market and career planning; by employers and industry for use in understanding and addressing labour market issues; and by the Alberta Employment and Immigration Calgary Region for use in strategic planning for programs and services.

ORGANIZATION OF THE REPORT

This report contains the following information:

- ❖ **Economic Overview** – The Calgary region’s economy is influenced by global economic conditions, and by economic drivers in the Canadian economy and elsewhere in Alberta. This section provides information on economic activity in the fourth quarter of 2008, as well as outlooks (where available) for the global, U.S., Canada, Alberta and Calgary region economies.
- ❖ **Trends in the Labour Market** – This section examines labour market information for Canada, Alberta and the Calgary Census Metropolitan Area (CMA). The information provided in this section is based upon Statistics Canada’s Labour Force Survey.
- ❖ **Community Profiles** – This section highlights some of the happenings in the fourth quarter of 2008 in the communities surrounding Calgary, along with a more detailed profile of the Town of Banff.
- ❖ **Calgary and Area Employer Survey** – This section highlights findings from a survey conducted in the fourth quarter of 2008 of Calgary and area companies with < 10 employees. Results of this survey are compared to the results of a survey conducted in the first quarter of 2008 (companies with 100+ employees) second quarter of 2008 (companies with 50 – 99 employees), and third quarter of 2008 (10 – 49 employees). Year to date survey results are also presented.
- ❖ **Labour Market Information Review** – The Calgary & Area Labour Market News, published monthly, provides current labour market information and analysis geared toward job seekers. The Calgary & Area Employer Labour Market News, published bi-monthly, is geared toward employers, business and industry. This section highlights the content in the October, November and December 2008 issues.

EXECUTIVE SUMMARY

The Economy

Global and U.S. Economies

The instability in financial markets continues to present serious downside risks and uncertainty for the global economy. Many advanced countries are close to moving into recession, while growth in emerging economies is slowing down. The International Monetary Fund (IMF) revised its October 2008 World Economic Outlook (WEO) projections down in November 2008, as consumer confidence is falling and the financial sector is continuing to deteriorate. Global economic growth is now expected to slow from 5.0 per cent in 2007 to 3.7 per cent in 2008 and to 2.2 per cent in 2009.

- Economic activity in the advanced economies is forecast to contract by 0.3 per cent on an annual basis in 2009, the first such fall in the post-war period.
- Emerging and developing economies are still expected to grow, although at a slower pace. The growth in these emerging economies is expected to decelerate to 6.6 per cent in 2008 from 8.0 per cent in 2007, while growth in 2009 is expected to be 5.1 per cent, down 1 percentage point from the IMF's October 2008 projections.
- The outlook for European countries is generally pessimistic mostly due to slowdowns in the United Kingdom, Germany and France.
- Asian economies will also share in the economic pain caused by the global financial crisis as their economy is linked to the U.S. economy through global supply chains.
- In the United States, the federal government's intervention in the economy until now was not enough to calm the financial markets. In spite of these interventions, U.S. gross domestic product (GDP) has decreased by 0.5 per cent in the third quarter of 2008 after increasing by 2.8 per cent in the second quarter of 2008.
- The deteriorating job market, rising food and commodity prices, and tight credit markets all contribute to weaker consumer spending in the U.S. The Conference Board of Canada expects consumer spending in the U.S. to increase at a rate lower than 1 per cent in the last quarter of 2008 and 0.8 per cent in 2009.
- Employment in the U.S. has declined in all industries except education and health services and government in the first nine months of 2008. According to U.S. Bureau of Labor Statistics, payroll employment has fallen by 1.9 million over the last four months of 2008.
- In all of 2008, 2.6 million people in the U.S. lost their jobs, the largest employment decrease since 1945, when 2.75 million Americans lost their jobs. According to the U.S. Conference Board, another 2 million jobs could be lost in 2009.

Canadian Economy

The Canadian economy grew at an annualized rate of 1.3 per cent in the third quarter of 2008, following a 0.6 per cent increase in the second quarter, and a 0.6 per cent decline in the first quarter of 2008. The most recent forecasts for growth of real GDP in Canada range between -1.4 per cent and 0.0 per cent in 2009, and 1.9 per cent and 3.8 per cent in 2010.

- According to the Winter Business Outlook Survey conducted by the Bank of Canada between November 14 and December 12, 2008, business sentiment in Canada has deteriorated significantly from the Autumn 2008 survey, with almost all indicators at their lowest level since the survey began in 1997.
- The Canadian dollar continued to weaken during the fourth quarter of 2008, averaging 82.5 cents US, down from an average of 96.0 cents US during the third quarter of 2008. Continued declines in crude oil and other commodity values, the global economic downturn, along with poor employment data were the main reasons for the weakness.
- In Canada, the all-items Consumer Price Index (CPI) eased to 2.0 per cent year over year in November 2008, down from the year over year change of 2.6 per cent in October 2008. Inflation has been on the decline since August 2008, when the 12-month rate of growth in consumer prices reached 3.5 per cent.
- The Bank of Canada lowered its target for the overnight rate three times in the fourth quarter of 2008, (from 3.0 per cent to 2.5 per cent on October 8, 2008, to 2.25 per cent on October 21, 2008, and to 1.5 per cent on December 9, 2008) indicating that more action would be taken amid slowing growth and inflation. The Bank's next scheduled date for announcing any changes to the overnight rate is January 20, 2009.
- Canada's population increased by 129,900 between July 1, 2008 and October 1, 2008, reaching an estimated total of 33,441,300.

Alberta Economy

Three of five major banks in Canada are forecasting real GDP will contract in Alberta in 2009. The most recent forecasts for growth of real GDP in Alberta range between -1.8 per cent and +2.1 per cent in 2009, and +1.8 per cent and +2.9 per cent in 2010.

- The price of West Texas Intermediate (WTI) crude oil averaged \$58.73 U.S. per barrel in the fourth quarter of 2008 – down 50 per cent from an average of \$117.98 U.S. per barrel in the third quarter of 2008, and down 35 per cent from an average of \$90.68 U.S. per barrel year over year. According to the Energy Information Administration (EIA) Short Term Energy Outlook, WTI crude oil prices are projected to average \$51 U.S. per barrel in 2009.
- Natural gas prices averaged \$6.47 C\$ per GJ in October 2008, unchanged from the previous month, but up from \$4.96 in October 2007. As with oil prices, natural gas prices have been steadily declining since July 2008, when they averaged \$9.84 C\$ per GJ.
- Alberta posted a year over year inflation rate of 2.1 per cent in November 2008, a slower rate of growth than the 2.4 per cent recorded in October 2008, and its lowest level since June 2005.
- From January to November 2008, housing starts in Alberta totaled 24,015, a 34 per cent decrease from the first eleven months of 2007. Total housing starts in Alberta are forecast to reach 29,750 units in 2008, a 39 per cent decline from 2007.
- The number of Alberta homes sold through the Multiple Listing Service (MLS) declined 35 per cent year over year in November 2008, while average resale prices fell 4.2 per cent year over year to \$338,354. MLS sales in Alberta are forecast to decline 17 per cent to 59,500 in 2008 but increase 2.5 per cent to 61,000 in 2009. MLS residential average prices are forecast to decrease 0.8 per cent to \$353,500 in 2008, but increase 0.7 per cent to \$356,000 in 2009.

- Investment in non-residential building construction in Alberta reached \$2.69 billion in the fourth quarter of 2008, a 0.7 per cent increase from the previous quarter, and a 12.8 per cent increase year over year.
- In October 2008, retail sales in Alberta increased 2.2 per cent year over year to \$5.19 billion. Wholesale sales in Alberta increased a solid 15.7 per cent year over year to \$6.08 billion in October 2008.
- The average weekly earnings of Alberta payroll employees increased 4.3 per cent year over year in October 2008 to \$888.73, more than 10 per cent above the national average of \$801.24.
- In the third quarter of 2008, business and personal bankruptcies totaled 1,604 in Alberta, a 29 per cent increase from the same period in 2007.
- Alberta's population increased by 25,640 (0.72 per cent) between July 1, 2008 and October 1, 2008, reaching an estimated total of 3,610,782. Net international migration accounted for most of the population growth (12,968), followed by net natural increase (7,745) and net interprovincial migration (4,927).

Calgary Region Economy

According to the most recent ATB Financial Business Sentiments Index, the Index fell just below 100 for the first time, indicating companies are expecting little change in the first quarter of 2009 in terms of expansion or contraction. Business sentiment in northern Alberta, including Edmonton and Red Deer remained higher than for Calgary and southern Alberta for the first quarter of 2009.

- Consumer prices in the Calgary CMA rose by 2.4 per cent year over year in November 2008, a slower rate of growth than the 2.6 per cent increase the previous month, and 4.3 per cent increase in November 2007. The Consumer Price Index (CPI) is forecast to trend lower in the Calgary CMA in the months ahead, as a result of reduced shelter costs and lower gasoline prices.
- Year to date, to the end of November, total housing starts in the Calgary CMA have decreased 14.5 per cent from 12,904 units in 2007 to 11,035 units in 2008. Single-detached starts have decreased 44 per cent year to date, while multi-family starts have increased 26 per cent year to date.
- The Calgary CMA posted a 2.5 per cent year over year drop in new home prices in November 2008, the lowest annual price change since November 1991.
- For 2008, single-family home sales were down 27 per cent year over year in Calgary (from 18,438 in 2007 to 13,455 in 2008) and the median price of a single-family home was down 2.9 per cent (from \$421,000 in 2007 to \$409,000 in 2008).
- The average rent for a two-bedroom apartment in the Calgary CMA increased 5.4 per cent, from \$1,089 per month in October 2007 to \$1,148 per month in October 2008. Nationally, the Calgary CMA had the highest average monthly rents for two-bedroom apartments, followed by Vancouver (\$1,123), Toronto (\$1,095) and Edmonton (\$1,034).
- Building intentions in the Calgary CMA were strong near the end of 2008, despite the uncertain economic times. The total value of building permits in the Calgary CMA in November 2008 increased 45 per cent to \$458.5 million, compared to the previous month. This was the second consecutive month the value of permits increased in the Calgary CMA and was the result of increases in the institutional sector, as well as higher multi-family permits.

- There were a total of 40 office buildings under construction in Calgary in the third quarter of 2008. Nine are under construction in Downtown Calgary, representing 6 million square feet, 5 are under construction in the Beltline area, representing 808,000 square feet, 5 are under construction in North Calgary, representing 542,000 square feet, and 19 are under construction in South Calgary, representing 1.9 million square feet.
- As of December 2008, Alberta Employment and Immigration estimates that over \$31 billion in major capital projects are either proposed, announced or under construction in Calgary. This represents over 230 projects.

Trends in the Labour Market

Canada

Employment in Canada was estimated at 17,157,300 in the fourth quarter of 2008, an increase of 27,300 from the third quarter of 2008. Over the same period, the number of unemployed increased by 58,000, more than double the increase in employment. Year-over-year, employment increased by 150,500, or 1.0 per cent in the fourth quarter of 2008.

- The seasonally adjusted unemployment rate in the fourth quarter of 2008 averaged 6.4 per cent in Canada, up from 6.1 per cent in the third quarter of 2008, and up from 5.9 per cent year over year. TD Bank Financial Group is forecasting Canada's unemployment rate will be over 8 per cent by the end of 2009, and projects employment losses of 250,000 in 2009.
- Full-time employment was up an estimated 14,500 in the fourth quarter of 2008, compared to the previous quarter, while part-time employment was up by 12,700. December 2008 brought a huge loss in full-time employment. Year over year, part-time employment grew at more than four times the pace (2.6 per cent) of full-time employment (0.6 per cent) in the fourth quarter of 2008.
- Year over year, employment declines were experienced by six industries in the fourth quarter of 2008: agriculture (-5.8 per cent), business, building and other support services (-5.4 per cent), information, culture and recreation (-4.9 per cent), manufacturing (-2.4 per cent), trade (-0.9 per cent), and educational services (-0.1 per cent).
- Employment growth occurred year over year in the fourth quarter of 2008 in a number of industries, including construction (7.9 per cent), professional, scientific and technical services (4.8 per cent), public administration (4.2 per cent), utilities (4.2 per cent), and health care and social assistance (3.6 per cent).

Alberta

Employment in Alberta was estimated at 2,030,900 in the fourth quarter of 2008, an increase of 17,100 from the third quarter of 2008. Year over year, employment increased by 50,100, or 2.5 per cent in the fourth quarter of 2008.

- Alberta's seasonally adjusted unemployment rate averaged 3.8 per cent in the fourth quarter of 2008, up from 3.7 per cent the previous quarter, and 3.4 per cent year over year.
- Full-time employment in Alberta was up an estimated 28,700 in the fourth quarter of 2008, compared to the previous year, while part-time employment was up 22,800. Year over year, part-time employment in Alberta grew at more than four times the pace (7.0 per cent) of full-time employment (1.7 per cent) in the fourth quarter of 2008.

- On a year over year basis, the majority of industries in Alberta experienced employment declines in the fourth quarter of 2008. The most significant decreases were seen in business, building and other support services (-16.2 per cent), forestry and logging (-15.2 per cent), utilities (-12.8 per cent), and public administration (-7.8 per cent).
- Interestingly, Alberta saw employment increases year over year in the fourth quarter of 2008 in agriculture (+9.5 per cent), manufacturing (+10.2 per cent), trade (+7.9 per cent), and educational services (+12.0 per cent) while on a national basis there was a decline in employment in these industries.
- There was year over year employment growth across most of the occupations in Alberta in the fourth quarter of 2008. The most significant increases occurred in occupations unique to processing, manufacturing and utilities (18.6 per cent), art, culture, recreation and sport occupations (8.8 per cent), natural and applied sciences and related occupations (6.7 per cent) and sales and service occupations (4.8 per cent).

Calgary CMA

Total employment in the Calgary CMA was estimated at 715,900 in the fourth quarter of 2008, an increase of 11,500 from the previous quarter. Year over year, employment in the Calgary CMA increased by 31,100, or 4.5 per cent in the fourth quarter of 2008, a significantly higher rate of growth compared to the 2.0 per cent increase (+13,600) recorded in the fourth quarter of 2007.

- The portion of the adult population (aged 15+) in the Calgary CMA who are willing to work, are working, or are actively looking for work is significantly higher than for Canada as a whole. The Calgary CMA's participation rate increased 2.4 per cent year over year to 78.1 per cent in the fourth quarter of 2008. This compares to Canada's participation rate of 67.7 per cent during the same time period.
- The unemployment rate in the Calgary CMA averaged 3.8 per cent in the fourth quarter of 2008, up from 3.5 per cent in the third quarter of 2008, and 3.0 per cent year over year.

Community Profiles

Town of Banff

The Town of Banff, located 130 km west of Calgary, is a unique municipal entity, tasked with providing services and infrastructure to enhance the quality of life of its residents, as well as to meet the various needs of approximately 3 million visitors that enjoy the town annually.

- In November 2007, the Town of Banff released the results of its Community Satisfaction Survey, a survey designed to assess resident satisfaction with the facilities, programs and services being offered in Banff. Overall, 89.8 per cent of respondents rated their quality of life as good or very good. This was a 3.2 per cent improvement from when the survey was conducted in 2004.
- According to the 2007 Banff Municipal Census, the Town of Banff's population has grown from 8,352 in 2005 to 8,721 in 2007, representing a growth of over 4 per cent. Banff's permanent population has grown from 6,959 in 2005 to 7,437 (+7 per cent), while its non-permanent population has grown from 1,025 to 1,284 (+25 per cent).
- On average, the population of Banff is quite a bit younger when compared to the Calgary CMA, as is common with most resort communities. According to the 2006 Federal census, the median age of residents in Banff is 32.1, whereas the median age of residents in the Calgary CMA is 35.7.

- Fifty-seven per cent of Banff's population 15 years of age and over reported having attained a post-secondary certificate, diploma, or degree according to the 2006 Federal census. Of the 57 per cent of the population with a post-secondary education, 22.2 per cent have a college or other non-university certificate or diploma, 21.1 per cent have a university certificate or degree, 8.2 per cent have an apprenticeship/trades certificate or diploma, and 5.8 per cent have a university certificate or diploma below the bachelor level.
- The 2007 Municipal Census reported that 6,200 of Banff's population were employed full-time in 2007, representing a 10 per cent increase from 2005. Another 4.7 per cent were working part-time while 4.2 per cent were seasonally employed in 2007. Tourism and hospitality are the primary employment sectors in Banff, with over 50 per cent of the population employed in accommodation, food and beverage, retail and wholesale, guiding and ski area services.

Other Communities in the Calgary Region

Alberta Employment and Immigration's Calgary Region includes the following communities surrounding the city of Calgary: Airdrie, Banff, Beiseker, Black Diamond, Canmore, Chestermere, Cochrane, Crossfield, High River, Irricana, Okotoks, and Turner Valley.

- In the first eleven months of 2008, housing starts in the Calgary CMA totaled 11,035 units, a 14.5 per cent decrease from the same period in 2007.
- The total number of resale housing units sold in the towns outside Calgary in December 2008 totaled 113, a 47 per cent decrease from December 2007. From January to December 2008, 3,815 resale housing units were sold, representing a 27 per cent decrease from the same period in 2007.
- Average combined residential sale prices in the towns outside Calgary decreased 18 per cent year over year in December 2008 to \$329,951. From January to December 2008, average residential sale prices in these communities decreased 0.6 per cent to \$375,024 compared to the same period in 2007.
- Over \$5.12 billion in major capital projects are either proposed, announced, or under construction in select communities surrounding Calgary.

Calgary & Area Employer Survey

For each quarter of 2008, a survey was conducted of Calgary and area companies. The purpose of the survey was to gather information from employers on their recruitment and retention practices and various other employment issues they are facing. In the first quarter of 2008, companies with 100 or more employees were surveyed, in the second quarter, companies with 50 – 99 employees were surveyed, in the third quarter, companies with 10 – 49 employees were surveyed, and in the fourth quarter, companies with less than 10 employees were surveyed. The survey was conducted as described above to see if overall, recruitment and retention practices, as well as various employment issues vary depending on the size of the company.

Summary of Q4 2008 Survey Results: Companies with < 10 Employees

- The 208 companies surveyed employ approximately 1,058 people.
- Five per cent of the companies have expanded and 9 per cent have downsized in the last 12 months. Eighty-six per cent of companies have not changed the scope of their operations in the last 12 months.

- One per cent of the companies anticipate a business expansion, 3 per cent anticipate a business downsize, and 2 per cent anticipate a business closure in the next 12 months. No relocations are expected.
- Eight per cent of the companies surveyed currently have vacant positions that need to be filled.
- The companies reporting vacancies have approximately 20 vacant positions.
- Two per cent of the companies surveyed anticipate requiring an additional 6 employees in the next 3 months, not including existing vacant positions.
- Overall, the top resources companies use to find applicants are: word of mouth/employee referrals, newspapers, industry associations, and walk-ins/unsolicited resumes.
- Nine per cent of the companies surveyed had difficulty recruiting qualified employees in the last 12 months.
- One per cent of the companies anticipate having more difficulty, 9 per cent anticipate having less difficulty, and 70 per cent anticipate having about the same amount of difficulty recruiting qualified employees in the next 12 months.
- Overall, 96 per cent of the companies are aware that some groups of workers in the Calgary region, such as persons with disabilities, aboriginal people, immigrants, older workers, youth, and women are traditionally underemployed.
- Three per cent of the companies surveyed have plans to directly target some underemployed groups in the next 12 months.
- Overall, 1 per cent of the companies surveyed currently employ temporary foreign workers.
- Ninety-four per cent of the companies surveyed anticipate they will not be applying for or hiring temporary foreign workers in the next 12 months, while an additional 6 per cent are unsure.
- Fifty-three per cent of the companies surveyed reported employees have left their company in the past 12 months as a result of voluntary turnover.
- Approximately 209 employees have voluntarily left the companies in the past 12 months. Overall, approximately one in five workers have left their employer for other work in the past year (20 per cent turnover rate).
- Sixty-three per cent of the companies surveyed anticipate employee turnover will be about the same in the next 12 months, 2 per cent anticipate it will be lower, and 35 per cent are unsure.
- The top strategies companies are using to retain employees are: positive work environment, competitive salary, and excellent management/supervision.
- One per cent of the companies surveyed anticipate their companies will be focusing more on employee retention in the next 12 months, 2 per cent will be focusing less, and 54 per cent will be focusing about the same.
- Overall, 48 per cent of the companies surveyed said flexible work arrangements are available to employees to accommodate work/life balance needs, 29 per cent said flexible work arrangements are not available, and 23 per cent were unsure.
- Of the 101 companies (48 per cent) that said they have flexible work arrangements available to their employees, part-time was the most common response, followed by flexible start/finish times and working from home.

Comparative Analysis and Year to Date Survey Results

This section compares the results from the Q4 2008 survey (companies with < 10 employees) with results from the Q1 2008 survey (companies with 100+ employees), the Q2 2008 survey (companies with 50 – 99 employees), and the Q3 2008 survey (companies with 10 – 49 employees). Year to date survey results are also presented.

Labour Market Information Review

Labour Market News Highlights

The Calgary & Area Labour Market News, published monthly, provides current labour market information and analysis geared toward job seekers. The full articles are available on the Alberta Employment and Immigration website at <http://www.employment.gov.ab.ca/cps/rde/xchg/hre/hs.xsl/2396.html>

Employer Labour Market News Highlights

The Calgary & Area Employer Labour Market News, published bi-monthly, is geared toward employers, business and industry. The full articles are available on the Alberta Employment and Immigration website at <http://www.employment.gov.ab.ca/cps/rde/xchg/hre/hs.xsl/2397.html>

Job Ad Analysis

The Job Bank, Calgary Herald Classifieds, and Monster.ca were analyzed in the fourth quarter of 2008.

THE ECONOMY

The Calgary region's economy is affected by global economic activity, economic conditions in the U.S., and economic drivers in the Canadian economy and elsewhere in Alberta.

GLOBAL AND U.S. ECONOMIES

The instability in financial markets continues to present serious downside risks and uncertainty for the global economy. Many advanced countries are close to moving into recession, while growth in emerging economies is slowing down. Net-exporter countries are expected to be the most affected, as commodity prices continue to fall. However, inflationary pressures on fuel and food prices will ease as the global demand weakens. In the absence of any disturbances to the supply over the near term, commodity prices are expected to stay stable through 2009.¹

The International Monetary Fund (IMF) revised its October 2008 World Economic Outlook (WEO) projections down in November 2008, as consumer confidence is falling and the financial sector is continuing to deteriorate. Global economic growth is now expected to slow from 5.0 per cent in 2007 to 3.7 per cent in 2008 and to 2.2 per cent in 2009.

The IMF predicts that economic activity in the advanced economies will contract by 0.3 per cent on an annual basis in 2009, the first such fall in the post-war period.² Emerging and developing economies are still expected to grow, although at a slower pace. The growth in these emerging economies is expected to decelerate to 6.6 per cent in 2008 from 8.0 per cent in 2007, while growth in 2009 is expected to be 5.1 per cent, down 1 percentage point from the October WEO projections.

Table 1: World Economic Outlook Projections (percent change year over year)

	2007	Projections	
		2008	2009
World Output	5.0%	3.7%	2.2%
Advanced Economies	2.6%	1.4%	-0.3%
United States	2.0%	1.4%	-0.7%
Germany	2.5%	1.7%	-0.8%
France	2.2%	0.8%	-0.5%
Italy	1.5%	-0.2%	-0.6%
Spain	3.4%	1.4%	-0.7%
Japan	2.1%	0.5%	-0.2%
UK	3.0%	0.8%	-1.3%
Canada	2.7%	0.6%	0.3%
Emerging and Developing Countries	8.0%	6.6%	5.1%

Source: IMF, World Economic Outlook Update, November 2008

The outlook for European countries is generally pessimistic mostly due to slowdowns in the United Kingdom, Germany and France. The business and financial services sector plays an important role in the UK's economy, and that's why higher borrowing costs, increasing house prices and lower consumer demand put

¹ The Conference Board of Canada, *World Outlook, Autumn 2008*, p.1

² International Monetary Fund, *World Economic Outlook Update, November 2008*, p.1

the economy in danger of recession. Global financial services firm Barclays recently announced layoffs of at least 2,100 employees, or approximately 7 per cent of its workforce, globally.³ Around 500 of the total jobs lost would be in the United Kingdom. The UK firm Cattles and Japanese financial services group Nomura will also cut a total of 2,000 positions in London. The National Institute of Economic and Social Research has estimated that economic output in the UK fell by 1.5 per cent in the three months ending in December 2008.⁴

According to the Q1 2009 Manpower Employment Outlook Survey, (which surveys over 71,000 employers across 33 countries and territories to measure anticipated employment trends in the first quarter of 2009), employment outlooks declined in 16 of 17 EMEA⁵ countries compared to the previous quarter.

“Notably, employers in 11 countries (out of 17 EMEA countries) report their gloomiest hiring intentions since the surveys began in their countries. And large year-over-year declines in the Construction, Manufacturing and Finance sectors are contributing to the weakest United Kingdom hiring forecast in 15 years.”⁶

Rising mortgage rates and soaring house prices have also affected Ireland’s housing market. In addition to that, Dell Computer, Ireland’s biggest exporter and second-largest company, has recently announced that it will cut 1,900 workers at its manufacturing site in Limerick.⁷ Spain is also facing the same problems as Ireland and the United Kingdom. In the last five years, employment and growth in these countries have been driven largely by booming housing markets. As a result, they are now more vulnerable to the global financial crisis.

Germany, Europe’s largest economy, which is mostly reliant on exports, saw their largest fall in November 2008 since the reunification in 1990.⁸ To uplift the economy, German Chancellor Angela Merkel announced a stimulus packet worth 50bn Euros (\$67 bn) on January 13, 2009.⁹ The stimulus packet will include investment in infrastructure and tax relief, but its positive effect on the economy can be still shaded by falling exports. Germany’s major trading partners, France, Switzerland, Austria and Hungary, will also feel the slowdown as economic activity in Germany weakens. German exports grew by only 3.9 per cent in 2008, down from 7.5 per cent in 2007.¹⁰ The Federal Statistical Office will release official fourth-quarter figures on February 13, 2009, but the preliminary data shows that Germany’s economy grew by just 1.3 per cent in 2008.

Asian economies will also share in the economic pain caused by the global financial crisis as their economy is linked to the U.S. economy through global supply chains. Thanks to improvements in technology, fewer trade barriers and lower transportation costs; instead of producing an entire good in one place, companies now produce what they can produce most efficiently and then buy the rest from the other parts of the world where they are produced most efficiently. Thus, the nature of global supply chains makes it easy for Asian economies to be exposed to the current crisis happening in the U.S. For example, China uses many of the components and intermediate goods that are imported from other Asian countries to produce goods that are exported to the U.S. and European countries. With lower demand from the U.S. and Europe, the integrated economies of Asia will feel the impact of the global slowdown in their economies. Chinese exports have seen a year-over-year decrease of 2.8 per cent (the largest decline since April 1999) in December 2008,

³ BBC, *Barclays planning 2,100 job cuts*, 14 January, 2009. <http://news.bbc.co.uk/2/hi/business/7827184.stm>

⁴ National Institute of Economic and Social Research *Estimates of Monthly GDP*, January 2009.

⁵ Europe, the Middle East and Africa.

⁶ Manpower, *Q1 2009 Manpower Employment Outlook Survey*, p.17.

⁷ BBC, *Dell set to cut 1,900 Irish jobs*, 8 January 2009. <http://news.bbc.co.uk/2/hi/business/7817487.stm>

⁸ BBC, *Germany agrees 50bn stimulus*, 13 January 2009. <http://news.bbc.co.uk/2/hi/business/7825513.stm>

⁹ BBC, *Germany agrees 50bn stimulus*, 13 January 2009. <http://news.bbc.co.uk/2/hi/business/7825513.stm>

¹⁰ BBC, *German growth shrinks during 2008*, 14 January 2009. <http://news.bbc.co.uk/2/hi/business/7828025.stm>

while export-dependent imports decreased by 21.3 per cent.¹¹ If proven true, the World Bank's estimate of 7.5 per cent growth for China in 2009 would be the lowest growth increase recorded since 1990.

Japanese exports to the U.S. have been declining for 11 consecutive months. According to the Japanese research firm Tokyo Shoko, 1,362 companies filed for bankruptcy in December 2008 (a 24.7 per cent increase from December 2007) while a total of 33 publicly traded companies went out of business in 2008, the most in the post-war period.¹² The research also indicated that corporate bankruptcies rose by 11 per cent in 2008, the largest in the last eight years.

Employer hiring confidence has weakened considerably throughout the Asia Pacific region, according to the Manpower Survey. Employers in five of the eight countries surveyed in the Asia Pacific region reported their weakest hiring plans since the surveys were implemented in their countries.

“The decline is most pronounced in Singapore where hiring intentions have undergone a steep decline. Employers in Singapore, as well as those in Taiwan, are reporting their first negative Outlooks since their respective surveys were established.”¹³

The Net Employment Outlook (the percentage of employers anticipating an increase in hiring activity minus the percentage of employers anticipating a decrease in employment in the next quarter) for Singapore for the first quarter of 2009 is -38 per cent, compared to +16 per cent the previous quarter, while the Net Employment Outlook for Taiwan for the first quarter of 2009 is -6 per cent, compared to +17 per cent the previous quarter.¹⁴

Exports account for a fairly large proportion of economic activity in Latin America countries. Lower commodity prices will decrease both the aggregate demand and export revenues in these countries; however this will not push the economy into the crisis thanks to government policies that have put their export revenues into international reserves, stabilization funds and infrastructure programs.¹⁵

In the United States, the federal government's intervention in the economy until now was not enough to calm the financial markets. The intervention started with the takeover of two mortgage finance giants Fannie Mae and Freddie Mac in August 2008. Investment bank Lehman Brothers then announced bankruptcy. Takeover of the global financial services firm Merrill Lynch by Bank of America for \$50 billion and insurance giant American International Group (AIG) by the federal government for \$85 billion were the next to follow. The Treasury Department and the Federal Reserve plan to spend more than \$700 billion to purchase bad mortgage assets, which is going to be the biggest intervention of the government since the Great Depression.

In spite of these interventions, U.S. gross domestic product (GDP) has decreased by 0.5 per cent in the third quarter of 2008 after increasing by 2.8 per cent in the second quarter of 2008.¹⁶ Personal income decreased by 0.2 per cent, while real disposable income (income adjusted for inflation rate and taxes) increased by 1.0 per cent in November 2008. Interestingly, real consumer spending increased by 0.6 per cent in November after decreasing by 0.5 per cent in October 2008.

The deteriorating job market, rising food and commodity prices, and tight credit markets all contribute to weaker consumer spending in the U.S. The Conference Board of Canada expects consumer spending in the U.S. to increase at a rate lower than 1 per cent in the last quarter of 2008 and 0.8 per cent in 2009. Investment in machinery and equipment is also expected to decline due to lower profits, tight credit

¹¹ BBC, *China's exports in record decline*, 13 January 2009. <http://news.bbc.co.uk/2/hi/business/7825573.stm>

¹² BBC, *More firms go bankrupt in Japan*, 13 January 2009. <http://news.bbc.co.uk/2/hi/business/7826009.stm>

¹³ Manpower, *Q1 2009 Manpower Employment Outlook Survey*, p.15.

¹⁴ *Ibid*, p.11.

¹⁵ The Conference Board of Canada, *World Outlook Autumn 2008*, p.5

¹⁶ U.S. Bureau of Economic Analysis, *Highlights of Gross Domestic Product*, 23 December 2008.

conditions and increasing bankruptcies. Real spending on equipment is expected to grow by 2.4 per cent in 2009.¹⁷

“Consumer spending shrank by 3.8% for the sharpest pull-back since 1980, when a global oil crisis tipped the economy toward a prolonged slowdown, while investment in equipment and software slumped 7.5% for the largest decline since 2002.”¹⁸

Employment in the U.S. has declined in all industries except education and health services and government in the first nine months of 2008. According to U.S. Bureau of Labor Statistics, payroll employment has fallen by 1.9 million over the last four months of 2008. December 2008 marked large and widespread job losses across many major industries. The unemployment rate rose from 6.6 per cent in October 2008, to 6.8 per cent in November 2008, to 7.2 per cent in December 2008, averaging 6.9 per cent for the last quarter of 2008. In all of 2008, 2.6 million people in the U.S. lost their jobs, the largest employment decrease since 1945, when 2.75 million Americans lost their jobs. According to the U.S. Conference Board, another 2 million jobs could be lost in 2009.¹⁹

The improving trade balance has been one of the offsetting spots for the U.S. economy. The deficit in international trade has been lowered by almost 50 per cent since 2006 as commodity prices have decreased and the value of the U.S. dollar has depreciated. However, the positive contribution from exports is expected to decrease over the last quarter of 2008 and into 2009 as the slowdown in global economies will decrease the demand for U.S. goods and services.

CANADIAN ECONOMY

The Canadian economy grew at an annualized rate of 1.3 per cent in the third quarter of 2008, following a 0.6 per cent increase in the second quarter, and a 0.6 per cent decline in the first quarter of 2008.

The most recent forecasts for growth of real GDP in Canada range between -1.4 per cent and 0.0 per cent in 2009, and 1.9 per cent and 3.8 per cent in 2010.

Table 2: Real Gross Domestic Product Forecast: Canada (% change)

Forecast Agency	Date Released	2009	2010
BMO Capital Markets	Jan-09	-1.3	2.0
Scotiabank Group	Dec-08	-1.2	1.9
TD Bank Financial Group	Dec-08	-1.4	2.4
CIBC World Markets	Dec-08	-0.3	--
RBC Financial Group	Dec-08	0.0	2.7
Bank of Canada	Jan-09	-1.2	3.8

Several forecasters call for the economy to contract in the first and second quarters of 2009, before staging a recovery in the second half of 2009.

¹⁷ The Conference Board of Canada, *United States Outlook, Autumn 2008*, p.4

¹⁸ Financial Post, *U.S. GDP shrank -0.5% in third quarter*, 23 December 2008.

¹⁹ Financial Post, *U.S. could lose 2 million jobs in 2009: report*, Reuters, January 12, 2009.

“Canadian exports are down sharply, and domestic demand is shrinking as a result of declines in real income, household wealth, and confidence. Canada’s economy is projected to contract through mid-2009, with real GDP dropping by 1.2 per cent this year (2009) on an annual average basis. As policy actions begin to take hold in Canada and globally, and with support from the past depreciation of the Canadian dollar, real GDP is expected to rebound, growing by 3.8 per cent in 2010.”²⁰

“With the headwinds gathering strength, it seems as though the outlook for Canada’s economy is consistent with the severity of the downturn in the early 1990’s at bay. As such, Canada can look forward to a handful of quarters of contraction, with the worst of the downturn likely in the first quarter of 2009.”²¹

Table 3: Real GDP Forecast 2009: Canada (q/q annualized % change)

Forecast Agency	Date Released	Q1 2009	Q2 2009	Q3 2009	Q4 2009
BMO Capital Markets	Jan-09	-3.5	-2.2	0.7	1.8
Scotiabank Group	Dec-08	-4.0	-1.5	2.0	1.0
TD Bank Financial Group	Dec-08	-4.1	-3.0	1.0	2.3
CIBC World Markets	Dec-08	-1.8	-0.1	--	--
RBC Financial Group	Dec-08	-1.6	0.7	2.7	2.8

In 2009, RBC Financial Group is forecasting the Canadian economy will contract in the first quarter.

“Projected weak U.S. growth and moderately tight credit conditions will likely see Canada’s economy contract in both the fourth quarter of 2008 and the first quarter of 2009. A moderate, although sustained, recovery is expected in the second half of the next year (2009) as these restraining factors ease.”²²

According to the Winter Business Outlook Survey conducted by the Bank of Canada between November 14 and December 12, 2008, business sentiment in Canada has deteriorated significantly from the Autumn 2008 survey.

“Almost all indicators are at their lowest level since the survey began in 1997.”²³

The Business Outlook Survey summarizes interviews conducted by the Bank’s regional offices with senior management of about 100 firms selected in accordance with the composition of Canada’s GDP. The survey’s purpose is to gather the perspectives of these businesses on topics of interest to the Bank of Canada and their forward-looking views on economic activity.²⁴

²⁰ Bank of Canada, Release, *Bank of Canada releases Monetary Policy Report Update*, January 22, 2009, p.1.

²¹ TD Bank Financial, TD Economics, *Monetary Policy Monitor*, December 5, 2008, p.2.

²² RBC Economics Research, *Economic and Financial Market Outlook*, December 2008, p.4.

²³ Bank of Canada, Business Outlook Survey, *Results of the Winter 2008-2009 Survey*, Vol. 5.4, January 12, 2009.

²⁴ Ibid.

- Past Sales Growth: Fifty-five per cent of the respondents said their firm's sales volume increased at a **lesser rate** over the past 12 months compared to the previous 12 months, 30 per cent said at a greater rate, and 15 per cent said at the same rate. The balance of opinion (percentage of firms reporting faster growth minus percentage of firms reporting slower growth) was - 25 per cent, compared to - 2 per cent the previous survey.
- Future Sales Growth: Fifty-seven per cent of the respondents said their firm's sales volume is expected to increase at a **lesser rate** over the next 12 months compared to the past 12 months, 23 per cent said at a greater rate, and 20 per cent said at the same rate. The balance of opinion was - 34 per cent, compared to + 3 per cent the previous survey.
- Investment in Machinery and Equipment: Forty-eight per cent of the respondents said their firm's investment spending on machinery and equipment is expected to be **lower** over the next 12 months compared to the past 12 months, 17 per cent said higher, and 52 per cent said the same. The balance of opinion was - 31 per cent, compared to + 20 per cent the previous survey.
- Future Employment Level: Twenty-eight per cent of the respondents said their firm's level of employment is expected to be **lower** over the next 12 months compared to the past 12 months, 20 per cent said higher, and 52 per cent said the same. The balance of opinion was - 8 per cent, compared to + 28 per cent the previous survey.
- Credit Conditions: Sixty-three per cent of the respondents said terms and conditions for obtaining financing have **tightened** over the past 3 months compared to the previous 3 months, 6 per cent said they have eased, and 31 per cent said they have not changed. The balance of opinion was 58 per cent (58 per cent of businesses reported a perceived tightening in credit conditions), compared to 32 per cent the previous survey.
- Labour Shortages: Only 20 per cent of firms reported labour shortages are restricting their ability to meet demand, which was a record low. In the Autumn 2008 survey, the figure was 36 per cent.

CONTRIBUTORY INFLUENCES

A number of factors influence the Canadian economy.

Canadian Dollar

The Canadian dollar continued to weaken during the fourth quarter of 2008, averaging 82.5 cents US²⁵, down from an average of 96.0 cents US during the third quarter of 2008. Continued declines in crude oil and other commodity values, the global economic downturn, along with poor employment data were the main reasons for the weakness. The Canadian dollar is forecast to gain strength by year end 2009, and average between 80.0 cents US and 92.0 cents US, compared to forecasts of between 78.0 cents US and 83.0 cents US for the first quarter of 2009.

"The Bank of Canada is expected to ease 50 bps to 1% in January, and hold at that level as the economy likely fell into recession in Q4 and will probably deteriorate further through mid-year. Expect Canadian dollar volatility to persist, but end the year on a stronger note after some early-2009 weakness."²⁶

²⁵ Bank of Canada, Financial Markets Department, Monthly Average of Exchange Rates, www.bankofcanada.ca/en/rates/exchange.html

²⁶ BMO Capital Markets, Economic Research, *Rates Scenario*, January 6, 2009.

Table 4: Exchange Rate Forecast – End of Quarter (USD/CAD)

Forecast Agency	Date Released	Q1 2009	Q2 2009	Q3 2009	Q4 2009
TD Bank Financial Group	Jan-09	0.80	0.82	0.83	0.87
BMO Capital Markets*	Jan-09	0.82	0.80	0.82	0.85
CIBC World Markets	Dec-08	0.83	0.85	0.87	0.92
RBC Financial Group	Dec-08	0.78	0.76	0.79	0.80
Scotiabank Group	Jan-09	0.82	0.76	0.81	0.84

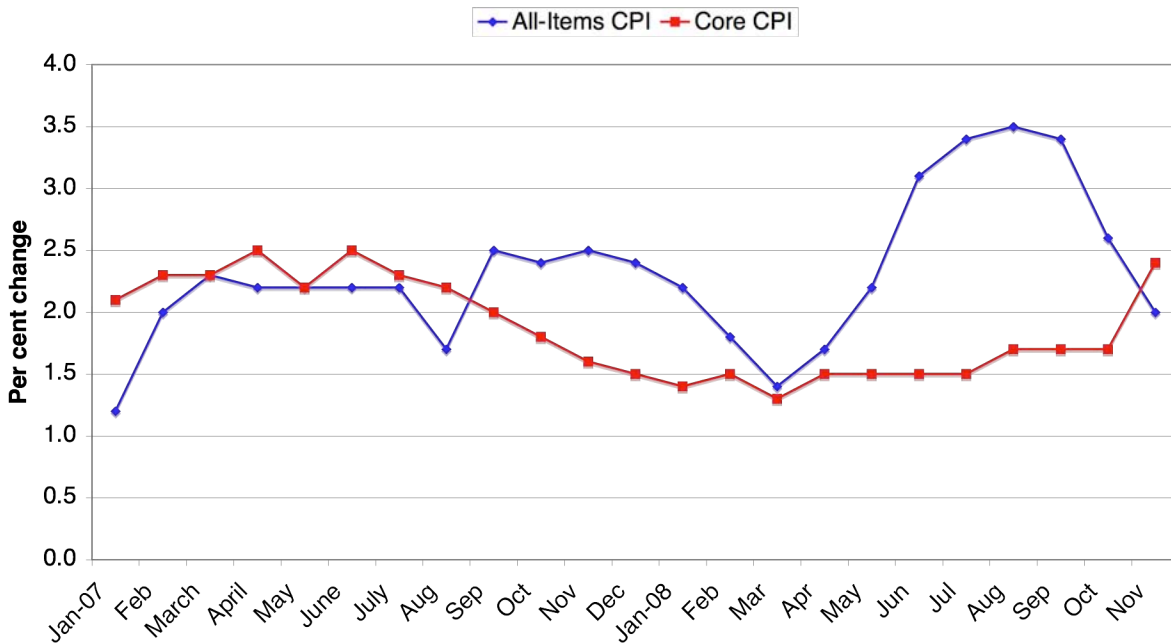
* average for the quarter

Inflation

The Consumer Price Index (CPI) provides a broad measure of the cost of living in Canada. The Bank of Canada monitors changes in the CPI in deciding when to tighten monetary conditions to keep inflation within the range of the inflation-control target it has set (2.0 per cent).

To assess the trend of inflation, the Bank of Canada monitors the “core CPI” measure, which excludes eight of the CPI’s most volatile components (fruit, vegetables, gasoline, fuel oil, natural gas, mortgage interest, intercity transportation and tobacco products).²⁷

Figure 1: CPI All-items and Core (Canada) % change from the same month of the previous year



Source: Statistics Canada

²⁷ Bank of Canada, The Bank in Brief, *The Consumer Price Index*, January 2000.

The all-items CPI eased to 2.0 per cent year over year in November 2008, down from the year over year change of 2.6 per cent in October 2008. Inflation has been on the decline since August 2008, when the 12-month rate of growth in consumer prices reached 3.5 per cent.²⁸

“The slowdown in consumer prices in November occurred in the wake of a slowing global economy and a depreciation of the Canadian dollar in relation to the US dollar. The Canadian dollar lost 20.6% against the US dollar in November 2008 compared with November 2007.”²⁹

Overall, mortgage interest costs and natural gas prices were the main contributors to the increase in the 12-month all-items CPI.

The core CPI increased 2.4 per cent between November 2007 and November 2008, up significantly from the 1.7 per cent year over year increase recorded in October 2008. Smaller price decreases for purchasing and leasing passenger vehicles was the main contributor to the increase.

“Prices to purchase and lease passenger vehicles fell 2.7% (in November) compared with the more robust 12-month drop of 9.0% in October.”³⁰

Interest Rates

The Bank of Canada adjusts monetary policy by raising and lowering the target for the overnight rate.

“The overnight rate is the interest rate at which major financial institutions borrow and lend one-day (or “overnight”) funds among themselves; the Bank sets a target level for that rate. This target for the overnight rate is often referred to as the Bank’s *key interest rate* or *key policy rate*. Changes in the target for the overnight rate influence other interest rates, such as those for consumer loans and mortgages. They can also affect the exchange rate of the Canadian dollar.”³¹

The Bank of Canada (BoC) lowered its target for the overnight rate three times in the fourth quarter of 2008. On October 8, 2008, the BoC lowered the rate 50 basis points, from 3.0 per cent to 2.5 per cent. On October 21, 2008, the Bank lowered the rate to 2.25 per cent, and on December 9, 2008, the Bank lowered the rate again to 1.5 per cent, indicating more action would be taken amid slowing growth and inflation.

The Bank’s next scheduled date for announcing any changes to the overnight rate is January 20, 2009.

While TD Bank Financial Group, RBC Financial Group and BMO Capital Markets are forecasting the overnight rate will be cut 50 basis points to 1.0 per cent by the end of the first quarter 2009, CIBC World Markets and Scotiabank Group are projecting the BoC will be more aggressive with cuts.

“We recently revised our call for the Bank of Canada, adding another 25 bps to our expectations for rate cutting and looking for the overnight target to fall to only 0.5% (after two successive 50-bp cuts). If Flaherty is going to increase the deficit to fight the recession, there’s no reason for his central bank governor to be timid in using monetary policy weaponry as well.”³²

²⁸ Statistics Canada, *The Daily, Consumer Price Index November 2008*, December 19, 2008, p.1.

²⁹ Ibid.

³⁰ Ibid.

³¹ www.bankofcanada.ca/en/monetary/target.html

³² CIBC World Markets, *The Week Ahead*, January 12 – 16, 2009, p.7.

Table 5: Bank of Canada Overnight Rate – End of Quarter Projections (%)

Forecast Agency	Date Released	Q1 2009	Q2 2009	Q3 2009	Q4 2009
TD Bank Financial Group	Dec-08	1.0	1.0	1.0	1.0
RBC Financial Group	Jan-09	1.0	1.0	1.0	1.0
CIBC World Markets	Jan-09	0.5	0.5	0.5	0.75
BMO Capital Markets*	Jan-09	1.0	1.0	1.0	1.0
Scotiabank Group	Dec-08	0.5	0.5	0.5	0.5

* average for the quarter

Population

In the third quarter of 2008, Canada's population recorded its highest quarterly growth since 1990, with populations rising in every province. Canada's population increased by 129,900 between July 1, 2008 and October 1, 2008, reaching an estimated total of 33,441,300.³³

The significant population growth in the third quarter was mainly the result of an increase in net international migration. Of the 129,900 added to the population, 69 per cent, or 89,100 were from another country.

“This upward movement in net international migration was due to an increase in the number of non-permanent residents. While immigration and emigration remained relatively steady, the number of non-permanent residents grew by 32,400, the largest third-quarter increase since 1988.”³⁴

Alberta accounted for 20 per cent of the nation's population growth in the third quarter of 2008, with an increase of 25,640 people.

ALBERTA ECONOMY

Three of five major banks in Canada are forecasting real GDP will contract in Alberta in 2009.

TD Bank Financial Group is forecasting real GDP will contract in all provinces in 2009, except Saskatchewan, with Ontario and Alberta to record the sharpest declines (-1.8 per cent). Real GDP growth in Saskatchewan is forecast to be 0.6 per cent in 2009.³⁵

Scotiabank Group is forecasting real GDP will contract in all provinces in 2009, except Saskatchewan and Newfoundland and Labrador, with Ontario to lead the decline (-2.0 per cent). Real GDP is forecast to contract 0.3 per cent in Alberta in 2009.³⁶

BMO Capital Markets is forecasting real GDP will contract in five provinces in 2009 (Alberta, Manitoba, Ontario, Quebec and Nova Scotia), with Ontario to lead the decline (-2.3 per cent). Real GDP is forecast to contract 0.7 per cent in Alberta in 2009.³⁷

RBC Financial Group is forecasting real GDP will contract in only two provinces in 2009 – Ontario (-1.4 per cent) and Newfoundland and Labrador (-0.5 per cent). Saskatchewan (+2.8 per cent) and Alberta (+2.1 per cent) are forecast to lead growth in Canada in 2009.

³³ Statistics Canada, *Canada's population estimates, Third quarter 2008 (preliminary)*, December 19, 2008.

³⁴ Ibid.

³⁵ TD Bank Financial Group, TD Economics, *Provincial Economic Forecast*, December 23, 2008.

³⁶ Scotiabank Group, *Provincial Forecast Update*, December 17, 2008.

³⁷ BMO Capital Markets Economics, *Provincial Economic Outlook*, January 9, 2009.

“A fair amount of steam is seeping out of Alberta’s economic engine as cracks appear in the province’s energy, housing and consumer spending sectors. Nonetheless, at a downwardly revised 2.1% next year, the province’s real GDP growth will remain among the fastest in the country.”³⁸

CIBC World Markets is forecasting no province will see a contraction in real GDP in 2009. Real GDP growth is projected to come in at 0.8 per cent in Canada in 2009, with Saskatchewan (+2.4 per cent), Alberta (+1.9 per cent) and British Columbia (+1.5 per cent) leading growth.

“To achieve our forecast for 0.8% real GDP growth in 2009 (in Canada), which includes a decent pick-up in the second half, deficit-enhancing fiscal stimulus will likely be required from both federal and provincial governments.”³⁹

Table 6: Real Gross Domestic Product Forecast: Alberta (% change)

Forecast Agency	Date Released	2009	2010
Scotiabank Group	Dec 2008	-0.3	2.2
RBC Financial Group	Dec 2008	2.1	2.9
TD Bank Financial Group	Dec 2008	-1.8	1.8
CIBC World Markets	Nov 2008	1.9	--
BMO Capital Markets	Jan 2009	-0.7	2.1

CONTRIBUTORY INFLUENCES

A number of factors influence the Alberta economy.

Energy Industry

The price of West Texas Intermediate (WTI) crude oil averaged \$58.73 U.S. per barrel in the fourth quarter of 2008 – down 50 per cent from an average of \$117.98 U.S. per barrel in the third quarter of 2008, and down 35 per cent from an average of \$90.68 U.S. per barrel year over year.⁴⁰

According to the Energy Information Administration (EIA) Short Term Energy Outlook, WTI crude oil prices are projected to average \$51 U.S. per barrel in 2009. Global oil consumption is forecast to decline by 50,000 bbl/d in 2008 and 450,000 bbl/d in 2009, marking the first time in 30 years world consumption would decline in two consecutive years. Total petroleum products consumption in the U.S. is forecast to decrease 6 per cent or 1.2 million bbl/d in 2008 and 1 per cent or 200,000 bbl/d in 2009.⁴¹

“The status of the global economy has become the most important driver of oil consumption growth and EIA’s oil consumption projections continue to be revised downward in response to lower forecasts for global economic growth.”⁴²

³⁸ RBC, *Provincial Outlook*, December 2008, p.1.

³⁹ CIBC World Markets, *Provinces Prepare for the Pinch*, Avery Shenfeld, November 28, 2008.

⁴⁰ Gasearch Energy Intelligence, www.gasearch.com/onp.php

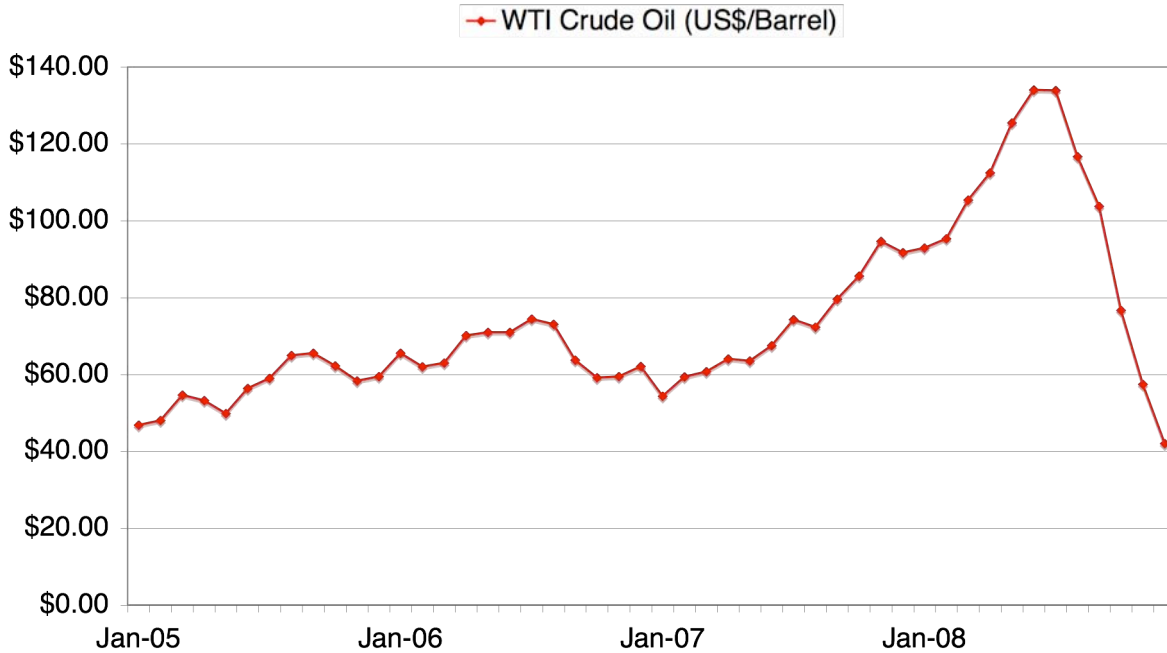
⁴¹ Energy Information Administration, *Short-Term Energy Outlook*, December 9, 2009.

⁴² Ibid.

In a December 2008 Economic Commentary, ATB Financial discussed the relationship between petroleum demand and U.S. recessions. Demand for total petroleum products in the U.S. has declined in every U.S. recession since the 1960s.

“Considering that demand for petroleum products (gasoline, diesel, jet fuel – anything that comes from crude oil) has been decreasing at a faster pace in the most recent months, and that the global recession is not abating, it is likely petroleum product demand in our largest trading partner has not yet reached a bottom.”⁴³

Figure 2: Average Price of West Texas Intermediate Crude Oil (US\$/Barrel)



As a result of the rapid slide in oil prices since July 2008, several energy companies have cut spending on projects, or put multi-billion projects on hold in the fourth quarter of 2008, including Suncor Energy (Sarnia ethanol plant, Voyageur project), Petro-Canada (Fort Hills project), Shell (Athabasca project), Nexen (Long Lake project), Connacher Oil and Gas (Algar project) and Canadian Natural Resources Limited (Horizon project).

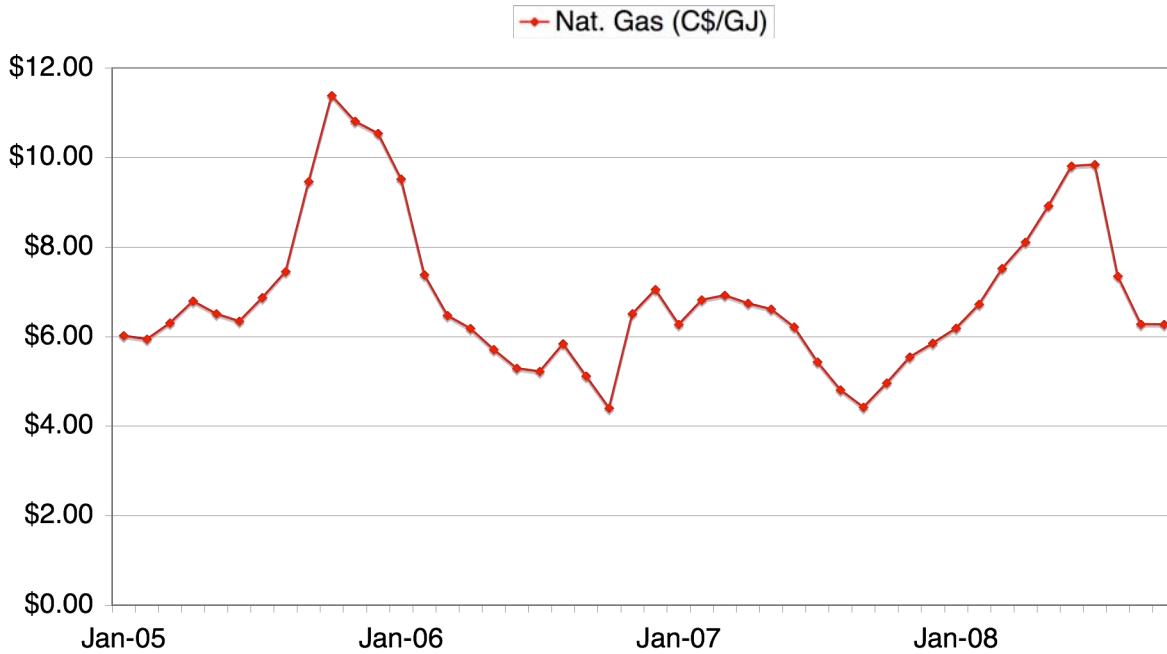
Natural gas prices⁴⁴ averaged \$6.47 C\$ per GJ in October 2008, unchanged from the previous month, but up from \$4.96 in October 2007.⁴⁵ As with oil prices, natural gas prices have been steadily declining since July 2008, when they averaged \$9.84 C\$ per GJ.

⁴³ ATB Financial, Daily Economic Comment, *Petroleum Demand and US Recessions*, December 10, 2008.

⁴⁴ Alberta Energy. The Alberta Natural Gas Reference Price (ARP) is a monthly weighted average field price of all Alberta gas sales, as determined by the Alberta Department of Energy through a survey of actual sales transaction. The price is used for royalty purposes.

⁴⁵ www.energy.gov.ab.ca/NaturalGas/1316.asp

Figure 3: Average Price of Natural Gas (C\$/GJ)



The average number of active drilling rigs in Alberta decreased to 245 in the fourth quarter of 2008, down from 250 in the third quarter of 2008, but up from 238 in the fourth quarter of 2007.⁴⁶ According to the Canadian Association of Oilwell Drilling Contractors (CAODC), only 224 drilling rigs were active in Alberta during the first week of January 2009, which was 36 per cent of its 618 total rigs, and the lowest year-opening rig count since 1993.

“This year's drop reflects beaten up oil and gas prices, and credit-strapped corporations focusing on producing assets rather than exploration--plus the impact of a punitive royalty regime.”⁴⁷

The CAODC is forecasting the average drilling rig count in Alberta will decrease to 348 in 2009, from 373 in 2008, while overall rig utilization will decrease to 39 per cent in 2009, from 42 per cent in 2008. The industry says the provincial government royalty legislation is a major factor in the decrease.

“The reasons for the decline in Alberta drilling are many, with the credit crunch only exacerbating the problem by reducing commodity prices. But the impending royalty legislation, the petroleum organizations say, is the major impediment to future investment and growth. The new framework would see royalty rates increase by about 50 per cent on projection and price, causing companies to look at neighbouring provinces to invest their capital in.”⁴⁸

As of November 30, 2008, approximately \$279 billion in major construction projects are either planned, underway, or have been recently completed in Alberta. Approximately \$172 billion of these projects are

⁴⁶ Alberta Employment and Immigration, *Monthly Economic Review*, December 2008, p.19.

⁴⁷ Calgary Herald, *Drilling at lowest level in 16 years, Rig utilization drops to 36% of Alberta fleet*, Dina O'Meara, January 8, 2009.

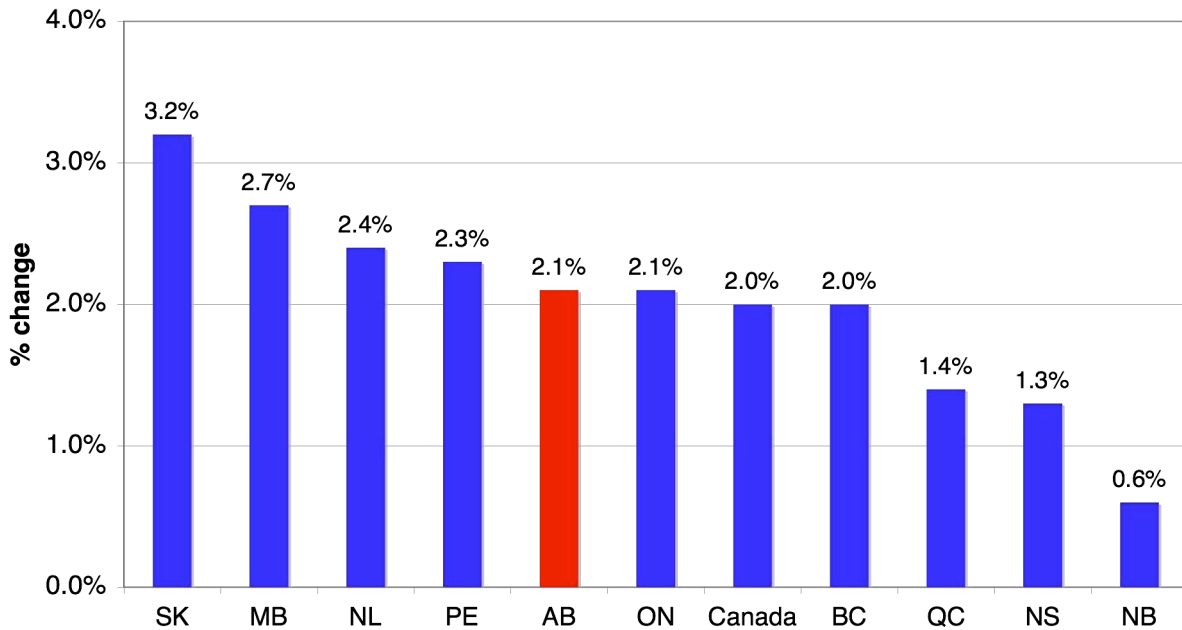
⁴⁸ The Daily Herald Tribune, *Alberta oilpatch blaming royalties for reduction in '09 drilling forecast*, Remo Zaccagna, January 1, 2009.

oilsands related, \$12 billion are pipeline related, \$8.2 billion are oil and gas related, \$2.9 billion are mining related, \$2.0 billion are biofuels related, and \$457 million are chemical and petrochemical related.⁴⁹

Inflation

Alberta posted a year over year inflation rate of 2.1 per cent in November 2008, a slower rate of growth than the 2.4 per cent recorded in October 2008, and its lowest level since June 2005. Six provinces had prices rise faster than the national average between November 2007 and November 2008, with Saskatchewan (3.2 per cent) recording the highest increases in prices among all provinces.⁵⁰ Alberta’s softer inflation figure was mainly a result of lower prices for gasoline, home replacement and women’s clothing.

Figure 4: CPI All-items Index November 2008 (Canada and provinces)
Percentage change from the same month of the previous year



Housing Market

Total housing starts in Alberta declined to 1,309 in November 2008, a 52 per cent decrease from November 2007. From January to November 2008, housing starts in Alberta totaled 24,015, a 34 per cent decrease from the first eleven months of 2007.⁵¹ Year to date to the end of November 2008, total housing starts decreased 65 per cent year over year in the Red Deer CA, 46 per cent in the Medicine Hat CA, 40 per cent in the Grande Prairie CA, and 23 per cent in both the Lethbridge and Wood Buffalo CAs.⁵²

Total housing starts in Alberta are forecast to reach 29,750 units in 2008, a 39 per cent decline from 2007. Single-detached starts in Alberta are forecast to reach about half the number of units in 2007 (14,500 units in 2008 vs. 28,100 units in 2007), while multiple starts are forecast to total 15,250 units, a 25 per cent decrease

⁴⁹ Alberta Finance and Enterprise, *Inventory of Alberta Major Projects*, November 30, 2008.

⁵⁰ Statistics Canada, *Latest release from the Consumer Price Index, November 2008*, September 23, 2008.

⁵¹ Canada Mortgage and Housing Corporation, *Preliminary Housing Start Data*, November 2008.

⁵² Canada Mortgage and Housing Corporation, Release, *Housing Starts Decline in November*, December 8, 2008.

from 2007. In 2009, total housing starts in Alberta are projected to decline 19 per cent to 24,000 units, with single-detached starts increasing 3.4 per cent and multiple starts decreasing 41 per cent.⁵³

“Although multi-family starts in Alberta will drop by 25 per cent this year (2008), construction will still exceed demand. Another 41 per cent reduction in starts will be required in 2009 to prevent another strong decline in subsequent years. Most of next year’s (2009) decline will occur in Calgary, where 2008 production will be among the highest level in 27 years.”⁵⁴

The number of Alberta homes sold through the Multiple Listing Service (MLS) declined 35 per cent year over year in November 2008, while average resale prices fell 4.2 per cent year over year to \$338,354. For the first eleven months of 2008, MLS sales in Alberta were down 20 per cent compared to the same period in 2007, and average MLS sale prices were down 0.7 per cent to \$353,712. Nationally, every province recorded a decline in MLS sales in November 2008, led by British Columbia (-62 per cent) and Ontario (-44 per cent).⁵⁵

MLS sales in Alberta are forecast to decline 17 per cent to 59,500 in 2008 but increase 2.5 per cent to 61,000 in 2009. MLS residential average prices are forecast to decrease 0.8 per cent to \$353,500 in 2008, but increase 0.7 per cent to \$356,000 in 2009.⁵⁶

“Existing home sales across the province will fall 17 per cent in 2008. The largest drop will occur in Calgary, where prices advanced 65 per cent from 2005 to 2007. With prices declining in most markets this year (2008), the resulting gains in affordability should promote a modest improvement in sales in 2009.”⁵⁷

Building Permits

Alberta builders took out \$1.03 billion in building permits in November 2008 (\$447 million were residential, \$581.4 million were non-residential), up 22.2 per cent from October 2008. Residential building permits were up 4.6 per cent in Alberta in November 2008, compared to the previous month, while non-residential permits were up 40.3 per cent. Nationally, builders took out \$4.8 billion in building permits in November 2008, a decrease of 11.8 per cent from the previous month. Alberta, Saskatchewan and Nova Scotia were the only provinces that reported increases in the total value of permits in November 2008.⁵⁸

Non-Residential Building Construction

Investment in non-residential building construction⁵⁹ in Alberta reached \$2.69 billion in the fourth quarter of 2008, a 0.7 per cent increase from the previous quarter, and a 12.8 per cent increase year over year. Alberta recorded solid gains in institutional investment in the fourth quarter of 2008, posting a 5.2 per cent increase quarter over quarter to \$469 million. On a year over year basis, investment in industrial construction in Alberta increased 14 per cent in the fourth quarter of 2008, investment in institutional construction increased 15 per cent, and investment in commercial construction increased 12 per cent.⁶⁰

⁵³ Canada Mortgage and Housing Corporation, *Housing Market Outlook, Prairie Region Highlights*, Fourth Quarter 2008.

⁵⁴ Ibid, p.2.

⁵⁵ Calgary Herald, *Canadian MLS sales slide 42 per cent*, Mario Toneguzzi, December 15, 2008.

⁵⁶ Canada Mortgage and Housing Corporation, *Housing Market Outlook, Prairie Region Highlights*, Fourth Quarter 2008.

⁵⁷ Ibid, p.2.

⁵⁸ Statistics Canada, *The Daily, Building permits, November 2008*, January 9, 2009.

⁵⁹ Includes industrial, commercial and institutional investment. Statistics Canada, *The Daily, Investment in non-residential building construction, Third quarter 2008*, October 15, 2008.

⁶⁰ Statistics Canada, *Non-residential building construction investment, by building type, by province and territory (quarterly)*, CANSIM table 026-0016, January 16, 2009.

Retail and Wholesale Trade

In October 2008, retail sales in Alberta increased 2.2 per cent year over year to \$5.19 billion. Nationally, all provinces except British Columbia (-1.1 per cent) recorded a year over year increase in retail sales, with Saskatchewan (10.9 per cent) and Newfoundland and Labrador (10.4 per cent) leading the increase. Nationally, retail sales in October 2008 increased 4.1 per cent year over year to an estimated \$35.9 billion.⁶¹

“This release was a fairly positive indication of consumer sentiment, which may speak to the health of wages and employment in the province (Alberta).”⁶²

Wholesale sales in Alberta increased a solid 15.7 per cent year over year to \$6.08 billion in October 2008. Month over month, wholesale sales in Alberta increased 1.5 per cent in October 2008.

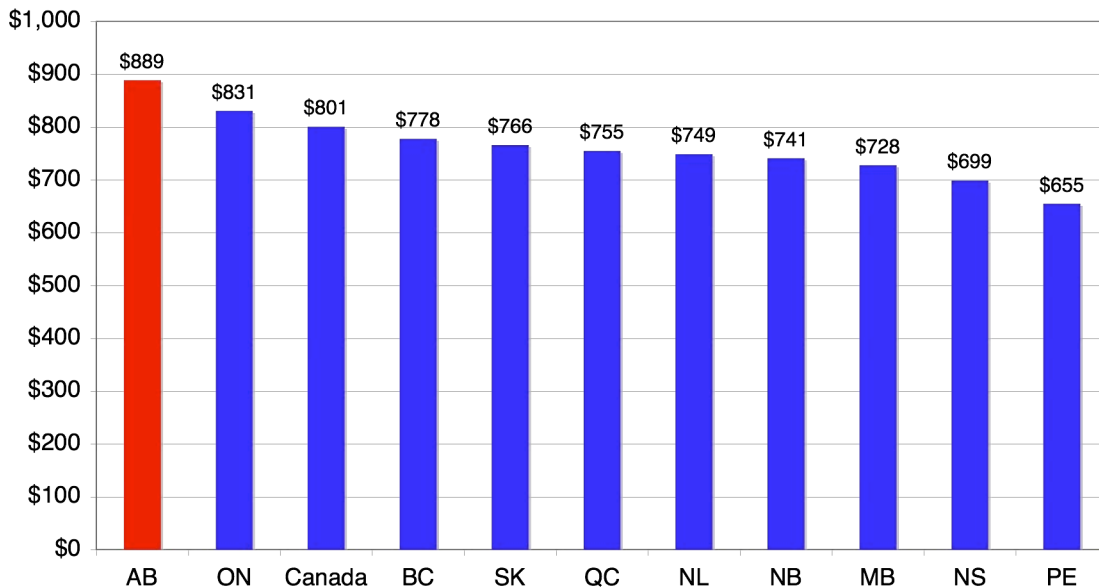
“Of the four western provinces, three reported lower sales in October (on a month over month basis). The only increase occurred in Alberta, where sales rose 1.5% on the strength of the building materials and machinery and electronic equipment sectors.”⁶³

Nationally, wholesale sales decreased 1.8 per cent month over month in October 2008, but increased 4.5 per cent year over year to \$45.3 billion.

Average Weekly Earnings

The average weekly earnings of Alberta payroll employees increased 4.3 per cent year over year in October 2008 to \$888.73, more than 10 per cent above the national average of \$801.24. Alberta recorded the strongest year over year earnings growth, followed by Nova Scotia (4.1 per cent) and Saskatchewan (4.0 per cent). British Columbia posted the weakest year over year earnings growth in October 2008 (1.3 per cent).⁶⁴

**Figure 5: Average weekly earnings of payroll employees October 2008
(Canada and provinces, seasonally adjusted)**



Source: Statistics Canada

⁶¹ Statistics Canada, The Daily, *Retail trade, October 2008*, December 18, 2008.

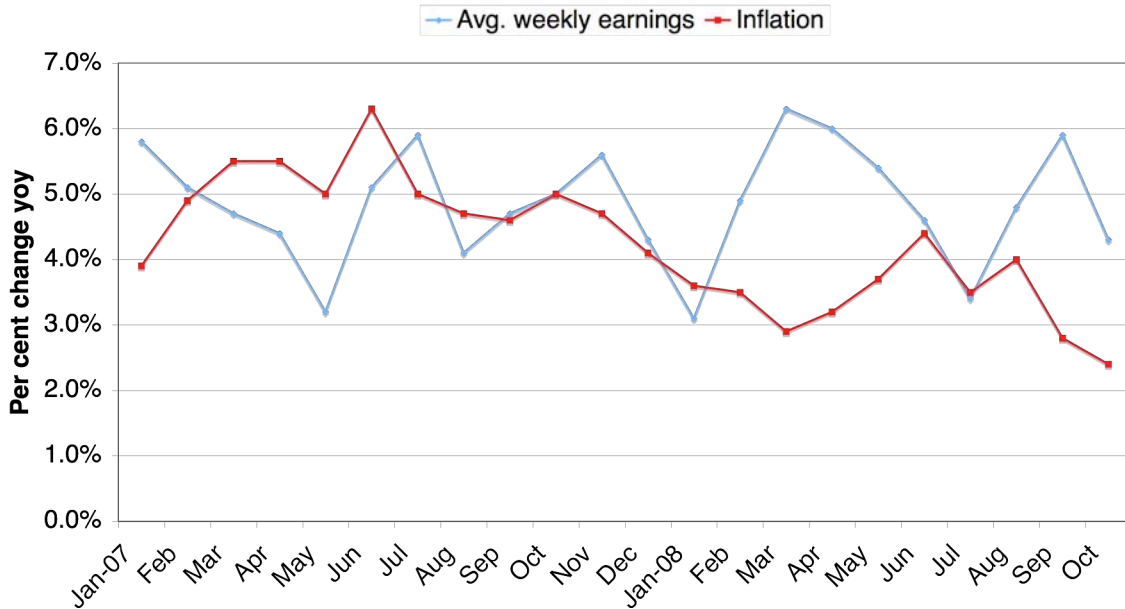
⁶² ATB Financial, *Daily Economic Comment*, December 19, 2008.

⁶³ Statistics Canada, The Daily, *Wholesale trade, October 2008*, December 17, 2008.

⁶⁴ Statistics Canada, *Payroll employment, earnings and hours, October 2008 (preliminary)*, December 22, 2008.

Household paycheques in Alberta continued to go further in October 2008, as they have for most of 2008, with inflation in October (2.4 per cent) well below the 4.3 per cent rate of increase in earnings in the same month.

Figure 6: Increase in Average Weekly Earnings vs. Inflation in Alberta (% change year over year)



Source: Statistics Canada

Bankruptcies

In the third quarter of 2008, business and personal bankruptcies totaled 1,604 in Alberta, a 29 per cent increase from the same period in 2007. Close to 1,500 Albertans filed for personal bankruptcy in the third quarter of 2008, up 32 per cent year over year. Just over 100 businesses filed for bankruptcy in Alberta, up 2 per cent year over year.⁶⁵

“There is more debt out there and consumer debt has risen dramatically,” says Robert Price, vice-president of Hudson and Company Insolvency Trustees in Calgary. “People are carrying more household debt now than they ever did before, and at some point it becomes unmanageable and they’re not able to repay all the money that they owe.”⁶⁶

According to Price, Albertans are filing for bankruptcy with debt ranging from \$50,000 - \$200,000, up significantly from an average of \$20,000 10 years ago.⁶⁷

Population

Alberta’s population increased by 25,640 (0.72 per cent) between July 1, 2008 and October 1, 2008, reaching an estimated total of 3,610,782.

“For a fourth consecutive quarter, Alberta led all the other provinces in demographic growth, posting a rate of 0.72%, nearly twice the national rate. The province’s growth was

⁶⁵ Office of the Superintendent of Bankruptcy Canada, *Insolvency: Statistics in Canada – Third Quarter, 2008*.

⁶⁶ CBC News, *Albertans with ‘no equity left’ going bankrupt: trustee*, January 9, 2009.

⁶⁷ Ibid.

mainly attributable to a resurgence in interprovincial migration and a strong increase in its number of non-permanent residents. Alberta's rate of growth in non-permanent residents has been the highest of all the provinces since the fourth quarter of 2006.”⁶⁸

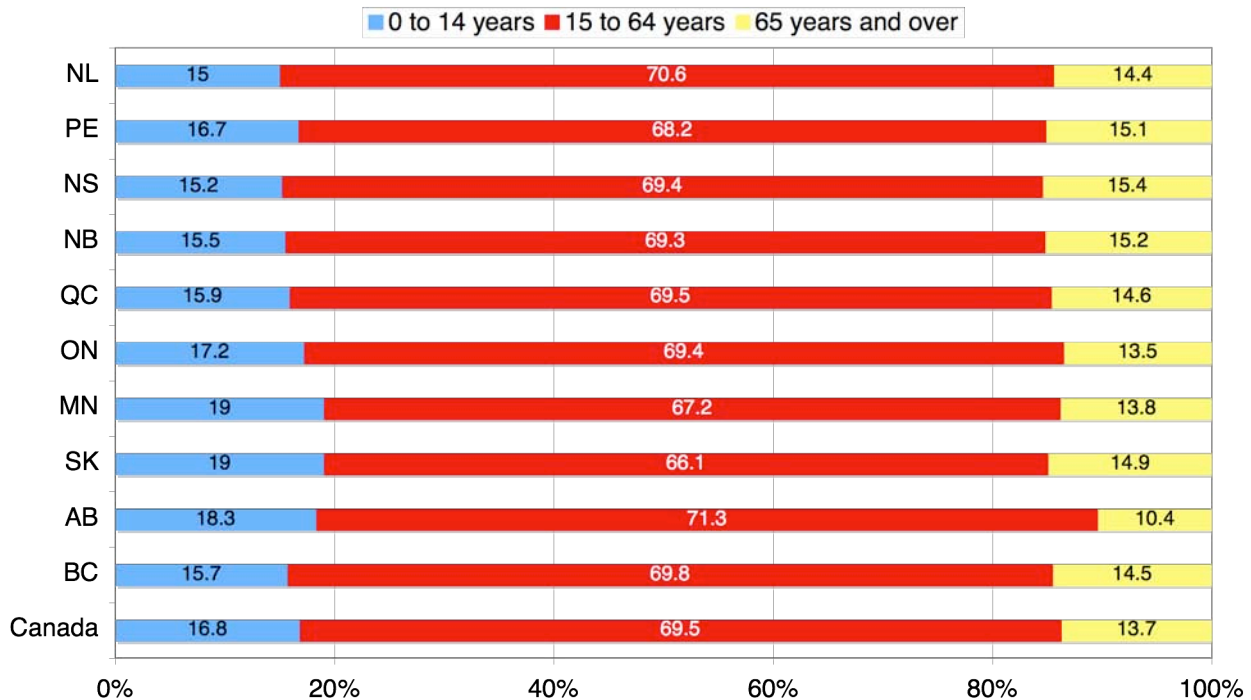
During the third quarter of 2008 in Alberta, net international migration accounted for most of the population growth (12,968), followed by net natural increase (7,745) and net interprovincial migration (4,927).

The primary source of Alberta’s interprovincial in-migrants in the third quarter of 2008 was Ontario (9,482 people), followed by British Columbia (7,982 people), Quebec (3,173 people), and Saskatchewan (2,833 people). The main destination of out-migrants from Alberta was British Columbia (9,234 people), followed by Ontario (5,274 people) and Saskatchewan (3,849 people).⁶⁹

As of July 1, 2008, the median age of Alberta’s population was 35.7 years, the lowest among provinces. Newfoundland and Labrador (42.5 years), Nova Scotia (42.2 years), and New Brunswick (42.0 years) had the highest median ages among provinces, while the national average was 39.4 years. According to the president of the Canada West Foundation, much of Alberta’s younger population is part of a mobile labour force, employed in the retail, construction and oil and gas industries.⁷⁰

Alberta had both the highest proportion of people aged 15 to 64 among provinces (71.3 per cent) as well as the lowest proportion of seniors aged 65 and over (10.4 per cent). Saskatchewan and Manitoba had the highest proportion of youth aged 14 years and under as of July 1, 2008 (19.0 per cent each), followed by Alberta (18.3 per cent).⁷¹

Figure 7: Canada’s Population Age Distribution by Province as of July 1, 2008 (%)



⁶⁸ Statistics Canada, *Quarterly Demographic Estimates, Third quarter 2008 (preliminary)*, December 19, 2008.

⁶⁹ Ibid.

⁷⁰ Calgary Herald, *Youthful Albertans seen as economically resilient*, Eva Ferguson, January 16, 2009.

⁷¹ Statistics Canada, *Canada’s population by age and sex, As of July 1, 2008 (preliminary) (correction)*, January 15, 2009.

CALGARY REGION ECONOMY

According to the most recent ATB Financial Business Sentiments Index, the Index fell just below 100 for the first time, indicating companies are expecting little change in the first quarter of 2009 in terms of expansion or contraction.

The Index is compiled by the Western Centre for Economic Research at the University of Alberta's School of Business, and is used as a tool to evaluate the intentions of businesses in Alberta. More than 400 businesses in Alberta were surveyed by telephone.

“The higher the value of the Index, the stronger is the sentiment for expansion. The ceiling value of the index is 200 (all respondents expect increase) and the floor value is zero (all respondents expect a decrease).⁷²

For the first quarter of 2009, the ATB Financial Business Sentiments Index is 99.7, down from 128.5 the previous quarter, and 135.7 year over year. The Wholesale Trade sector with an Index of 116.8 is the most optimistic about the immediate outlook for 2009, while the Construction sector is the most pessimistic (73.2).

Business sentiment in northern Alberta, including Edmonton and Red Deer (101.6) remained higher than for Calgary and southern Alberta (98.4) for the first quarter of 2009.

“Our survey also gets a sense of longer-term expectations, and these suggest that the whole of 2009 will be a very challenging one for the economy. A slight majority of respondents expect that a year from now their sales will have either remained at, or decreased from, current levels. The implications are for a much cooler labour market, one that in recent years has been badly overheated.”⁷³

CONTRIBUTORY INFLUENCES

A number of factors influence the Calgary economy.

Inflation

Consumer prices in the Calgary CMA rose by 2.4 per cent year over year in November 2008, a slower rate of growth than the 2.6 per cent increase the previous month, and 4.3 per cent increase in November 2007. The Consumer Price Index (CPI) is forecast to trend lower in the Calgary CMA in the months ahead, as a result of reduced shelter costs and lower gasoline prices.⁷⁴

Nationally, Regina had the highest year over year inflation rate in November 2008 (3.6 per cent), followed by Saskatoon (3.1 per cent). All other major Canadian cities⁷⁵ had a year over year inflation rate of 2.6 per cent or less in November 2008.⁷⁶

Housing Market

Total housing starts in the Calgary CMA declined 25.9 per cent year over year in November 2008. Single-detached starts decreased 42.8 per cent year over year. According to Canada Mortgage and Housing Corporation (CMHC), single-detached housing starts should increase 4.7 per cent in 2009, from 4,300 units in 2008 to 4,500 units in 2009.

⁷² Western Centre for Economic Research University of Alberta, *ATB Financial Business Sentiments Index, Where is the Alberta Economy Going?* 2008 Quarter 2, Number 112, April 2008, p.1.

⁷³ Western Centre for Economic Research University of Alberta, *ATB Financial Business Sentiments Index, Where is the Alberta Economy Going?* 2009 Quarter 1, Number 119, December 2008, p.4.

⁷⁴ The City of Calgary, *Calgary's Monthly Inflation Review*, November 2008.

⁷⁵ Not including the Territories.

⁷⁶ Statistics Canada, *Consumer Price Index, by city (monthly)*, CANSIM table 326-0020, December 19, 2008.

“A decline in new home inventories in the coming months and less competition from the resale market next year will be two important factors supporting higher single starts next year.”⁷⁷

Multi-family starts on the other hand (semi-detached units, rows and apartments) increased 28.1 per cent year over year in November 2008, mainly as a result of a new 150-unit affordable housing rental project.

Year to date, to the end of November, total housing starts in the Calgary CMA have decreased 14.5 per cent from 12,904 units in 2007 to 11,035 units in 2008.⁷⁸ Single-detached starts have decreased 44 per cent year to date, while multi-family starts have increased 26 per cent year to date.

Total housing starts in the Edmonton CMA have decreased 56 per cent year to date to the end of November, from 14,310 units in 2007 to 6,291 units in 2008.⁷⁹ Single-detached starts decreased 67 per cent year over year. CMHC is forecasting single-detached starts in the Edmonton CMA will increase 15.4 per cent to 3,000 units in 2009, from 2,600 in 2008.

Table 7: Housing Starts - January to November

Area	Single		Multiple		Total		% Change 2008/2007
	2008	2007	2008	2007	2008	2007	
Alberta (10,000+)	10,663	19,727	10,865	11,213	24,015	36,632	-34.4%
Calgary CMA	4,104	7,385	6,931	5,519	11,035	12,904	-14.5%
Calgary City	3,062	5,641	6,214	4,872	9,276	10,513	-11.8%
Edmonton CMA	2,419	7,337	3,872	6,973	6,291	14,310	-56.0%
Edmonton City	1,114	3,610	2,675	5,053	3,789	8,663	-56.3%

Source: Canada Mortgage and Housing Corporation

The Calgary CMA posted a 2.5 per cent year over year drop in new home prices in November 2008, the lowest annual price change since November 1991. Edmonton (-7.9 per cent), Victoria (-2.4 per cent) and Vancouver (-2.3 per cent) also experienced a decrease in new home prices on a year over year basis in November 2008. St. John’s, NL (25.6 per cent) and Regina, SK (21.7 per cent) had the largest annual gain in prices for new homes in Canada in November 2008. Nationally, the New Housing Price Index increased 0.7 per cent year over year in November 2008.⁸⁰

The number of single-family metro⁸¹ homes sold in Calgary totaled 449 in December 2008, a 46.9 per cent decrease year over year. With a month end inventory of 3,860 single-family homes, there were over 8 homes on the market for every one that sold in December 2008. The median price⁸² of a single-family metro home in Calgary was \$380,000 in December 2008, a 6.6 per cent decrease from December 2007. For 2008, single-family home sales were down 27 per cent year over year (from 18,438 in 2007 to 13,455 in 2008) and the median price of a single-family home was down 2.9 per cent (from \$421,000 in 2007 to \$409,000 in 2008).⁸³

⁷⁷ Canada Mortgage and Housing Corporation, *Housing Now, Calgary CMA*, December 2008, p.1.

⁷⁸ Ibid, p.12.

⁷⁹ Canada Mortgage and Housing Corporation, *Housing Now, Edmonton CMA*, December 2008, p.11.

⁸⁰ Statistics Canada, *The Daily, New Housing Price Index, November 2008*, January 12, 2009.

⁸¹ Calgary Real Estate Board – all Calgary metro MLS statistics include properties listed and sold only within Calgary City limits.

⁸² An equal number of homes are sold above and below the price.

⁸³ Calgary Real Estate Board, *CREB Stats*, December 2008.

The number of metro condo units sold in Calgary in December 2008 totaled 205, a 47.8 per cent decrease year over year. The median price of a Calgary metro condo was \$254,000 in December 2008, an 11.2 per cent decrease from December 2007. For 2008, condo sales were down 31.3 per cent (from 8,236 in 2007 to 5,661 in 2008), and the median price of a condo was down 5.3 per cent (from \$295,000 in 2007 to \$279,500 in 2008).⁸⁴

CMHC is forecasting existing home sales in the Calgary CMA will increase 2.8 per cent in 2009. Average MLS resale prices in Calgary are forecast to increase only marginally in 2009 to \$406,000, from an estimated \$405,000 in 2008.⁸⁵

The average apartment vacancy rate in the Calgary CMA increased to 2.1 per cent in October 2008, compared to 1.5 per cent in October 2007. This increase was a result of a moderation in net migration to Calgary (down 29 per cent year over year), as well as an increase in renters moving to home ownership.

According to CMHC's October 2008 Rental Market Survey, there were approximately 770 vacant privately owned apartments in the Calgary CMA. On a national basis, the CMAs with the highest vacancy rates were Windsor (14.6 per cent), St. Catharines-Niagara (4.3 per cent), and Oshawa (4.2 per cent). The lowest vacancy rates were reported in Kelowna (0.3 per cent), Regina (0.5 per cent), Vancouver (0.5 per cent), Victoria (0.5 per cent), Quebec (0.6 per cent) and Greater Sudbury (0.7 per cent).

The average rent for a two-bedroom apartment in the Calgary CMA increased 5.4 per cent, from \$1,089 per month in October 2007 to \$1,148 per month in October 2008. Nationally, the Calgary CMA had the highest average monthly rents for two-bedroom apartments, followed by Vancouver (\$1,123), Toronto (\$1,095) and Edmonton (\$1,034).⁸⁶

Building Permits

Building intentions in the Calgary CMA were strong near the end of 2008, despite the uncertain economic times. The total value of building permits in the Calgary CMA in November 2008 increased 45 per cent to \$458.5 million, compared to the previous month. This was the second consecutive month the value of permits increased in the Calgary CMA and was the result of increases in the institutional sector, as well as higher multi-family permits.

In Alberta, contractors took out \$1.03 billion in permits in November 2008, an increase of 22 per cent from October 2008. Twenty-two out of 34 metropolitan areas recorded month over month declines in the value of building permits in November 2008, with the largest decreases in dollars occurring in Toronto, Vancouver, and Ottawa.⁸⁷

Non-Residential Building Construction

Investment in non-residential building construction in the Calgary CMA fell 0.2 per cent in the fourth quarter of 2008 to \$1.23 billion, compared to the previous quarter. For all of 2008, however, investment in non-residential building construction increased 11.9 per cent in the Calgary CMA to nearly \$5 billion, compared to 2007.⁸⁸ Commercial investment in the Calgary CMA increased 23.6 per cent year over year in 2008.

“There was a massive shortage of commercial office space, particularly in Calgary, but also in Edmonton, so you see the big run-up,” said Dan Sumner, economist with ATB Financial

⁸⁴ Calgary Real Estate Board, *CREB Stats*, December 2008.

⁸⁵ Canada Mortgage and Housing Corporation, *Housing Market Outlook, Prairie Region Highlights, Fourth Quarter 2008*, p.6.

⁸⁶ Canada Mortgage and Housing Corporation, *Rental Market Report, Calgary CMA*, Fall 2008, p.2.

⁸⁷ Statistics Canada, *The Daily, Building Permits, November 2008*, December 9, 2008.

⁸⁸ Statistics Canada, *The Daily, Investment in non-residential building construction, Fourth quarter 2008*, January 15, 2009.

in Calgary. “A lot of those commercial construction projects, they seem to kind of lag behind the rest of the economy sometimes. They seem to happen at the end of it. That sometimes can be a problem because then you end up with a bit of excess when you see some softness (in the economy).”⁸⁹

Office Market

The overall vacancy rate for Downtown Calgary increased to 2.3 per cent in the third quarter of 2008, up from 2.2 per cent the previous quarter, and 0.8 per cent in the third quarter of 2007. The vacancy rate for Class AA space was 0 per cent, Class A was 1.5 per cent, Class B was 4.9 per cent, and Class C was 3.8 per cent.

“Vacancy in Downtown Calgary continues to rise due to space being left behind by tenants moving into newly constructed buildings in the city. Class B and C space are particularly feeling the effects of this with vacancy in these types of buildings climbing much faster than higher-quality buildings.”⁹⁰

Table 8: Calgary Office Market Q3 2008

Category	Average Asking Net Rental Rates (p.s.f.)	Vacancy Rate
Downtown		2.3%
New Construction	\$40.00	
AA Class	\$55.00	
A Class	\$46.00	
B Class	\$35.00	
C Class	\$28.00	
Beltline		2.7%
New Construction	\$32.00	
A Class	\$32.00	
B Class	\$25.00	
C Class	\$22.00	
Suburban North		6.6%
New Construction	\$24.00	
A Class	\$23.00	
B Class	\$18.00	
C Class	\$14.00	
Suburban South		4.0%
New Construction	\$26.00	
A Class	\$25.00	
B Class	\$20.00	
C Class	\$16.00	

Source: Avison Young, *Calgary Office Market Report, Fall 2008*

In the third quarter of 2008, average asking net rental rates in Downtown Calgary ranged from \$55 per square foot for Class AA space to \$28 per square foot for Class C space. For new construction, the asking net rental rate averaged \$40 per square foot.

⁸⁹ Calgary Herald, *Construction investment soars in Calgary*, Mario Toneguzzi, January 16, 2009.

⁹⁰ Avison Young, *Calgary Office Market Report – Fall 2008*, p.2.

There were a total of 40 office buildings under construction in Calgary in the third quarter of 2008. Nine are under construction in Downtown Calgary, representing 6 million square feet, 5 are under construction in the Beltline area, representing 808,000 square feet, 5 are under construction in North Calgary, representing 542,000 square feet, and 19 are under construction in South Calgary, representing 1.9 million square feet.⁹¹

Major Projects

As of December 2008, Alberta Employment and Immigration estimates that over \$31 billion in major capital projects are either proposed, announced or under construction in Calgary. This represents over 230 projects.

The major projects in Calgary worth \$1 billion and over include:

- The \$3 billion 'Stonegate Landing' Retail, Office and Industrial Development – Announced
- The \$1.41 billion Hospital for South Calgary – Under Construction
- The \$1.4 billion 'Shepard Energy Centre' Natural Gas Fired Generating Plant - Proposed
- The \$1.4 billion 'The Bow' Office Tower – Under Construction
- The \$1.3 billion New International Transborder Concourse – Proposed
- The \$1.1 billion 'Ramsay Exchange' Commercial, Retail and Residential Development – Proposed
- The \$1 billion 'Calgary City Centre' Development in the Eau Claire District – Proposed
- The \$1 billion 'Edworthy Club' Health Club – Proposed

A few projects, notably condo projects, have been put on hold, including:

- The \$66 million 'Sky Plaza' Development
- The \$50 million 'Luna' Condominium Apartment Building
- The \$47.8 million 'Sky Tower' Apartment Building
- The \$32 million Luxe Development Condominium Apartment Building

In a recent interview with the Calgary Herald, Mayor Bronconnier said the City will have to work with developers to make sure Calgary is not scattered with empty holes.

"We need to see some of those projects put to potentially alternative uses. Temporary permits for parking structures, for example. Using them for everything from surface parking lots to maybe another alternative."⁹²

⁹¹ Avison Young, *Calgary Office Market Report – Fall 2008*, p.2.

⁹² The Calgary Herald, *City taking pulse of weakening economy, Mayor doubles number of updates*, Kim Guttormson and Joel Kom, January 2, 3009.

TRENDS IN THE LABOUR MARKET

This section examines labour market information for Canada, Alberta, and the Calgary Region. The information provided in this section is based upon Statistics Canada’s Labour Force Survey.

CANADA

Q4 2008

Employment in Canada was estimated at 17,157,300 in the fourth quarter of 2008, an increase of 27,300 from the third quarter of 2008. Over the same period, the number of unemployed increased by 58,000, more than double the increase in employment.

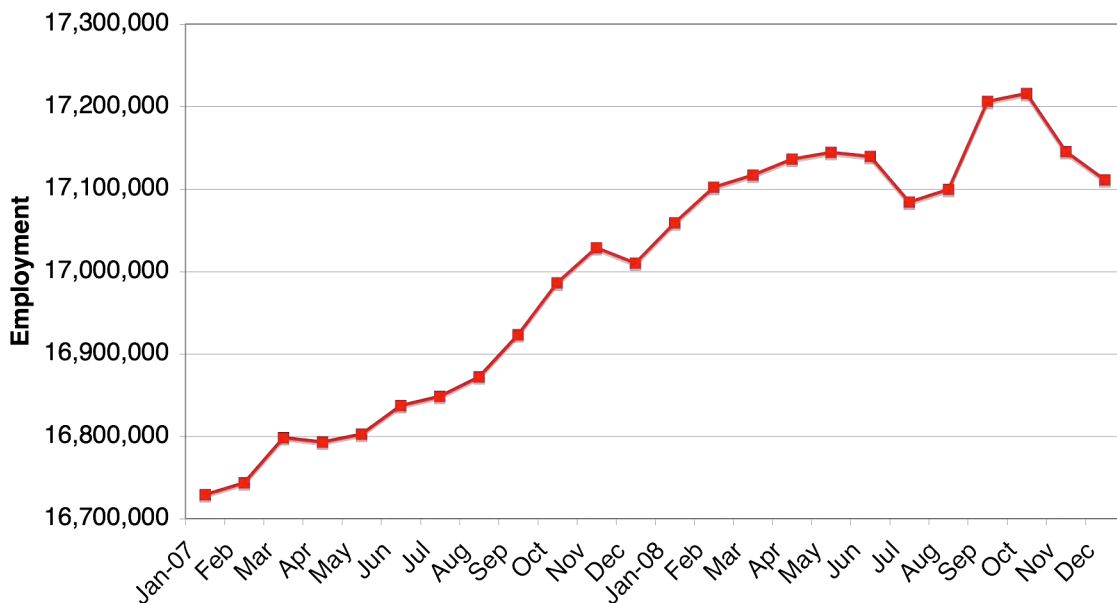
Year-over-year, employment increased by 150,500, or 1.0 per cent in the fourth quarter of 2008, a much slower pace of growth compared to the 2.5 per cent increase (+410,600) recorded in the fourth quarter of 2007.

Table 9: Labour Force Survey Statistics - Canada

Canada	Oct-08	Nov-08	Dec-08	Q4 2008	Q3 2008	Quarterly Change	Q4 2007	Annual Change
Population	27,044,100	27,072,600	27,098,700	27,071,800	26,976,600	95,200	26,692,100	379,700
Labour Force	18,355,500	18,307,200	18,319,900	18,327,500	18,242,300	85,200	18,075,300	252,200
Employed	17,215,800	17,145,200	17,110,800	17,157,300	17,130,000	27,300	17,006,800	150,500
Unemployed	1,139,700	1,162,000	1,209,100	1,170,300	1,112,300	58,000	1,068,500	101,800
Participation Rate	67.9%	67.6%	67.6%	67.7%	67.6%	0.1%	67.7%	0.0%
Employment Rate	63.7%	63.3%	63.1%	63.4%	63.5%	-0.1%	63.7%	-0.3%
Unemployment Rate	6.2%	6.3%	6.6%	6.4%	6.1%	0.3%	5.9%	0.5%

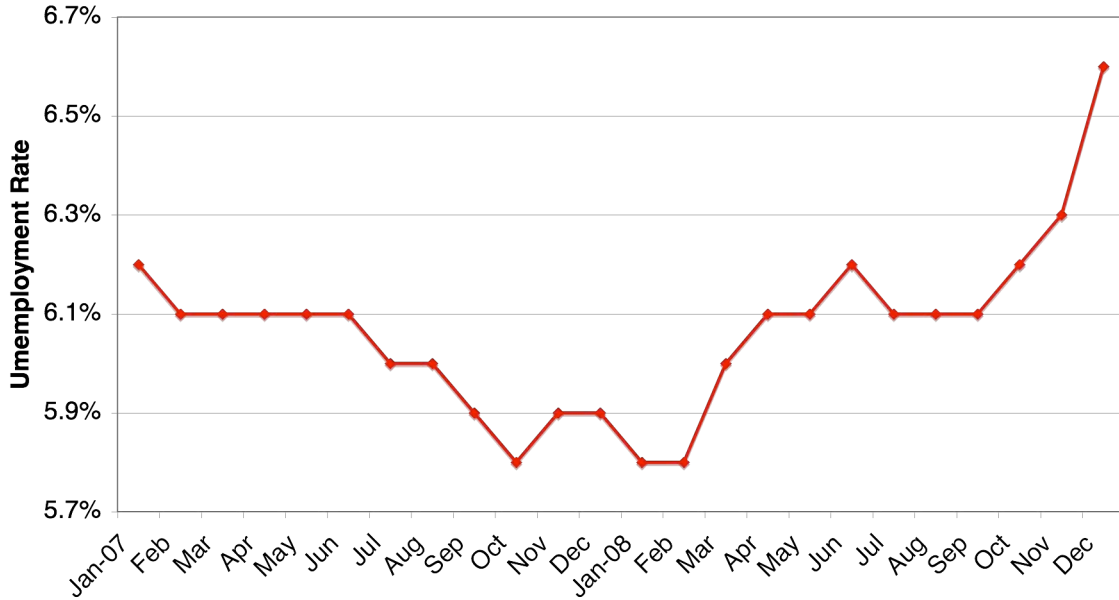
Source: Statistics Canada, Labour Force Survey, seasonally adjusted

Figure 8: Employment in Canada



The seasonally adjusted unemployment rate in the fourth quarter of 2008 averaged 6.4 per cent in Canada, up from 6.1 per cent in the third quarter of 2008, and up from 5.9 per cent year over year.

Figure 9: Unemployment Rate in Canada



In December 2008, the unemployment rate in Canada jumped to 6.6 per cent, a rate not seen since January 2006.

“While one shouldn’t make much of a one-month data point, especially from a survey with such wide statistical confidence bands, the medium trend is still instructive. That’s not a pretty picture either, with Canada losing 36,000 full-time jobs over the past six months. More concerning is the net loss of 114,000 private sector jobs over the same half-year period, swamping the gains in the public sector and in the “self-employed” category. The trend towards the “self-employed” category is expected during recessions.”⁹³

CIBC World Markets is forecasting the unemployment rate will reach 8 per cent in Canada during the first half of 2009, and will then ease as the economy is forecast to begin a recovery in the second half of 2009.⁹⁴

TD Bank Financial Group is also forecasting Canada’s unemployment rate will be over 8 per cent by the end of 2009, and projects employment losses of 250,000 in 2009.

“Although Canada is not in the same predicament as the U.S., it too is entering a recession and hence will see the labour market weaken as the year progresses. The sectors that were buoying job growth last year – particularly the construction sector – are unlikely to sustain a healthy growth rate this year. The service sector is also likely to take a hit this year – notably in wholesale and retail trade, transportation and warehousing, and accommodation and food services – as domestic demand softens.”⁹⁵

⁹³ CIBC World Markets, Economics & Strategy, *Economic Flash!*, January 9, 2009, p.1.

⁹⁴ Ibid.

⁹⁵ TD Bank Financial Group, *TD Economics Commentary*, January 9, 2008, p.1.

Employment by Type of Work, Gender and Age

Full-time employment was up an estimated 14,500 in the fourth quarter of 2008, compared to the previous quarter, while part-time employment was up by 12,700. December 2008 brought a huge loss in full-time employment.

“December’s employment loss was the result of a large decline in full-time work (-71,000), partly offset by an increase in part-time employment. Most of the decline in full-time employment occurred in Quebec and Alberta.”⁹⁶

Year over year, part-time employment grew at more than four times the pace (2.6 per cent) of full-time employment (0.6 per cent) in the fourth quarter of 2008.

Employment among women was up 27,200 in the fourth quarter of 2008, compared to the previous quarter, while employment among men was virtually unchanged. Year over year, employment growth for women (1.1 per cent) exceeded that for men (0.7 per cent) in the fourth quarter of 2008.

Adults aged 25+ years accounted for all of the employment increase in the fourth quarter of 2008, compared to the previous quarter. Youth aged 15 – 24 years experienced employment losses (-27,600) in the fourth quarter of 2008, compared to the third quarter of 2008. Year over year, employment among adults was up 1.2 per cent in the fourth quarter of 2008, while youth experienced employment losses (0.7 per cent).

Table 10: Employment in Canada by Type of Work, Gender and Age

Canada	Oct-08	Nov-08	Dec-08	Q4 2008	Q3 2008	Quarterly Change	Q4 2007	Annual Change
Employment	17,215,800	17,145,200	17,110,800	17,157,300	17,130,000	27,300	17,006,800	150,500
Full-time	14,024,800	13,992,400	13,921,700	13,979,600	13,965,100	14,500	13,908,100	71,500
Part-time	3,190,900	3,152,900	3,189,100	3,177,600	3,164,900	12,700	3,098,700	78,900
Men	9,071,500	9,023,800	8,985,300	9,026,900	9,026,800	100	8,963,100	63,800
Women	8,144,300	8,121,400	8,125,500	8,130,400	8,103,200	27,200	8,043,700	86,700
15 - 24 years	2,608,600	2,589,800	2,553,200	2,583,900	2,611,500	-27,600	2,601,400	-17,500
25 years +	14,607,200	14,555,400	14,557,600	14,573,400	14,518,500	54,900	14,405,400	168,000

Source: Statistics Canada, Labour Force Survey, seasonally adjusted

Employment by Industry

On a quarter over quarter basis, job losses occurred in a number of industries in Canada in the fourth quarter of 2008, including accommodation and food services (-30,100), manufacturing (-13,500), utilities (-6,900), agriculture (-4,300), construction (-2,900), trade (-2,000), and information, culture and recreation (-1,700). The health care and social assistance industry gained 29,300 jobs on a quarter over quarter basis.

Employment declines, on a year over year basis, were experienced by six industries in the fourth quarter of 2008: agriculture (-5.8 per cent), business, building and other support services (-5.4 per cent), information, culture and recreation (-4.9 per cent), manufacturing (-2.4 per cent), trade (-0.9 per cent), and educational services (-0.1 per cent).

Employment growth occurred year over year in the fourth quarter of 2008 in a number of industries, with the strongest growth recorded in construction (7.9 per cent), professional, scientific and technical services (4.8 per cent), public administration (4.2 per cent), utilities (4.2 per cent), and health care and social assistance (3.6 per cent).

⁹⁶ Statistics Canada, the Daily, *Labour Force Survey December 2008*, January 9, 2008, p.1..

Table 11: Employment in Canada by Industry

Canada	Q4 2008	Q3 2008	Quarterly Change	Q4 2007	Annual Change
All Industries	17,157,300	17,130,000	27,300	17,006,800	150,500
Agriculture	320,400	324,700	-4,300	340,300	-19,900
Natural resources	342,400	341,000	1,400	339,200	3,200
Utilities	149,300	156,200	-6,900	143,300	6,000
Construction	1,245,500	1,248,400	-2,900	1,154,500	91,000
Manufacturing	1,957,000	1,970,500	-13,500	2,006,000	-49,000
Trade	2,671,700	2,673,700	-2,000	2,695,900	-24,200
Transportation & warehousing	862,700	860,400	2,300	837,500	25,200
Finance, insurance, real estate and leasing	1,075,200	1,073,900	1,300	1,066,400	8,800
Professional, scientific & technical services	1,210,300	1,200,800	9,500	1,154,700	55,600
Business, building & other support services	668,700	664,900	3,800	706,800	-38,100
Educational services	1,197,400	1,187,100	10,300	1,198,800	-1,400
Health care and social assistance	1,932,700	1,903,400	29,300	1,865,800	66,900
Information, culture & recreation	754,600	756,300	-1,700	793,700	-39,100
Accommodation & food services	1,068,300	1,098,400	-30,100	1,060,800	7,500
Other services	763,600	749,100	14,500	743,400	20,200
Public administration	937,400	921,100	16,300	899,700	37,700

Source: Statistics Canada, Labour Force Survey, seasonally adjusted

ALBERTA

Q4 2008

Employment in Alberta was estimated at 2,030,900 in the fourth quarter of 2008, an increase of 17,100 from the third quarter of 2008. Year over year, employment increased by 50,100, or 2.5 per cent in the fourth quarter of 2008, a slightly slower rate of growth compared to the 3.7 per cent increase (+71,500) recorded in the fourth quarter of 2007.

Table 12: Labour Force Statistics - Alberta

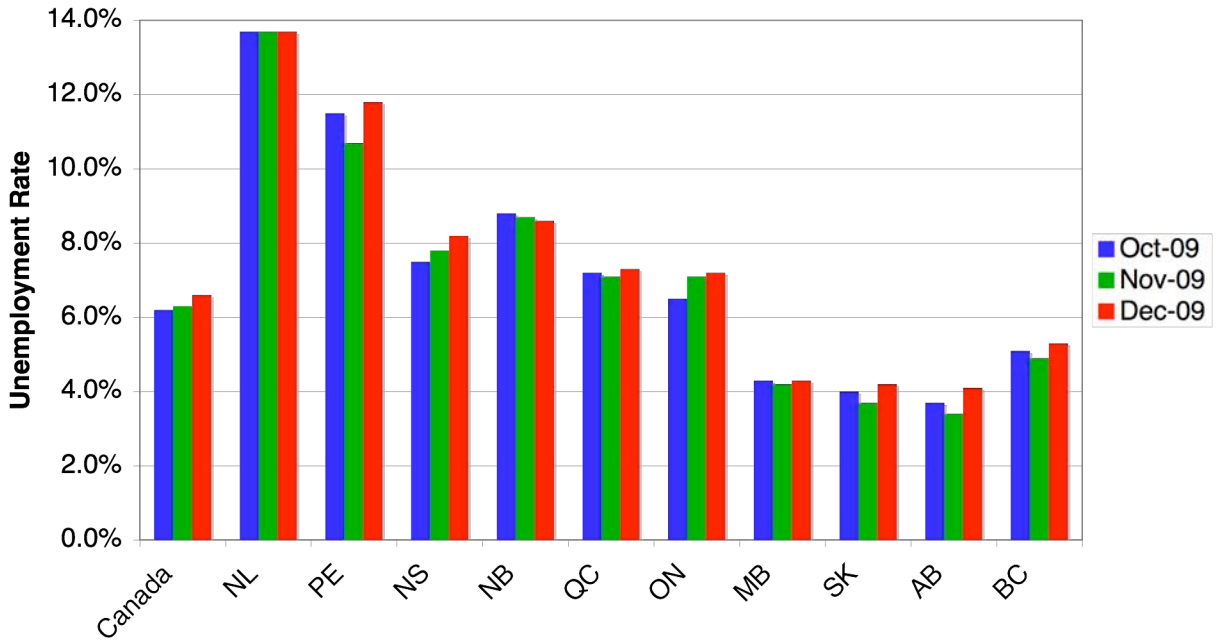
Alberta	Oct-08	Nov-08	Dec-08	Q4 2008	Q3 2008	Quarterly Change	Q4 2007	Annual Change
Population	2,812,300	2,818,000	2,823,700	2,818,000	2,804,000	14,000	2,766,700	51,300
Labour Force	2,116,900	2,107,000	2,106,500	2,110,100	2,090,200	19,900	2,050,300	59,800
Employed	2,038,600	2,034,900	2,019,100	2,030,900	2,013,800	17,100	1,980,800	50,100
Unemployed	78,300	72,100	87,400	79,300	76,400	2,900	69,500	9,800
Participation Rate	75.3%	74.8%	74.6%	74.9%	74.5%	0.4%	74.1%	0.8%
Employment Rate	72.5%	72.2%	71.5%	72.1%	71.8%	0.3%	71.6%	0.5%
Unemployment Rate	3.7%	3.4%	4.1%	3.8%	3.7%	0.1%	3.4%	0.4%

Source: Statistics Canada, Labour Force Survey, seasonally adjusted

Alberta’s seasonally adjusted unemployment rate averaged 3.8 per cent in the fourth quarter of 2008, up from 3.7 per cent the previous quarter, and 3.4 per cent year over year.

In December 2008, the unemployment rate in Alberta jumped to 4.1 per cent, from 3.4 per cent the previous month, a rate not seen since August 2006, however Alberta’s unemployment rate remained the lowest among provinces in December.

Figure 10: Unemployment Rates Q4 2008 (Canada and Provinces)



Source: Statistics Canada, Labour Force Survey, seasonally adjusted

Employment by Type of Work, Gender and Age

Full-time employment in Alberta was up an estimated 28,700 in the fourth quarter of 2008, compared to the previous year, while part-time employment was up 22,800. Year over year, part-time employment in Alberta grew at more than four times the pace (7.0 per cent) of full-time employment (1.7 per cent). With Alberta’s participation rate (the portion of the adult population who are working or looking for work) up almost a full percentage point year over year in the fourth quarter of 2008, there is the possibility that more Albertans are taking on part-time jobs to pay the bills as the economy slows.

On an annual basis in Alberta, employment growth for men (3.4 per cent) exceeded that for women (1.6 per cent) in the fourth quarter of 2008, while employment growth for adults aged 25 to 64 (2.6 per cent) exceeded that for you youth aged 15 to 24 (0.3 per cent). Employment among adults aged 65 and over increased 18.4 per cent in the fourth quarter of 2008 compared to the same period a year ago, perhaps as a result of the wild volatility in the stock markets during the last quarter of the year, causing many older workers to adjust their retirement plans.

Table 13: Employment in Alberta by Type of Work, Gender, and Age (unadjusted)

Alberta	Oct-08	Nov-08	Dec-08	Q4 2008	Q4 2007	Annual Change
Employment	2,035,400	2,025,100	2,011,200	2,023,900	1,972,300	51,600
Full-time	1,696,700	1,678,500	1,654,800	1,676,700	1,648,000	28,700
Part-time	338,700	346,600	356,400	347,200	324,400	22,800
Men	1,133,800	1,126,600	1,104,900	1,121,800	1,084,700	37,100
Women	901,600	898,600	906,200	902,100	887,600	14,500
15 - 24 years	338,400	330,600	329,000	332,700	331,700	1,000
25 - 64 years	1,639,500	1,640,100	1,627,700	1,635,800	1,593,900	41,900
65 years +	57,500	54,400	54,400	55,400	46,800	8,600

Source: Alberta Employment, Immigration and Industry, Labour Force Statistics, Alberta

Employment by Industry

On a year over year basis, the majority of industries in Alberta experienced employment declines in the fourth quarter of 2008. The most significant decreases were seen in business, building and other support services (-16.2 per cent), forestry and logging (-15.2 per cent), utilities (-12.8 per cent), and public administration (-7.8 per cent).

Table 14: Employment in Alberta by Industry (unadjusted)

Alberta	Oct-08	Nov-08	Dec-08	Q3 2008	Q3 2007	Annual Change
All Industries	2,035,400	2,025,100	2,011,200	2,023,900	1,972,300	51,600
Agriculture	67,400	56,400	59,200	61,000	55,700	5,300
Forestry and logging with support activities	2,700	2,800	2,800	2,800	3,300	-500
Mining and oil and gas extraction	144,900	152,700	151,100	149,600	145,900	3,700
Utilities	17,100	15,100	18,900	17,000	19,500	-2,500
Construction	220,100	208,900	197,300	208,800	197,100	11,700
Manufacturing	152,700	150,100	149,500	150,800	136,800	14,000
Wholesale trade	87,500	85,100	75,200	82,600	82,700	-100
Retail trade	231,200	236,700	240,000	236,000	218,600	17,400
Transportation & warehousing	104,100	101,900	103,500	103,200	106,700	-3,500
Finance, insurance, real estate and leasing	110,700	111,300	112,700	111,600	101,000	10,600
Professional, scientific & technical services	167,100	170,500	159,900	165,800	147,100	18,700
Business, building & other support services	63,000	60,100	64,800	62,600	74,700	-12,100
Educational services	132,700	134,900	144,600	137,400	122,700	14,700
Health care and social assistance	181,300	191,000	185,400	185,900	194,200	-8,300
Information, culture & recreation	67,600	70,300	73,300	70,400	74,800	-4,400
Accommodation & food services	115,200	110,500	109,600	111,800	114,500	-2,700
Other services	91,800	87,300	87,500	88,900	92,900	-4,000
Public administration	78,100	79,300	75,500	77,600	84,200	-6,600

Source: Alberta Employment, Immigration and Industry, Labour Force Statistics, Alberta

Interestingly, Alberta saw employment increases year over year in the fourth quarter of 2008 in agriculture (+9.5 per cent), manufacturing (+10.2 per cent), trade (+7.9 per cent), and educational services (+12.0 per cent) while on a national basis there was a decline in employment in these industries. There was also solid growth year over year in Alberta in professional, scientific and technical services (+12.7 per cent), finance, insurance, real estate and leasing (+10.5 per cent), construction (+5.9 per cent), and mining and oil and gas (+2.5 per cent) in the fourth quarter of 2008.

Employment by Occupation

There was year over year employment growth across most of the occupations in Alberta in the fourth quarter of 2008. The most significant increases occurred in occupations unique to processing, manufacturing and utilities (18.6 per cent), art, culture, recreation and sport occupations (8.8 per cent), natural and applied sciences and related occupations (6.7 per cent) and sales and service occupations (4.8 per cent). Employment declines were experienced in health occupations (-3.3 per cent), business, finance and administrative occupations (-2.7 per cent), and occupations unique to primary industry (-2.7 per cent).

Table 15: Employment in Alberta by Occupation (unadjusted)

Alberta	Oct-08	Nov-08	Dec-08	Q4 2008	Q4 2007	Annual Change
All Occupations	2,035,400	2,025,100	2,011,200	2,023,900	1,972,300	51,600
Management	166,900	172,700	172,400	170,700	167,700	3,000
Business, finance and administrative	360,100	352,900	353,900	355,600	365,600	-10,000
Natural & applied sciences & related	157,700	165,300	166,600	163,200	153,000	10,200
Health	102,100	107,400	102,600	104,000	107,500	-3,500
Social science, education, government & religion	150,100	148,000	153,500	150,500	144,800	5,700
Art, culture, recreation & sport	47,700	49,600	46,600	48,000	44,100	3,900
Sales & service	462,500	453,200	454,600	456,800	435,800	21,000
Trades, transport & equipment operators & related	392,700	389,500	379,000	387,100	373,600	13,500
Unique to primary industry	129,200	114,700	111,300	118,400	121,700	-3,300
Unique to processing, manufacturing & utilities	66,300	71,800	70,600	69,600	58,700	10,900

Source: Alberta Employment and Immigration, Labour Force Statistics, Alberta

CALGARY CENSUS METROPOLITAN AREA (CMA)

Q4 2008

In the fourth quarter of 2008, total employment in the Calgary CMA was estimated at 715,900, an increase of 11,500 from the previous quarter. Year over year, employment in the Calgary CMA increased by 31,100, or 4.5 per cent in the fourth quarter of 2008, a significantly higher rate of growth compared to the 2.0 per cent increase (+13,600) recorded in the fourth quarter of 2007.

The portion of the adult population (aged 15+) in the Calgary CMA who are willing to work, are working, or are actively looking for work is significantly higher than for Canada as a whole. The Calgary CMA's participation rate increased 2.4 per cent year over year to 78.1 per cent in the fourth quarter of 2008. This compares to Canada's participation rate of 67.7 per cent during the same time period.

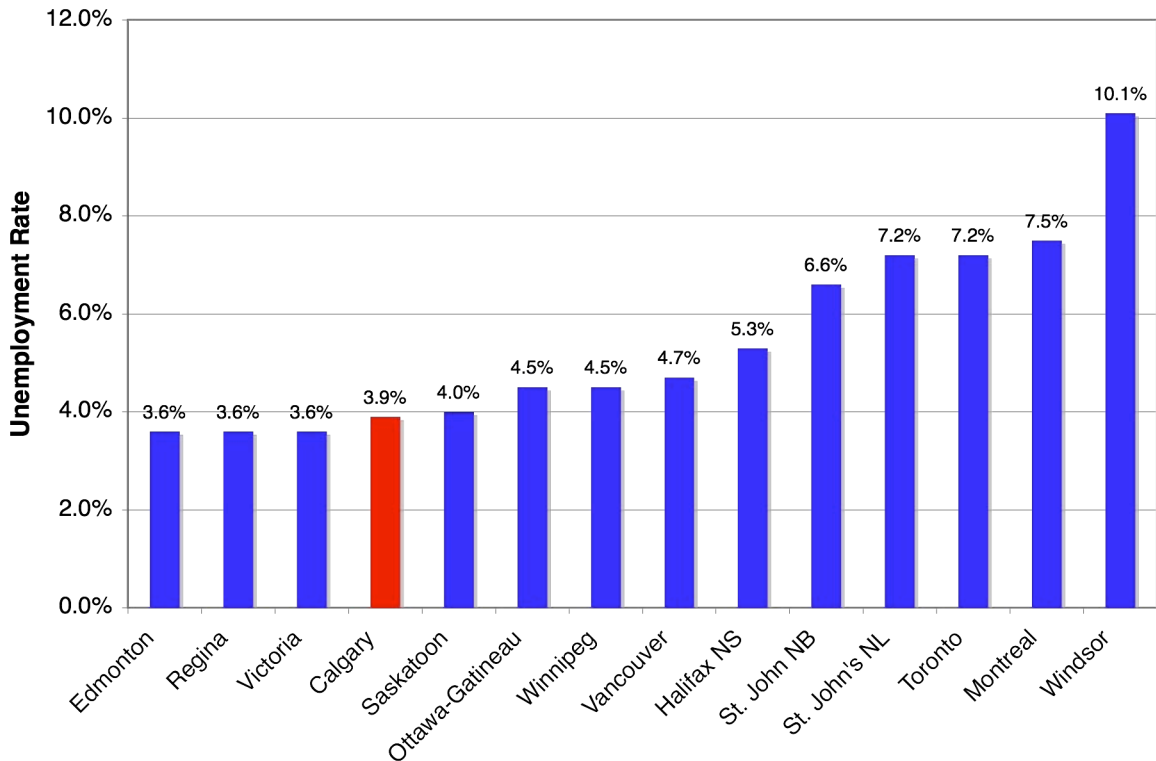
Table 16: Labour Force Statistics - Calgary CMA

Calgary CMA	Oct-08	Nov-08	Dec-08	Q4 2008	Q3 2008	Quarterly Change	Q4 2008	Annual Change
Population	951,000	952,800	954,800	952,900	947,600	5,300	932,800	20,100
Labour Force	741,900	745,300	745,400	744,200	730,000	14,200	706,000	38,200
Employed	713,400	718,000	716,400	715,900	704,400	11,500	684,800	31,100
Unemployed	28,500	27,300	28,900	28,200	25,600	2,600	21,200	7,000
Participation Rate	78.0%	78.2%	78.1%	78.1%	77.0%	1.1%	75.7%	2.4%
Employment Rate	75.0%	75.4%	75.0%	75.1%	74.3%	0.8%	73.4%	1.7%
Unemployment Rate	3.8%	3.7%	3.9%	3.8%	3.5%	0.3%	3.0%	0.8%

Source: Statistics Canada, Labour Force Survey, seasonally adjusted (3 month moving average)

The unemployment rate in the Calgary CMA averaged 3.8 per cent in the fourth quarter of 2008, up from 3.5 per cent in the third quarter of 2008, and 3.0 per cent year over year. The Calgary CMA had the second lowest unemployment rate among metropolitan areas in December 2008 following a three-way tie among Edmonton, Regina and Victoria (3.6 per cent). Once again, Windsor, Ontario had the highest unemployment rates among metropolitan areas in December 2008 at 10.1 per cent.

Figure 11: Unemployment Rates of Canadian Cities (CMAs) – December 2008



COMMUNITY PROFILES

This section provides a detailed profile of the Town of Banff and highlights some of the happenings in the fourth quarter of 2008 in the communities surrounding Calgary.

TOWN OF BANFF

The Town of Banff, located 130 km west of Calgary, is a unique municipal entity, tasked with providing services and infrastructure to enhance the quality of life of its residents, as well as to meet the various needs of approximately 3 million visitors that enjoy the town annually.

“Unlike most Canadian municipalities whose mandate to their residential constituents is immediately apparent, visitors to the town outnumber its capped population (10,000) approximately 300 to 1. In this regard, Banff must serve a multiple number of “constituents”, including its own population, its seasonal employment base, park visitors and the people of Canada.”⁹⁷

In November 2007, the Town of Banff released the results of its Community Satisfaction Survey, a survey designed to assess resident satisfaction with the facilities, programs and services being offered in Banff.⁹⁸ Overall, 89.8 per cent of respondents rated their quality of life⁹⁹ as good or very good. This was a 3.2 per cent improvement from when the survey was conducted in 2004. Other findings included:

- Over the 3-year period from 2004 to 2007, 26 per cent of respondents stated their quality of life had improved, which was a significant increase over the 17 per cent reported in 2004.
- Seventy-nine per cent of respondents rated the quality of the Town of Banff services as good or very good, an improvement from the 75 per cent reported in 2004.
- Respondents were most satisfied with fire and EMS response times, the library, the quality of drinking water, and fire prevention. Transit service, traffic and speed monitoring, snow clearing, number of bike trails, recycling and property appearance standards were the areas identified that needed the most improvement.

POPULATION

According to the 2007 Banff Municipal Census, the Town of Banff’s population has grown from 8,352 in 2005 to 8,721 in 2007, representing a growth of over 4 per cent. Banff’s permanent population has grown from 6,959 in 2005 to 7,437 (+7 per cent), while its non-permanent population has grown from 1,025 to 1,284 (+25 per cent).

On average, the population of Banff is quite a bit younger when compared to the Calgary CMA, as is common with most resort communities. According to the 2006 Federal census, the median age of residents in Banff is 32.1, whereas the median age of residents in the Calgary CMA is 35.7.

- Thirty-six per cent of Banff’s population is aged 20 – 29. This compares to the Calgary CMA at 15 per cent.
- Eighty-five per cent of Banff’s non-permanent residents are between the ages of 15 and 29.

⁹⁷ Town of Banff Commercial Capacity Study – *The Effects of Commercial Build-Out on the Town of Banff*, prepared for the Town of Banff by urbanMetrics inc., March 23, 2007, p.1.

⁹⁸ Town of Banff, *2007 Banff resident Community Satisfaction Survey Report*, November 21, 2007.

⁹⁹ Quality of life was defined as your physical and material well being; relationships with other people; participation in social, community and civic activities; personal development and fulfillment; and recreation.

- There are two dominant population groups in Banff – a population of long-term residents (length of residency > 10 years) at 28 per cent of the population, and a group of new residents who have resided in the town for less than a year at 29 per cent of the population.
- Sixty-one per cent of dwelling units in Banff are rented, and 32 per cent of them are owned. Of the 61 per cent that specified they rent their accommodation, 26 per cent said they rent their accommodation from their employer.

Table 17: Town of Banff Population Statistics

Statistics	Description	
Population	8,721	2007 Municipal Census
	8,352	2005 Municipal Census
	% Change	4.4%
Permanent Population	7,437	2007 Municipal Census
	6,959	2005 Municipal Census
	% Change	6.9%
Non-Permanent Population	1,284	2007 Municipal Census
	1,025	2005 Municipal Census
	% Change	25.3%
Unknown	49	2007 Municipal Census
	368	2005 Municipal Census
	% Change	-86.7%
Gender Distribution	49.6%	Male
	49.2%	Female
	1.2%	Unknown
Age Distribution	9.0%	0 – 14 years
	25.1%	15 – 24 years
	41.5%	25 – 44 years
	16.0%	45 – 64 years
	4.6%	65+ years
	3.8%	Unknown
Length of Residency	28.6%	< 1 year
	17.6%	1 – 2 years
	11.8%	3 – 5 years
	9.0%	6 – 10 years
	28.1%	> 10 years
	4.9%	Unknown
Tenancy Status	32.4%	Owned
	61.0%	Rented
	3.9%	Vacant
	2.0%	Under Construction
	0.4%	Vacant Lot
	0.3%	Unknown

Source: 2007 and 2005 Town of Banff Municipal Census

EDUCATION

Fifty-seven per cent of Banff's population 15 years of age and over reported having attained a post-secondary certificate, diploma, or degree according to the 2006 Federal census. This is slightly more than the Calgary CMA at 56 per cent. Of the 57 per cent of the population with a post-secondary education, 22.2

per cent have a college or other non-university certificate or diploma, 21.1 per cent have a university certificate or degree, 8.2 per cent have an apprenticeship/trades certificate or diploma, and 5.8 per cent have a university certificate or diploma below the bachelor level. Seventeen per cent of Banff's population 15 years of age and over reported their major field of study was business/management/public administration, and 8 per cent said their major field of study was architecture and engineering technologies.

Table 18: Town of Banff Education Statistics

Statistic	Description
Educational Attainment (15 years and over)	29.7% High school certificate or equivalent
	22.2% College; CEGEP or other non-university certificate or diploma
	21.1% University certificate; diploma or degree
	13.0% No certificate; diploma or degree
	8.2% Apprenticeship or trades certificate or diploma
	5.8% University certificate or diploma below the bachelor level
Major Field of Study	42.6% No postsecondary certificate/diploma/degree
	17.1% Business/management/public admin
	7.6% Architecture/engineering technologies
	5.8% Health/parks/recreation/fitness
	5.7% Personal/protective/transportation services
	5.1% Social/behavioural sciences/law
	4.1% Humanities
	3.6% Visual/performing arts/communications
	2.3% Education
	2.3% Math/computer/information sciences
	1.8% Physical/life sciences technologies
	1.8% Agriculture/natural resources/conservation

Source: Statistics Canada, 2006 Census of Population

EMPLOYMENT

The 2007 Municipal Census reported that 6,200 of Banff's population were employed full-time in 2007, representing a 10 per cent increase from 2005. Another 4.7 per cent were working part-time while 4.2 per cent were seasonally employed in 2007.

- Fourteen per cent of the population had more than one job in 2007, representing a 44 per cent increase from the 2005 level.
- Close to 5,940 of the town's population, or 66 per cent, were employed in the Town of Banff in 2007, representing an 11 per cent increase from 2005.
- More permanent residents were employed full-time than non-permanent residents in 2007 (84 per cent vs. 15 per cent).
- More non-permanent residents were employed seasonally than non-permanent residents in 2007 (43 per cent vs. 57 per cent).
- Tourism and hospitality are the primary employment sectors in Banff, with over 50 per cent of the population employed in accommodation, food and beverage, retail and wholesale, guiding and ski area services.
- The trend in primary employment sectors has not changed since 2005.

Table 19: Town of Banff Employment Statistics

Statistics	2007 Mun. Census	2005 Mun. Census	% Change	Description
Employment Status	6,200	5,601	10.7%	Full-Time
Total Population	416	394	5.6%	Part-Time
	364	353	3.1%	Seasonal
	86	95	-9.5%	Unemployed: Seeking Work
	125	114	9.6%	Homemaker
	413	387	6.7%	Retired
	158	221	-28.5%	Other (over 15)
	767	709	8.2%	Under 15 years
	241	478	-49.6%	Unknown
Employment Status	5,231	4,793	9.1%	Full-Time
Permanent Population	384	333	15.3%	Part-Time
	158	122	29.5%	Seasonal
	41	84	-51.2%	Unemployed: Seeking Work
	122	112	8.9%	Homemaker
	408	383	6.5%	Retired
	152	200	-24.0%	Other (over 15)
	752	705	6.7%	Under 15 years
	62	228	-72.8%	Unknown
Employment Status	898	651	37.9%	Full-Time
Non-Permanent Population	28	61	-54.1%	Part-Time
	206	230	-10.4%	Seasonal
	21	11	90.9%	Unemployed: Seeking Work
	3	2	50.0%	Homemaker
	3	2	50.0%	Retired
	4	21	-81.0%	Other (over 15)
	9	5	80.0%	Under 15 years
	19	42	-54.8%	Unknown
Number of Jobs Per Person	1,263	880	43.5%	More than One Job
Total Population	5,443	5,075	7.3%	Only One Job
	1,495	1,577	-5.2%	N/A
	569	820	-30.6%	Unknown
Number of Jobs Per Person	1,155	784	47.3%	More than One Job
Permanent Population	4,493	4,244	5.9%	Only One Job
	1,458	1,492	-2.3%	N/A
	204	439	-53.5%	Unknown
Number of Jobs Per Person	108	93	16.1%	More than One Job
Non-Permanent Population	936	799	17.1%	Only One Job
	34	72	-52.8%	N/A
	113	61	85.2%	Unknown
Location of Employment	5,936	5,347	11.0%	Town of Banff
Total Population	67	148	-54.7%	At Home
	515	460	12.0%	Banff National Park
	165	120	37.5%	Canmore
	41	28	46.4%	Calgary
	3	1	200.0%	Edmonton
	20	7	185.7%	M.D. Bighorn
	152	156	-2.6%	No Usual Place
	26	20	30.0%	Other Alberta
	41	22	86.4%	Outside Alberta
	1,465	1,514	-3.2%	N/A
	339	529	-35.9%	Unknown
Nature of Employment	10	4	150.0%	Agriculture/Forestry/Fishing/Hunting
Total Population	26	14	85.7%	Mining & Oil & Gas
	105	72	45.8%	Finance/Insurance/Real Estate
	290	201	44.3%	Construction
	227	182	24.7%	Health/Social Services
	368	303	21.5%	Government/Public Administration
	94	81	16.0%	Ski Area Services
	1,019	882	15.5%	Food/Beverages
	818	742	10.2%	Retail & Wholesale Trade
	564	517	9.1%	Education
	272	253	7.5%	Transportation
	130	122	6.6%	Business/Personal/Other Services
	2,348	2,269	3.5%	Accommodation
	219	281	-22.1%	Guiding
	25	44	-43.2%	Manufacturing
	428	381	12.3%	Other
	1,500	1,528	-1.8%	Non Applicable
	327	476	-31.3%	Unknown

Source: 2007 and 2005 Town of Banff Municipal Census

OTHER COMMUNITIES IN THE CALGARY REGION

Alberta Employment and Immigration’s Calgary Region includes the following communities surrounding the city of Calgary: Airdrie, Banff, Beiseker, Black Diamond, Canmore, Chestermere, Cochrane, Crossfield, High River, Irricana, Okotoks, and Turner Valley. This section highlights current information on housing, capital projects and noteworthy news items for each of these communities, where available.

HOUSING

In the first eleven months of 2008, housing starts in the Calgary CMA totaled 11,035 units, a 14.5 per cent decrease from the same period in 2007. Single-detached starts totaled 4,104 units year to date in November 2008, a 44 per cent decline from the same period in 2007, while multi-family starts totaled 6,931 units, a 26 per cent increase from the first eleven months of 2007. Total housing starts in the town of Cochrane increased more than 100 per cent year to date to the end of November 2008, as a result of an increase in multi-family starts.

Table 20: Housing Starts in the Calgary CMA - January to November

Area	Single		Multiple		Total		% Change 2008/2007
	2008	2007	2008	2007	2008	2007	
Airdrie	543	806	306	504	849	1,310	-35.2%
Beiseker	0	1	0	0	0	1	-100.0%
Calgary City	3,062	5,641	6,214	4,872	9,276	10,513	-11.8%
Chestermere Lake	94	234	55	63	149	297	-49.8%
Cochrane	201	229	330	28	531	257	106.6%
Crossfield	11	23	0	2	11	25	-56.0%
Irricana	1	6	0	4	1	10	-90.0%
MD Rockyview	192	445	26	46	218	491	-55.6%
Total	4,104	7,385	6,931	5,519	11,035	12,904	-14.5%

Source: Canada Mortgage and Housing Corporation

The total number of resale housing units sold in the towns outside Calgary¹⁰⁰ in December 2008 totaled 113, a 47 per cent decrease from December 2007. From January to December 2008, 3,815 resale housing units were sold, representing a 27 per cent decrease from the same period in 2007.

Average combined residential sale prices in the towns outside Calgary decreased 18 per cent year over year in December 2008 to \$329,951. From January to December 2008, average residential sale prices in these communities decreased 0.6 per cent to \$375,024 compared to the same period in 2007.

Table 21: Total Resale Housing Sales, Average and Median Sale Prices for Towns (outside Calgary)

Towns (outside Calgary)	Dec 2008	Dec 2007	% Change	Jan - Dec 2008	Jan - Dec 2007	% Change
Sales	113	212	-46.7%	3,815	5,223	-27.0%
Avg. Sale Price	\$ 329,951	\$ 404,581	-18.4%	\$ 375,024	\$ 377,287	-0.6%
Median Sale Price	\$ 315,000	\$ 349,800	-9.9%	\$ 350,000	\$ 347,500	0.7%

Source: Calgary Real Estate Board

¹⁰⁰ See www.creb.com for a list of towns.

In the fourth quarter of 2008, residential sales were down year over year in virtually all of the communities in the Calgary Region. Average residential sale prices also declined year over year in the fourth quarter of 2008 in all of the communities except Airdrie (+2.1 per cent) and Canmore (+0.5 per cent).

Table 22: Total Resale Housing Sales and Average Sale Price by Area

Area	Q4 2008 Sales (#)	Q4 2007 Sales (#)	% change	Q4 2008 Avg. Sale Price (\$)	Q4 2007 Avg. Sale Price (\$)	% change
Airdrie	147	205	-28.3%	350,488	343,413	2.1%
Banff	1	0	--	199,000	-	--
Beiseker	0	5	--	-	247,260	--
Black Diamond	7	12	-41.7%	235,714	267,358	-11.8%
Canmore	27	64	-57.8%	673,116	669,745	0.5%
Chestermere	28	42	-33.3%	447,485	547,602	-18.3%
Cochrane	34	65	-47.7%	398,362	464,170	-14.2%
Crossfield	6	13	-53.8%	247,500	400,923	-38.3%
High River	40	54	-25.9%	287,048	298,557	-3.9%
Irricana	3	3	0.0%	266,500	271,833	-2.0%
Okotoks	78	125	-37.6%	373,179	417,747	-10.7%
Turner Valley	3	11	-72.7%	310,833	330,863	-6.1%

Source: Calgary Real Estate Board

INVENTORY OF PROJECTS

Alberta Finance and Enterprise estimates that over \$5.12 billion in major capital projects are either proposed (P), announced (A), or under construction (UC) in select communities surrounding Calgary.

**Table 23: Summary - Inventory of Major Projects
in Select Communities (> \$5 million)**

Location	Total Projects	Proposed	Announced	Under Construction	Cost (\$mill)
Airdrie	14	5	2	7	260.9
Banff	5	4	0	1	531.3
Beiseker	1	0	0	1	28.0
Canmore	6	3	0	3	1,590.6
Chestermere	3	1	0	2	46.7
Cochrane	5	2	2	1	185.7
High River	5	4	0	1	41.8
Okotoks	5	2	2	1	40.5
Turner Valley	1	1	0	0	6.0
MD of Foothills	8	5	0	3	1,034.9
MD of Rocky View	20	10	3	7	1,357.1
Total	73	37	9	27	5,123.5

Source: Alberta Finance and Enterprise, Inventory of Alberta Major Projects, September 2008

Table 24: Inventory of Major Projects in Select Communities (> \$5 million)

Area	Company	Project	Cost (\$mill)	Status	
AIRDRIE	City of Airdrie	Genesis Place	28.2	UC	
	City of Airdrie	'Chinook Winds' Regional Waste Management Facility	11.4	P	
	Costco Canada	Western Canada Distribution Centre	41.8	P	
	First Capital Realty	Redevelopment of Towelane Mall	20.0	UC	
	Jade Developments	Residential/Commercial building	11.8	UC	
	Alberta Transportation	Yankee Valley Blvd Interchange	40.0	P	
	The Tarjan Group	Two apartment buildings	25.5	P	
	Focus Hotels	Hotel	6.5	UC	
	City of Airdrie	New West Side AES Station	10.8	A	
	City of Airdrie	New Reservoir, NE	5.9	A	
	City of Airdrie	2008 Roads Program	9.4	UC	
	Renaissance Developments Corp.	'The Edge' apartment complex	30.0	UC	
	Alberta Infrastructure	New Elementary School (K to grade 6)	14.5	UC	
	Sustainable Housing Working Group	Affordable housing project	5.1	P	
	Sub Total		260.9		
BANFF	Parks Canada	Twining Highway 1 - Castle Jct. to Lake Louise	100.0	P	
	Parks Canada	Widening of Highway 1 to 4 lanes - Castle Mtn. to BC border	250.0	P	
	Town of Banff	Joint recreation and community centre	44.0	P	
	Alberta Seniors and Community Supports	Affordable supportive seniors' housing units	5.3	P	
	The Banff Centre	Campus redevelopment plan	132.0	UC	
	Sub Total		531.3		
BEISEKER	Alberta Transportation	Highway 9 Widen and Overlay	28.0	UC	
	Sub Total		28.0		
CANMORE	Alberta Infrastructure	Joint English and French School (K to grade 12)	20.3	UC	
	Stone Creek Properties Inc.	'Village at Stone Creek' commercial/residential development	1,500.0	P	
	Axis Development	New Canadian Tire/Mark's Work Warehouse Store	10.0	P	
	Canmore Community Housing Corp	Palliser' affordable housing project	32.5	UC	
	Town of Canmore	Wastewater treatment plant upgrades	15.0	P	
	Alberta Infrastructure	Replacement School - Lawrence Grassi Middle School	12.8	UC	
	Sub Total		1,590.6		
CHESTERMERE	Alberta Infrastructure	New elementary school (K to grade 6)	14.5	UC	
	Town of Chestermere	2008 Water utility projects	20.0	P	
	Alberta Infrastructure	New elementary school (K to grade 6)	12.2	UC	
	Sub Total		46.7		
COCHRANE	Springwood Development	Commercial development	75.0	P	
	Calgary Health Region	Community health centre	6.0	UC	
	Town of Cochrane	Water treatment plant upgrades	12.2	A	
	Inter Pipeline Fund	Ethane recovery project	80.0	P	
	Spray Lake Sawmill Recreation Park Society	Phase 3 of sports centre development	12.5	A	
	Sub Total		185.7		
HIGH RIVER	Town of High River	Library expansion	16.7	P	
	Town of High River	Longview Trail extension	6.4	P	
	Town of High River	Water plant upgrades to water system	5.5	P	
	Foothills Foundation	Medicine Tree Manor addition	7.2	UC	
	Continuum Health Care	Supportive housing complex	6.0	P	
	Sub Total		41.8		
OKOTOKS	Calvanna Developments	Calvanna Village phase 3	12.0	P	
	Town of Okotoks	32 St. extension to N Railway St.	5.6	UC	
	Wal-Mart Canada Ltd.	Store expansion	5.0	A	
	Town of Okotoks	32 St. bridge	11.0	P	
	Alberta Infrastructure	Modernization Percy Pegler School	6.9	A	
	Sub Total		40.5		
TURNER VALLEY	Turner Valley Legion	Community Centre	6.0	P	
	Sub Total		6.0		
MD FOOTHILLS	City of Calgary	Pine Creek Wastewater Treatment Plant	463.0	UC	
	Ag Energy Corp.	Ethanol Plant	120.0	P	
	Trans Canada Corp.	Saddlebrook Natural Gas Fired Power Plant	400.0	P	
	Alberta Transportation	Highway 2 interchange conversion at CPR overpass	7.0	UC	
	MD of Foothills	Joint facility for fire and EMS services	7.0	P	
	Non Contact Hockey League	QPLEX Hockey Arena	16.0	P	
	MD of Foothills	SH 540 paving and improvements	10.1	P	
	Alberta Infrastructure	New school (K to 9) Red Deer Lake Community School	11.8	UC	
		Sub Total		1,034.9	
	MD ROCKY VIEW	MD of Rocky View	Recreation facility Bow North Recreation District- Langdon	20.0	P
MD of Rocky View		Additional Ice surface, Indus Recreation Centre	5.0	P	
MD of Rocky View		Bow River Outfall	21.0	P	
Western Irrigation District		Storage capacity development and canal rehabilitation	85.0	P	
MD of Rocky View		Wastewater pipeline	18.0	A	
Enmax Energy		'Crossfield Energy Centre' natural gas fired power plant	150.0	A	
Alberta Transportation		Highway 2 & 2A grade, base and pave	33.9	UC	
Olds College		Canadian Equine Centre of Innovation	10.0	A	
Alberta Transportation		SH 560 grade, base and pave	8.7	UC	
MD of Rocky View		East Rocky View wastewater transmission line upgrades	47.6	P	
MD of Rocky View		Langdon regional wastewater treatment plant	23.0	P	
MD of Rocky View		Langdon water treatment plant upgrades and pipeline	70.0	P	
MD of Rocky View		2008 Water and Sewer Infrastructure Program	23.0	P	
MD of Rocky View		2008 Road Work Program	18.0	P	
United Horsemen of Alberta		Calgary Race Track & Racing Entertainment Centre	260.0	UC	
Avenue Commercial Development		Development of Wagon Wheel Industrial Park	50.0	UC	
Ivanhoe Cambridge		CrossIron Mills regional shopping centre	434.0	UC	
Edge School		New school campus	36.6	UC	
Town of Bragg Creek		Water and wastewater treatment facility	26.0	P	
EnCharis Community Housing and Services	'Prince of Peace' dementia and assisted living care	17.3	UC		
	Sub Total		1,357.1		
TOTAL			5,123.5		

COMMUNITY NEWS

The economy catches up on Airdrie

Airdrie Echo, December 31, 2008

In less than a year Airdrie's economy has gone from boom to merely OK. For the City of Airdrie, the slowdown is half problem, and half opportunity. Infrastructure projects are now attracting interest from contractors that were too busy to handle additional work in the first half of 2008. Major projects include phase two of Genesis Place and replacing the Yankee Valley Boulevard underpass. Dubbed the 'rat hole' by locals, the underpass is a major bottleneck for traffic. The slowdown is also helping the City move ahead on its plans for affordable housing. In 2009, a municipal rent subsidy program will be launched and the City will start acquiring units.

Okotoks population cap may be dumped

Calgary Herald, December 28, 2008

The Sheep River is the main source of water for Okotoks, and it has limits. The Town estimates the river can support about 30,000 people in Okotoks, and in 1998 the community capped its population to reflect the water supply. But that policy is now up for discussion. New residential developments around Okotoks are tapping the Town's services without providing a tax base, and Mayor Bill McAlpine is arguing surrounding areas should be annexed bringing the population up to 50,000 to 60,000 people by mid-century. To provide water, McAlpine suggests tapping into a regional water system. A larger town would also dovetail into transportation issues plans for the region. Without higher densities, new rail and transit services would probably be uneconomic.

Sawmill braces for another tough year

Cochrane Times, December 23, 2008

The Spray Lake Sawmill is getting ready for another tough year. The dramatic downturn in the American housing market has already cut demand for lumber by about 12.8 per cent between 2007 and 2008 according to the Alberta Forest Products Association, with little hope of a major turnaround this year. To help cope, the industry is looking for help from the federal government including relaxed employment insurance rules and additional corporate credit. In Cochrane, the effects have already been felt at the Spray Lake Sawmill which cut its productions from two shifts to one in 2007, but has managed to keep staff stable since then by offering a variety of products besides lumber.

Stars 'lining up' for regional transit network

Calgary Herald, December 19, 2008

With thousands of residents from outlying centres using Calgary's roads or transit systems, some municipal officials are suggesting bedroom communities should contribute toward the city's growing infrastructure costs.

This summer, the provincial government announced a \$2-billion public transit fund focused on regional co-operation. Along with a request for \$2 billion to build the southeast leg of the LRT, the City of Calgary will also ask to include commuter buses to neighbouring towns in the plan. These busses could supply seamless connection directly to the nearest Calgary transit station.

'These are tough times' – Canmore mayor

Canmore Leader, December 18, 2008

Canmore's town council recently approved the 2009 operating budget, the 2009 capital budget and the 2009 - 2013 five-year capital budget. In an effort to keep the increases low, protective services were denied requests for equipment, and unplanned projects were removed from the parks budget, streets and roads, utilities, and solid waste services in the capital budget.

Airdrie taxes increase 4.3 per cent

Airdrie Echo, December 17, 2008

Airdrie city council recently passed a 4.3 per cent tax increase.

City staff requested \$4.4 million in additional requests for 2009. The City chopped it down to \$3.4 million and the modest increase to property taxes was agreed upon.

Some major cuts included rolling back additional staff from 35 requested positions to 22. The sustainability program was also cut from \$500,000 to \$170,000. The tax rate will be set in April 2009.

Provincial grants bring rural Alberta ‘up to speed’

High River Times, December 16, 2008

Two new grant programs have been introduced by the provincial government to help rural communities grow and adapt to change.

The Community Broadband Infrastructure Pilot Program provides \$9 million in grant funding to bring high-speed Internet service to communities where it’s currently limited or does not exist.

The Rural Community Adaptation Program encourages communities to come up with its own answers to challenges like economic turbulence, migration, demographic changes and environmental issues like Mountain Pine Beetle infestation.

The grant programs will operate for the next three years, expiring March 31, 2011.

High River studies local campus

High River Times, December 16, 2008

The Town of High River is considering bringing more post-secondary schools to High River. While no budgetary commitments have been made yet, the idea has been sent out to the Alberta College of Art and Design and Olds College.

Skilled trades, the agriculture sector and local school boards could play a role in the drive to attract post-secondary institutions.

Film crew looks for new location outside Calgary

Calgary Herald, December 15, 2008

The closure of Currie Barracks has forced a large film crew to search for a new home outside Calgary. The crew was filming the Heartland series for CBC, injecting \$25 million a year into the local economy and employing between 100 and 150 people. The show will stay in Alberta, but the producers are now looking at other locations such as Okotoks, Airdrie and High River. The loss of Heartland highlights Calgary’s lack of studio space, a problem that may take years to solve since proposals for a film centre are in the early stages. Calgary is one of the few major Canadian cities without a film centre, however the variety of landscapes and settings close to Calgary will probably attract projects into the future.

Regional transit plan ‘still in very early stage’

High River Times, December 12, 2008

The Calgary Regional Partnership (CRP) is considering entering a proposal to share in the \$2-billion Green Trip transit plan the provincial government unveiled last summer. It recommends the CRP would pay 20 per cent of the cost. The proposed system would include three main commuter train lines, spreading west to Cochrane, north to Airdrie and south to Okotoks and High River, with busing to other communities.

Transit key to easing City traffic troubles

Airdrie Echo, December 10, 2008

A comprehensive review of Airdrie's transportation system revealed possible new projects. The 2008 Transportation Master Plan (TMP) looked at 10-year and 25-year forecasts of areas of the city that will become congested and ways to improve them. One of the improvements that will be made as a result of the TMP is a new 40th Avenue interchange 1.6 km south of Yankee Valley. The TMP also outlines a transportation model upgrade; reviews existing traffic conditions; provides traffic forecasts; looks at the long-range roadway network; and also recommends transportation upgrades and the capital budget implications.

Banff's 2009 taxes increase .03 per cent

Banff Crag and Canyon, December 9, 2008

The Town of Banff announced an overall tax increase of 0.03 per cent. It will be reviewed by administration and voted on December 15. Some cuts included freezing staff wages, cutting summer students and trimming funding to initiatives.

Funding was also approved for future budgets: \$150,000 coming in 2010 and \$100,000 in 2011.

Banff tourist survey good and bad

Banff Crag and Canyon, December 9, 2008

While the majority of tourists in Banff National Park are satisfied with their visit and plan to return, there were some issues they had, according to the Town of Banff and Parks Canada's summer Indexperience Survey. The survey gauged visitors' level of satisfaction with the town and park attractions. Some visitors felt they did not get the impression of being in an authentic mountain community and did not receive a great welcome at the east gates. Some were also not satisfied with the value for money in stores, restaurants and accommodations and found parking a pain in both communities.

Rural housing slumps

Calgary Herald, November 6, 2008

Rural sales and average sale prices dipped in October 2008 compared with a year ago. According to the Calgary Real Estate Board sales in the towns outside of Calgary fell by 32 per cent in October 2008 compared with October 2007 and the average sale price dropped by 10.5 per cent to \$360,711. The median price fell by 6.1 per cent to \$340,000.

Canmore athletes impact census

Calgary Herald, October 20, 2008

With many professional athletes residing in the town, Canmore is considering adding the employment category to its annual census.

During the municipal census residents were asked to classify their employment. In all, 1.9 per cent of the responses were categorized as other and most of these responses could be considered full-time athletes.

CALGARY & AREA EMPLOYER SURVEY

For each quarter of 2008, a survey was conducted of Calgary and area companies. The purpose of the survey was to gather information from employers on their recruitment and retention practices and various other employment issues they are facing. In the first quarter of 2008, companies with 100 or more employees were surveyed, in the second quarter, companies with 50 – 99 employees were surveyed, in the third quarter, companies with 10 – 49 employees were surveyed, and in the fourth quarter, companies with less than 10 employees were surveyed. The survey was conducted as described above to see if overall, recruitment and retention practices, as well as various employment issues vary depending on the size of the company.

SUMMARY OF Q4 2008 SURVEY RESULTS: COMPANIES WITH < 10 EMPLOYEES

In the fourth quarter of 2008, a survey was conducted of 208 Calgary and area companies with less than 10 employees. Employers were asked to provide information on positions they are currently trying to fill, as well as anticipated vacancies in the next three months. It should be noted that results are presented as received, with no statistical analysis. For additional information on survey methodology, see Appendix A.

COMPANY PROFILES

- The 208 companies surveyed employ approximately 1,058 people.
- Five per cent of the companies have expanded and 9 per cent have downsized in the last 12 months. Eighty-six per cent of companies have not changed the scope of their operations in the last 12 months.
- One per cent of the companies anticipate a business expansion, 3 per cent anticipate a business downsize, and 2 per cent anticipate a business closure in the next 12 months. No relocations are expected.

RECRUITMENT

- Eight per cent of the companies surveyed currently have vacant positions that need to be filled.
- The companies reporting vacancies have approximately 20 vacant positions.
- Two per cent of the companies surveyed anticipate requiring an additional 6 employees in the next 3 months, not including existing vacant positions.
- Overall, the top resources companies use to find applicants are: word of mouth/employee referrals, newspapers, industry associations, and walk-ins/unsolicited resumes.
- Nine per cent of the companies surveyed had difficulty recruiting qualified employees in the last 12 months.
- One per cent of the companies anticipate having more difficulty, 9 per cent anticipate having less difficulty, and 70 per cent anticipate having about the same amount of difficulty recruiting qualified employees in the next 12 months.
- Overall, 96 per cent of the companies are aware that some groups of workers in the Calgary region, such as persons with disabilities, aboriginal people, immigrants, older workers, youth, and women are traditionally underemployed.
- Three per cent of the companies surveyed have plans to directly target some underemployed groups in the next 12 months.

- Overall, 1 per cent of the companies surveyed currently employ temporary foreign workers.
- Ninety-four per cent of the companies surveyed anticipate they will not be applying for or hiring temporary foreign workers in the next 12 months, while an additional 6 per cent are unsure.

RETENTION

- Fifty-three per cent of the companies surveyed reported employees have left their company in the past 12 months as a result of voluntary turnover.¹⁰¹
- Approximately 209 employees have voluntarily left the companies in the past 12 months. Overall, approximately one in five workers have left their employer for other work in the past year (20 per cent turnover rate).
- Sixty-three per cent of the companies surveyed anticipate employee turnover will be about the same in the next 12 months, 2 per cent anticipate it will be lower, and 35 per cent are unsure.
- The top strategies companies are using to retain employees are: positive work environment, competitive salary, and excellent management/supervision.
- One per cent of the companies surveyed anticipate their companies will be focusing more on employee retention in the next 12 months, 2 per cent will be focusing less, and 54 per cent will be focusing about the same.

SUPPLEMENTAL QUESTION

- Overall, 48 per cent of the companies surveyed said flexible work arrangements are available to employees to accommodate work/life balance needs, 29 per cent said flexible work arrangements are not available, and 23 per cent were unsure.
- Of the 101 companies (48 per cent) that said they have flexible work arrangements available to their employees, part-time was the most common response, followed by flexible start/finish times and working from home.

¹⁰¹ Initiated at the choice of the employee.

Q.1 How many people does your company employ in the Calgary region?

The 208 companies surveyed employ approximately 1,058 people.¹⁰²

Industry	Total Employees	Number of Companies
Mining & Oil & Gas	105	20
Construction	110	21
Manufacturing	126	22
Wholesale & Retail Trade	124	22
Transportation & Warehousing	103	20
Professional, Scientific & Technical Services	89	20
Health Care & Social Assistance	108	20
Accommodation & Food Services/Arts & Entertainment	106	21
Finance, Insurance, Real Estate & Leasing	84	20
Other	103	22
Total	1,058	208

Q.1 Comments

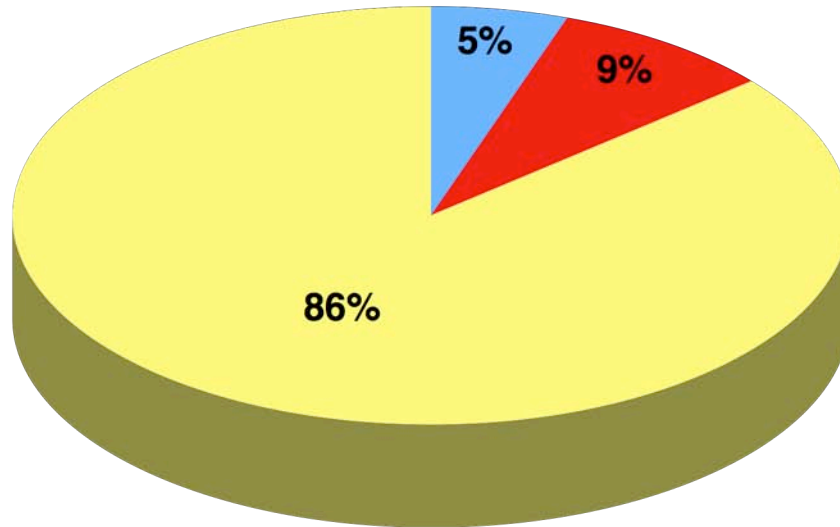
- There are only two of us. I find things work better if you just work with someone you can trust. – *Construction*
- We have had as many as 15 (currently 9 employees), but things are a bit slower. – *Construction*
- Three years ago I had over 20 guys working for me (currently 3 employees), but I've been phasing them out. I'm getting ready to get out of the business all together. – *Construction*
- It's our off-season right now. In high season we can have as many as 8 (currently 2 employees). – *Finance, Insurance, Real Estate & Leasing*
- Normally we like to have 6 employees (currently 4 employees). – *Health Care & Social Assistance*
- There were 4 of us, but 1 retired and one just moved. – *Other*

¹⁰² The 'Other' industry category includes companies from the remainder of the industry categories: Agriculture, Utilities, Information & Culture, Management of Companies, Administrative & Support Services, Educational Services, Other Services and Public Administration.

Q.2 Has your company expanded, relocated, or downsized in the last 12 months?

Overall, 5 per cent of the companies surveyed have expanded, 9 per cent have downsized, and none of the companies have relocated in the last 12 months. Eighty-six per cent of companies have not changed the scope of their operations in the last 12 months.

■ Yes - expanded ■ Yes - downsized ■ No



Fourteen per cent of the companies in the wholesale & retail trade industries and 'other' industry have expanded in the last 12 months, while 29 per cent of the construction companies and 20 per cent of the mining & oil and gas and transportation & warehousing companies have downsized.

Industry	Yes - expanded	Yes - relocated	Yes - downsized	No
Mining & Oil & Gas	0%	0%	20%	80%
Construction	5%	0%	29%	67%
Manufacturing	0%	0%	0%	100%
Wholesale & Retail Trade	14%	0%	9%	77%
Transportation & Warehousing	5%	0%	20%	75%
Professional, Scientific & Technical Services	10%	0%	5%	85%
Health Care & Social Assistance	0%	0%	0%	100%
Accommodation & Food Services/Arts & Entertainment	0%	0%	0%	100%
Finance, Insurance, Real Estate & Leasing	5%	0%	0%	95%
Other	14%	0%	5%	82%
Total	5%	0%	9%	86%

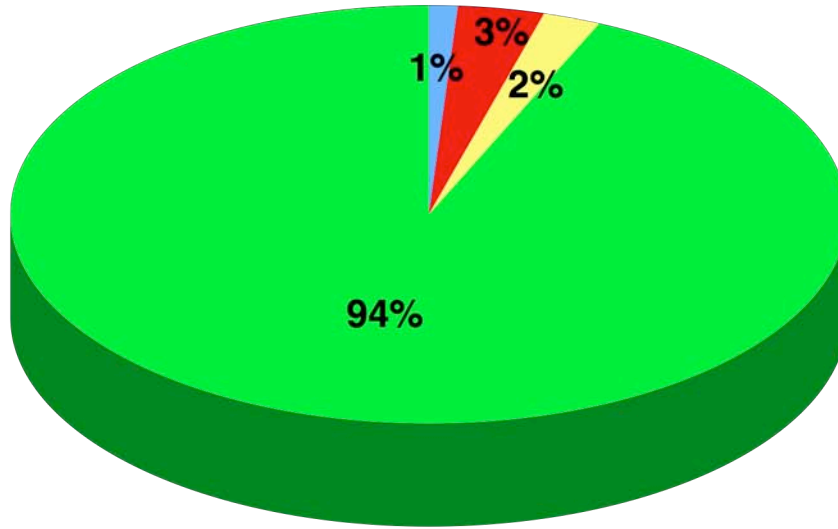
Q.2 Comments

- As soon as Alberta announced that new royalty program, the work dropped off by about 50%. The only way we are keeping afloat now is because we have about 100% more work in Saskatchewan. – *Construction*
- I think the slow-down has affected everyone. – *Construction*
- We're still very busy. – *Manufacturing*
- We're definitely a little slower than last year, but hopefully things will pick up. – *Other*
- I've been about the same size for a few years now, and it's working out fine. – *Other*
- We are meeting demands but it can be quite busy at times. If I wished to expand I definitely could. – *Professional, Scientific & Technical Services*
- It's definitely slowed down a lot. – *Transportation & Warehousing*
- Two years ago, I had over 40 part-time employees, then Christmas came around, and we couldn't find anyone, and we had to cancel a number of the services we had provided. At our worst, we were down to 2 people. We are at 9 people now, and we are steadily growing again, but I will be sure not to grow too fast. I don't want to do anything without a dedicated core group of people to back me up. – *Transportation & Warehousing*

Q.3 Do you anticipate a business expansion, relocation, downsize, or closure in the next 12 months?

Overall, 1 per cent of the companies surveyed anticipate an expansion, 3 per cent anticipate a downsize, and 2 per cent anticipate a closure in the next 12 months. No relocations are expected.

■ Yes - expansion
 ■ Yes - downsize
 ■ Yes - closure
 ■ No



Eighteen per cent of the construction companies and 10 per cent of the transportation & warehousing companies anticipate a downsize in the next 12 months, while 10 per cent of the transportation and warehousing companies and 9 per cent of the mining & oil and gas companies anticipate a closure.

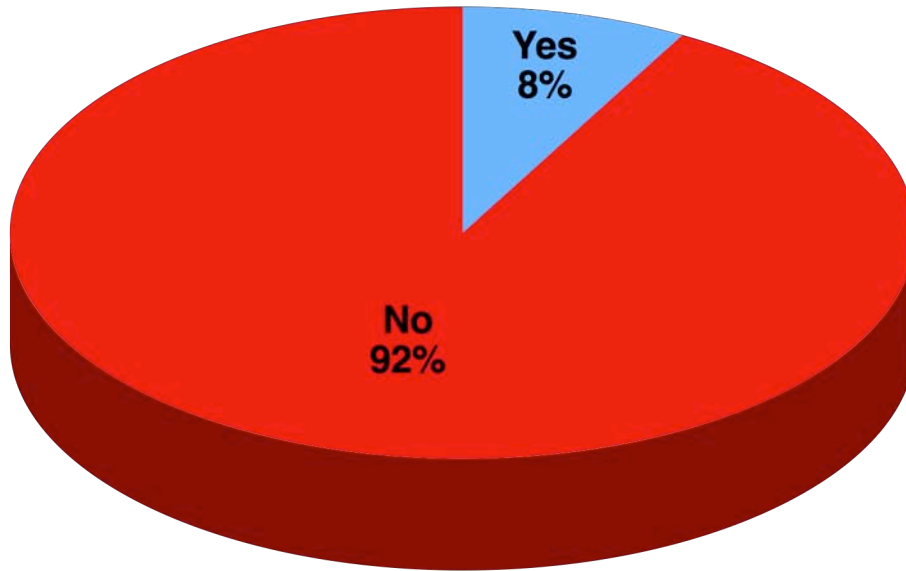
Industry	Yes - expansion	Yes - relocation	Yes - downsize	Yes - closure	No
Mining & Oil & Gas	0%	0%	5%	0%	95%
Construction	0%	0%	18%	9%	73%
Manufacturing	0%	0%	0%	0%	100%
Wholesale & Retail Trade	0%	0%	0%	0%	100%
Transportation & Warehousing	0%	0%	10%	10%	81%
Professional, Scientific & Technical Services	0%	0%	0%	5%	95%
Health Care & Social Assistance	0%	0%	0%	0%	100%
Accommodation & Food Services/Arts & Entertainment	0%	0%	0%	0%	100%
Finance, Insurance, Real Estate & Leasing	0%	0%	0%	0%	100%
Other	5%	0%	0%	0%	95%
Total	1%	0%	3%	2%	94%

Q.3 Comments

- We would like to get more customers! – *Accommodation & Food Services/Arts & Entertainment*
- There's a lot more competition out there than there used to be. It looks like we will be getting a lot smaller. – *Construction*
- I've been doing this for a while and it's time to slow down. – *Mining & Oil & Gas*
- We are definitely holding strong. I'm not saying this business is recession proof, but I do think that the cellular industry is not going away. Even if you are not using a phone at work, you may be using a blackberry to find work, email resumes, or whatever. – *Other*
- I would say that with the economy how it is and heading the way it is that the library will be used more and more. We have already seen an increase in demand for our services and I hope it's realized and we get the funding to support this need. People will use this for job searching, career research, and affordable leisure. – *Other*
- I don't think I'll have another season. – *Professional, Scientific & Technical Services*
- Things have slowed down - I don't think we'll be looking to expand in the next year. – *Professional, Scientific & Technical Services*
- I don't know what's going to happen, but people will always need food. - *Wholesale & Retail Trade*
- I'm 66 years old. I've been doing this for 40 years now, and it's time to quit. The wages are too high and the fuel is too expensive. There's no money in it anymore. – *Transportation & Warehousing*
- The last year was rough. – *Transportation & Warehousing*

Q.4 Does your company currently have any vacant positions that need to be filled?

Overall, 8 per cent of the companies surveyed currently have vacant positions that need to be filled.



Twenty-four per cent of the companies surveyed in the accommodation & food services/arts and entertainment industries and 15 per cent of the professional, scientific & technical services and health care & social assistance organizations currently have vacant positions that need to be filled. The transportation & warehousing and finance, insurance, real estate & leasing companies surveyed do not have any vacant positions.

Industry	Yes	No
Mining & Oil & Gas	5%	95%
Construction	5%	95%
Manufacturing	9%	91%
Wholesale & Retail Trade	5%	95%
Transportation & Warehousing	0%	100%
Professional, Scientific & Technical Services	15%	85%
Health Care & Social Assistance	15%	85%
Accommodation & Food Services/Arts & Entertainment	24%	76%
Finance, Insurance, Real Estate & Leasing	0%	100%
Other	5%	95%
Total	8%	92%

The companies reporting vacancies currently have approximately 20 vacant positions that need to be filled. Overall, this equates to a vacancy rate of 1.9 per cent. The accommodation & food services/arts & entertainment industry has the highest vacancy rate at 4.7 per cent.

Industry	Total Vacant Positions	Total Employees	Vacancy Rate
Mining & Oil & Gas	0	105	0.0%
Construction	2	110	1.8%
Manufacturing	2	126	1.6%
Wholesale & Retail Trade	1	124	0.8%
Transportation & Warehousing	0	103	0.0%
Professional, Scientific & Technical Services	2	89	2.2%
Health Care & Social Assistance	4	108	3.7%
Accommodation & Food Services/Arts & Entertainment	5	106	4.7%
Finance, Insurance, Real Estate & Leasing	0	84	0.0%
Other	4	103	3.9%
Total	20	1,058	1.9%

Construction – Vacant Positions

NOC Code	Occupation	Vacant Positions
7611	Construction Trades Helpers and Labourers	1
7372	Construction Drillers	1
Total		2

Manufacturing – Vacant Positions

NOC Code	Occupation	Vacant Positions
7311	Millwrights	1
6221	Technical Sales Specialist	1
Total		2

Wholesale & Retail Trades – Vacant Positions

NOC Code	Occupation	Vacant Positions
6421	Retail Salesperson and Sales Clerks	1
Total		1

Professional, Scientific & Technical Services – Vacant Positions

NOC Code	Occupation	Vacant Positions
1221	Office Administrator	1
1111	Accountant	1
Total		2

Health Care & Social Assistance – Vacant Positions

NOC Code	Occupation	Vacant Positions
3414	Optometric assistant	2
3222	Dental Hygienists	1
1414	Receptionist	1
Total		4

Accommodation & Food Services/Arts, Entertainment & Recreation – Vacant Positions

NOC Code	Occupation	Vacant Positions
6242	Cooks	3
6641	Food Counter Attendants, Kitchen Helpers and Related Occupations	2
Total		5

Other – Vacant Positions

NOC Code	Occupation	Vacant Positions
6662	Specialized Cleaners	2
1414	Receptionist	1
6431	Travel Counsellor	1
Total		4

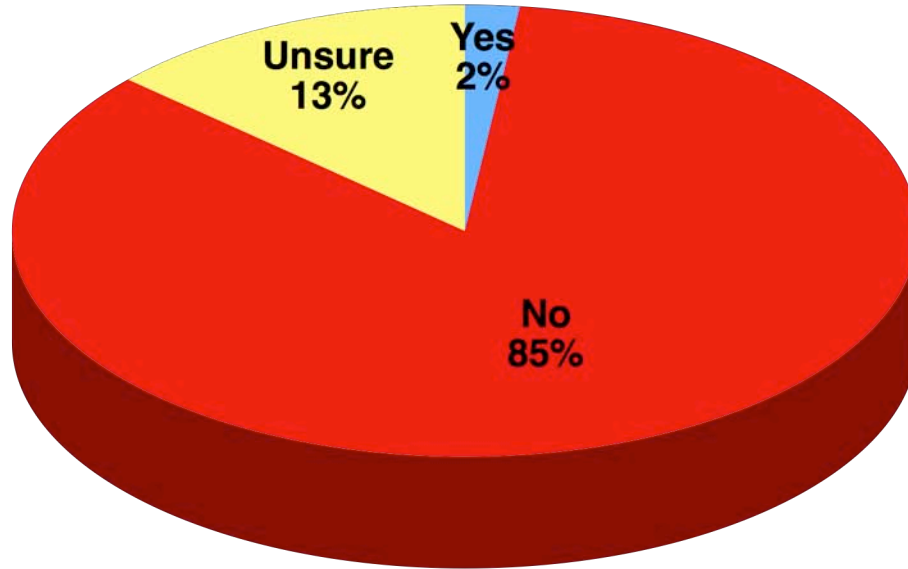
Q.4 Comments

- We're not open a lot of hours...not as much as some locations...so we don't need as many people. – *Accommodation & Food Services/Arts & Entertainment*
- Not right now. My nephew just started working here. – *Accommodation & Food Services/Arts & Entertainment*
- I have 6 guys that are standing by that I have no work for. There is definitely less work than there are people to do it right now. – *Construction*
- We haven't had an opening since last year. – *Construction*
- We fill a number of positions that could be staff positions by contract. It's good in a business where it can be inconsistent because you don't have to worry about layoffs and keeping everyone happy. They know what the job is and they can take it or not. – *Construction*
- It gets too complicated if you try to have a lot of people. I try not to take on too much work that I can't do myself. – *Construction*
- I work mostly out of my home, and only really look for help when I need it. December is known as being slow in my business. – *Finance, Insurance, Real Estate & Leasing*
- The doctors here are very very good. We rarely have vacancies. – *Health Care & Social Assistance*
- We have lots of staff which is really nice because it makes it easy to get time off if you need it. – *Health Care & Social Assistance*
- We're trying to keep enough steady work to keep the guys we have. – *Mining & Oil & Gas*
- We're actually doing OK. Things have slowed down quite a bit. We're not as busy as we were so I'm not really looking to hire anyone. – *Other*
- I would love to be able to hire another person. I don't think that the five of us should be considered fully staffed, but the funding is not there. – *Other*

- We are fully staffed in that we have enough people to complete the work we have, but we could have more work if we had more people. – *Professional, Scientific & Technical Services*
- I'm not currently looking for anyone. What we do is quite specialized and the thought of training someone new and going through that learning curve with them just isn't appealing to me right now. I actually have a second business that takes up my time as well. – *Professional, Scientific & Technical Services*
- I'm actually looking at shutting down next year, so I won't be looking for anyone. – *Transportation & Warehousing*
- I've actually kind of started to downsize. If someone quits, I'm not really looking to replace them. It's easier to turn down work than find competent staff. – *Transportation & Warehousing*

Q.5 Not including existing vacant positions, do you anticipate requiring additional employees in the next 3 months?

Overall, only 2 per cent of the companies surveyed anticipate requiring additional employees in the next 3 months. The remaining 98 per cent are either unsure, or do not anticipate requiring additional employees in the next 3 months.



Only 5 per cent of the companies in the construction, professional, scientific & technical services, health care & social assistance, and 'other' industries anticipate requiring additional employees in the next 3 months.

Industry	Yes	No	Unsure
Mining & Oil & Gas	0%	90%	10%
Construction	5%	90%	5%
Manufacturing	0%	86%	14%
Wholesale & Retail Trade	0%	77%	23%
Transportation & Warehousing	0%	90%	10%
Professional, Scientific & Technical Services	5%	95%	0%
Health Care & Social Assistance	5%	85%	10%
Accommodation & Food Services/Arts & Entertainment	0%	71%	29%
Finance, Insurance, Real Estate & Leasing	0%	90%	10%
Other	5%	73%	23%
Total	2%	85%	13%

The companies surveyed require an additional 6 employees in the next 3 months, not including existing vacant positions.

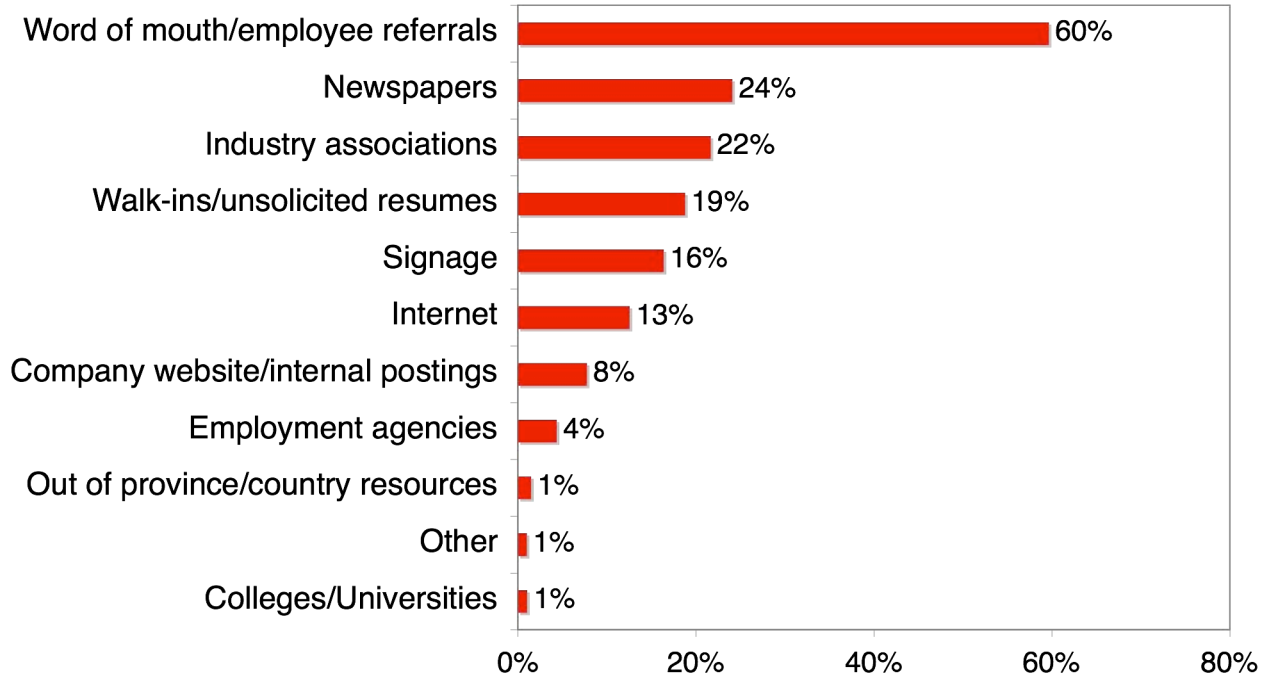
Industry	NOC Code	Occupation	Total Needed
Construction	7241	Electrician	1
		Subtotal	1
Health Care & Social Assistance	1414	Receptionist	1
		Subtotal	1
Other	9612	Sharpening Technician	1
		Subtotal	1
Professional, Scientific & Technical Services	6221	Technical Sales Specialist	1
	2242	Electronics Service Technician	2
		Subtotal	3
Total			6

Q.5 Comments

- We're all ready for the holiday season. – *Accommodation & Food Services/Arts & Entertainment*
- This is going to get a lot worse before it gets better. We had enough work to just keep busy this summer, but I don't know about next summer. I'm about ready to retire anyway so I don't really care either way, but it's still going to be really hard on a lot of people. There isn't any work here anymore, and there isn't work anywhere else. – *Construction*
- We actually just did a round of layoffs, so we're really not looking. – *Construction*
- I think I might be able to use another person in the New Year, but I really haven't started actually looking yet. – *Construction*
- This is a small independent business and we have had the same people for a long time. I would be very surprised if I was looking for staff in 3 months. – *Other*
- We usually don't begin hiring for spring until April or May. – *Professional, Scientific & Technical Services*
- Most of us have been here at least several years so I'm not too worried about (people quitting). – *Wholesale & Retail Trade*
- We'll maybe start looking in the Spring. – *Transportation & Warehousing*

Q.6 What resources does your company use to find applicants?

Overall, the top resources companies use to find applicants are: word of mouth/employee referrals (60%), newspapers (24%), industry associations (22%), and walk-ins/unsolicited resumes (19%). Only 18 per cent of the companies surveyed use 3 or more resources to find applicants.



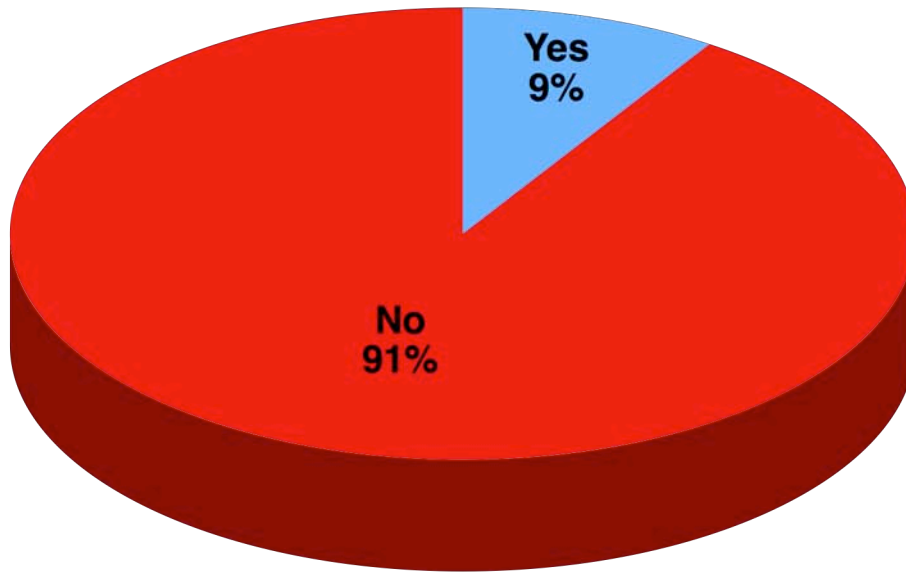
Q.6 Comments

- We try to use the newspapers last. – *Accommodation & Food Services/Arts & Entertainment*
- Usually it's just someone that someone knows. We're also in a good location. - *Accommodation & Food Services/Arts & Entertainment*
- We get a lot of staff coming back every year and we usually don't have to advertise. The only time we really do is if we have to subcontract out some work. – *Construction*
- I only work with people that I know on a personal and professional level. – *Construction*
- I've tried a lot of stuff, especially in the last couple of years. What seems to work best is just putting the word out there. You seem to get the best people that way. – *Construction*
- I actually needed a new maintenance guy and I filled the position just by running into someone I thought might be good in the hall one day. He lives here anyway and he started the next week. – *Finance, Insurance, Real Estate & Leasing*

- There is only one physician at this office and when relief for that position is needed we rely solely on personal contacts. We do the same thing for office staff - it's really the best way. – *Health Care & Social Assistance*
- We do get people calling up, dropping off resumes....that sort of thing. It seems that I don't have to go out and look. – *Manufacturing*
- I generally collaborate with people I know. – *Mining & Oil & Gas*
- We do rely on a number of job search websites that are specific to volunteer and not-for-profit organizations. – *Other*
- I have advertised on the job boards at Red Deer College and SAIT and also at an employment centre (which also has a website and employment counselors) which I have found to be a great resource. – *Other*
- We've tried a lot of things. Because we are kind of a niche industry, I think that industry targeted advertising works best for us. We've tried the big websites like Monster with no success. – *Professional, Scientific & Technical Services*
- I have never actually hired someone that we have found through an ad, so I rely only on word of mouth now. – *Professional, Scientific & Technical Services*
- We've been doing quite well with word of mouth. We had one guy that we hired that was from India working at another company which we do business with. A lot of foreign workers work there and we overheard that this guy was looking for work and the next thing you know he was working for us. – *Wholesale & Retail Trade*
- It's a family business, so once in a while if we get overloaded one of the owner's sons helps out. They did have an ad in the paper for a while this summer, but they ended up hiring one of their son's friends. – *Wholesale & Retail Trade*
- We're definitely getting a lot more people applying than last year. It's been better. You have a lot more choice now. – *Wholesale & Retail Trade*

Q.7 Has your company had difficulty recruiting qualified employees in the last 12 months?

Overall, 9 per cent of the companies surveyed had difficulty recruiting qualified employees in the last 12 months.



Twenty per cent of the companies surveyed in the professional, scientific & technical services industry had difficulty hiring employees in the last 12 months, while none of the companies in the mining & oil and gas and finance, insurance, real estate & leasing industries had difficulty.

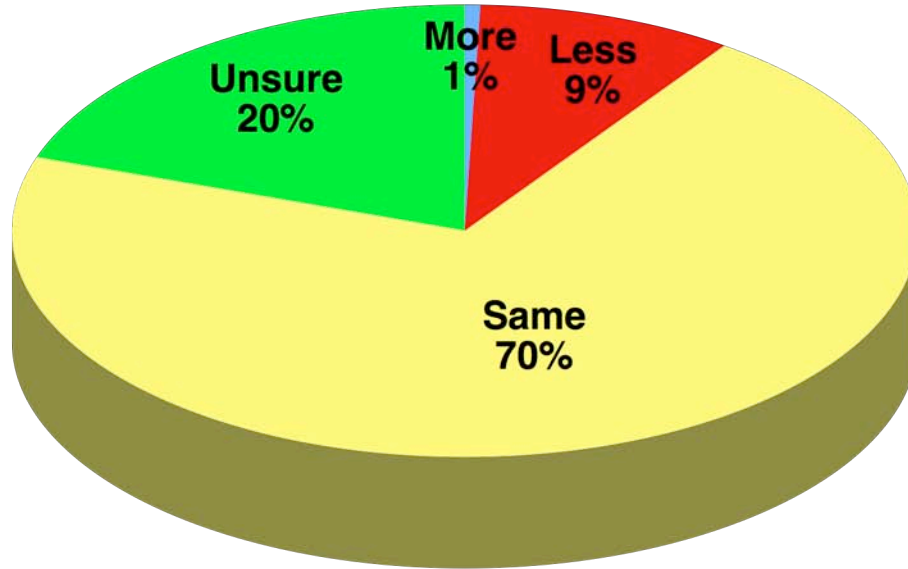
Industry	Yes	No
Mining & Oil & Gas	0%	100%
Construction	5%	95%
Manufacturing	18%	82%
Wholesale & Retail Trade	5%	95%
Transportation & Warehousing	10%	90%
Professional, Scientific & Technical Services	20%	80%
Health Care & Social Assistance	10%	90%
Accommodation & Food Services/Arts & Entertainment	14%	86%
Finance, Insurance, Real Estate & Leasing	0%	100%
Other	9%	91%
Total	9%	91%

Q.7 Comments

- No. When you go through an agency you eliminate all that. – *Accommodation & Food Services/Arts & Entertainment*
- Not really. In this business it's harder to find people that are going to show up on time. – *Construction*
- We haven't had difficulty. We usually have a lot of success with students. They are looking to make as much money as they can in the Summer and they need to go back to school in September - which is when we'd be laying them off anyway. – *Finance, Insurance, Real Estate & Leasing*
- We actually haven't had any new staff in the last 2 years. – *Finance, Insurance, Real Estate & Leasing*
- Not so much qualified employees, but employees that are willing to complete the training and commit to the job. – *Health Care & Social Assistance*
- Yes - only because finding someone qualified or experienced is quite difficult because what we do is so specialized. That's why we train. – *Manufacturing*
- It's not that we weren't getting any applicants, but we were looking for applicants with specific office experience. It seems that a lot of people these days are looking to change occupations, which is all well and good, but they should be looking for more entry-level positions. – *Other*
- You can find a skilled technician in Manitoba, but trying to convince him to move out here where a rental is \$1,700 a month and a house is \$450,000 to \$500,000 is difficult. It might just not be worth it for them for the quality of life they'd be giving up. – *Professional, Scientific & Technical Services*
- We had a really hard time finding an administrator. We were looking for someone permanent part-time, but we ended up having to go through a temp agency - which didn't work out at all. We also tried out someone who was referred to us, but they only lasted a month. Unfortunately temp agencies (and really anyone with office experience) doesn't really cut it at a travel agency, because when people call and ask questions about cruises, you need to be able to answer them, and someone off the street just can't. That's why we have a 1-month, full-time intensive training program for anyone starting this position. We had one girl do the whole month of training and then not even show up to work. – *Other*
- We had one position open up and it was filled in a week. – *Professional, Scientific & Technical Services*
- We did for a bit earlier this year. It hasn't been a problem since. – *Wholesale & Retail Trade*
- We had a little difficulty finding operators in the Spring, but that seemed to sort itself out quite quickly. – *Transportation & Warehousing*
- I've had difficulty finding people I can afford! – *Transportation & Warehousing*
- It's been tough – but lately it's gotten worse. The general attitude towards work these days is terrible. Guys don't show up if they have something better to do, or they'll quit to make an extra dime somewhere else. – *Transportation & Warehousing*

Q.8 Do you anticipate having more, less, or the same amount of difficulty recruiting qualified employees in the next 12 months?

Overall, 1 per cent of the companies surveyed anticipate having more difficulty, 9 per cent anticipate having less difficulty, and 70 per cent anticipate having the same amount of difficulty recruiting qualified employees in the next 12 months.



Five per cent of the professional, scientific & technical services companies surveyed anticipate having more difficulty hiring qualified employees in the next 12 months. Approximately one-quarter of the construction and transportation & warehousing companies anticipate having less difficulty.

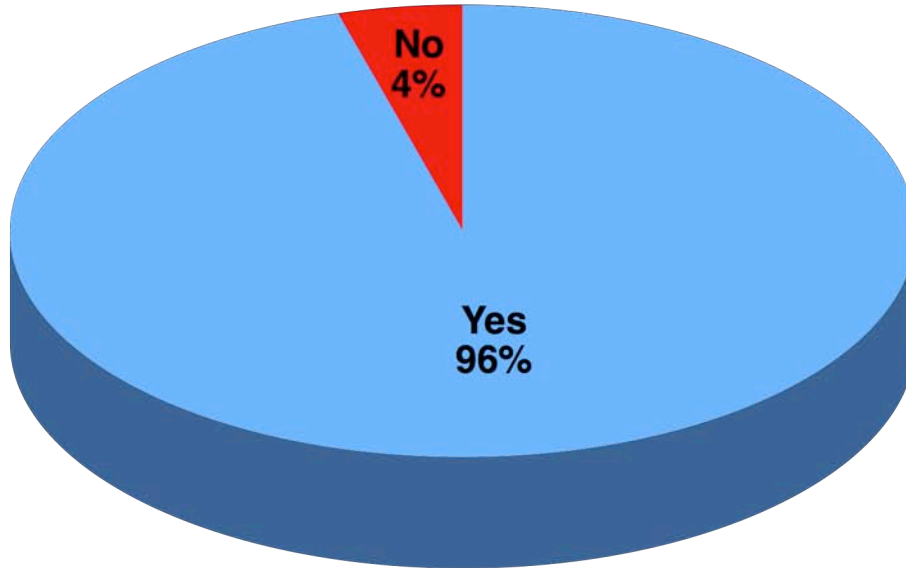
Industry	More	Less	Same	Unsure
Mining & Oil & Gas	0%	20%	70%	10%
Construction	0%	24%	67%	10%
Manufacturing	0%	0%	86%	14%
Wholesale & Retail Trade	0%	9%	73%	18%
Transportation & Warehousing	0%	25%	50%	25%
Professional, Scientific & Technical Services	5%	0%	60%	35%
Health Care & Social Assistance	0%	0%	90%	10%
Accommodation & Food Services/Arts & Entertainment	0%	5%	67%	29%
Finance, Insurance, Real Estate & Leasing	0%	5%	75%	20%
Other	0%	5%	68%	27%
Total	1%	9%	70%	20%

Q.8 Comments

- I would say it's definitely better. – *Accommodation & Food Services/Arts & Entertainment*
- I think the tides are definitely changing. It's going to be an employer's market before long. People are already coming around looking for work. – *Construction*
- I haven't had a problem in a long time. It's easy to find people because so few of them in this industry are working right now. – *Mining & Oil & Gas*
- I would say that we have seen some improvement over the past 6 months. – *Other*
- It's been this way (difficult to hire qualified employees) for 4 years now. I don't know why it would change now. – *Professional, Scientific & Technical Services*
- I can't imagine the situation will change much in a year. – *Wholesale & Retail Trade*
- There's definitely more resumes coming in lately. – *Wholesale & Retail Trade*
- There are a lot of drivers out of work. – *Transportation & Warehousing*

Q.9 *Are you aware that some groups of workers in the Calgary region such as persons with disabilities, aboriginal people, immigrants, older workers, youth and women are traditionally underemployed?*

Overall, 96 per cent of the companies surveyed are aware that some groups of workers in the Calgary region are traditionally underemployed.

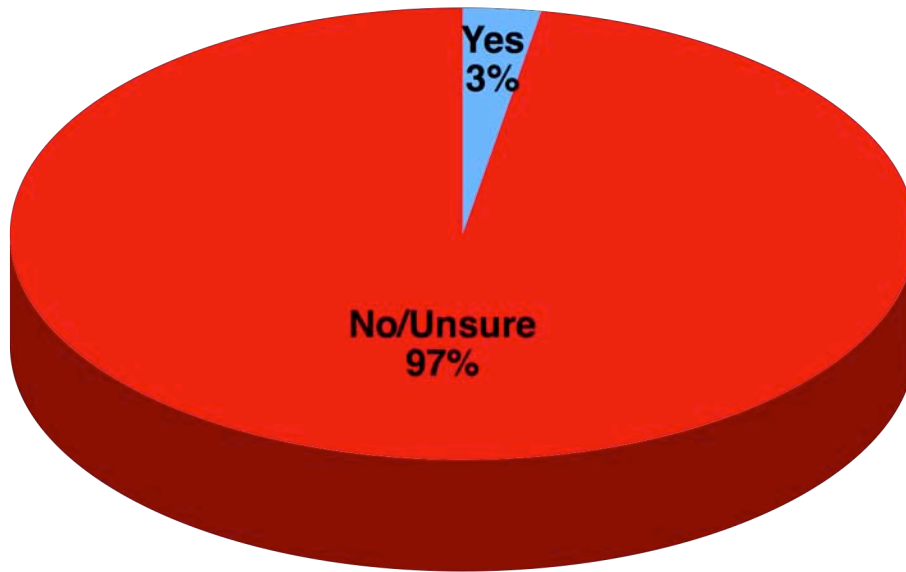


Ten per cent of the companies surveyed in the professional, scientific & technical services and accommodation & food services/arts & entertainment industries are not aware that some groups of workers in the Calgary region are traditionally underemployed.

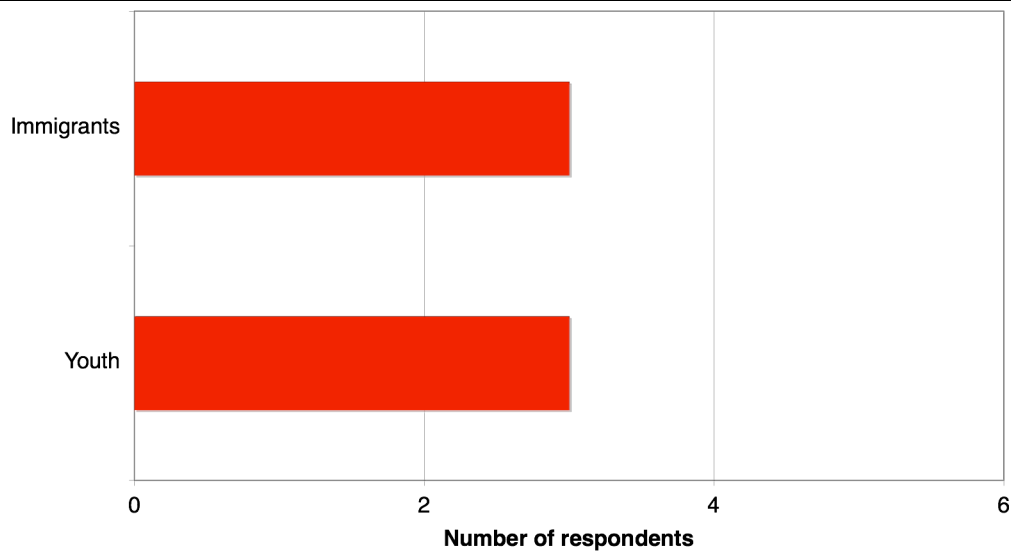
Industry	Yes	No
Mining & Oil & Gas	95%	5%
Construction	95%	5%
Manufacturing	95%	5%
Wholesale & Retail Trade	95%	5%
Transportation & Warehousing	100%	0%
Professional, Scientific & Technical Services	90%	10%
Health Care & Social Assistance	100%	0%
Accommodation & Food Services/Arts & Entertainment	90%	10%
Finance, Insurance, Real Estate & Leasing	95%	5%
Other	100%	0%
Total	96%	4%

Q.10 Does your company have plans to directly target any of these underemployed groups in the next 12 months?

Overall, 3 per cent of the companies surveyed have plans to directly target some underemployed groups in the next 12 months.



Of the companies that have plans to target underemployed groups, 3 plan to target immigrants and 3 plan to target youth.

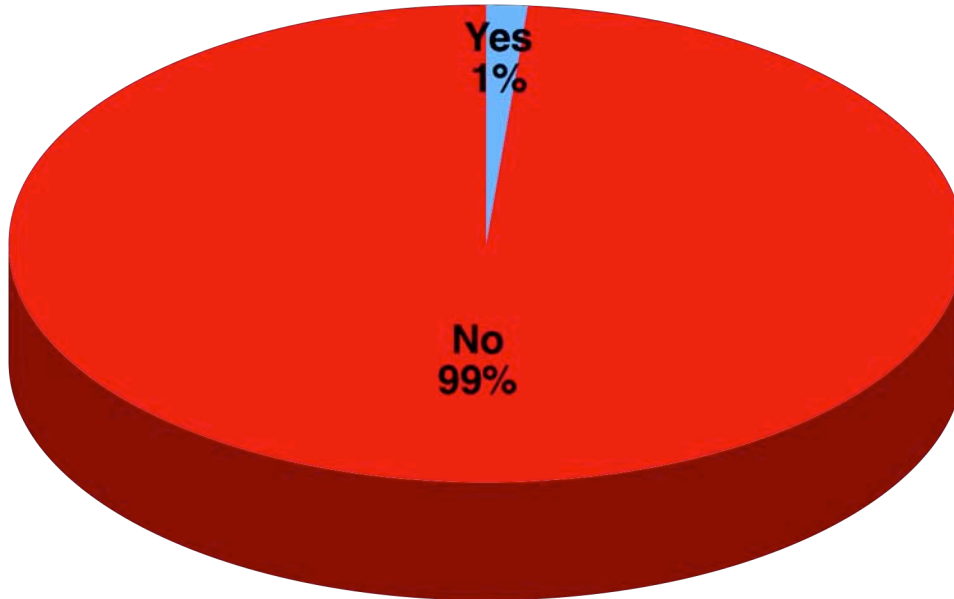


Q.10 Comments

- I work with people from all walks of life, but I don't need a lot of staff. – *Finance, Insurance, Real Estate & Leasing*
- We are open to anyone who might apply, but we really do need people with credentials. – *Health Care & Social Assistance*
- We really haven't had to target anyone....we haven't had problems. – *Health Care & Social Assistance*
- Many of our positions are quite specialized. We try to hire the best person for the job and give everyone an opportunity. – *Mining & Oil & Gas*
- I really need trained operators. I can't just hire anyone off the street. – *Transportation & Warehousing*

Q.11 Does your company currently employ any temporary foreign workers?

Overall, only 1 per cent of the companies surveyed currently employ temporary foreign workers.

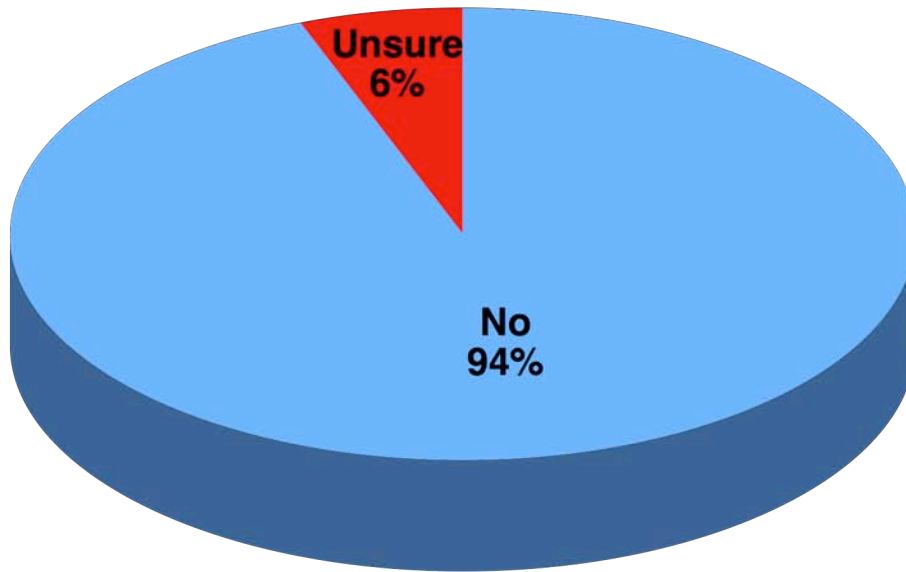


Nine per cent of the companies surveyed in the manufacturing industry and 5 per cent of the companies in the 'other' industries currently employ temporary foreign workers.

Industry	Yes	No
Mining & Oil & Gas	0%	100%
Construction	0%	100%
Manufacturing	9%	91%
Wholesale & Retail Trade	0%	100%
Transportation & Warehousing	0%	100%
Professional, Scientific & Technical Services	0%	100%
Health Care & Social Assistance	0%	100%
Accommodation & Food Services/Arts & Entertainment	0%	100%
Finance, Insurance, Real Estate & Leasing	0%	100%
Other	5%	95%
Total	1%	99%

Q.12 Do you anticipate applying for or hiring any temporary foreign workers in the next 12 months?

Overall, 94 per cent of the companies surveyed anticipate they will not be applying for or hiring temporary foreign workers in the next 12 months, while an additional 6 per cent are unsure.

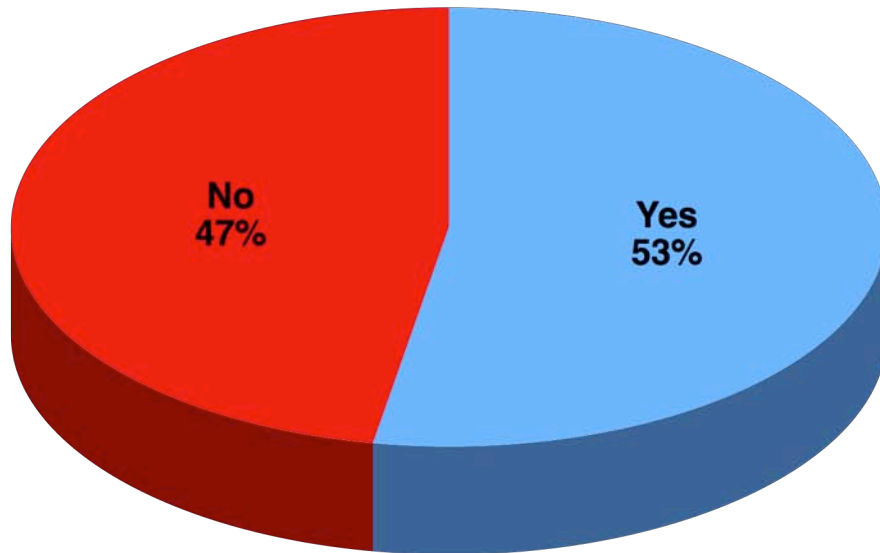


None of the companies surveyed anticipate applying for or hiring temporary foreign workers in the next 12 months.

Industry	Yes	No	Unsure
Mining & Oil & Gas	0%	90%	10%
Construction	0%	95%	5%
Manufacturing	0%	95%	5%
Wholesale & Retail Trade	0%	91%	9%
Transportation & Warehousing	0%	100%	0%
Professional, Scientific & Technical Services	0%	95%	5%
Health Care & Social Assistance	0%	100%	0%
Accommodation & Food Services/Arts & Entertainment	0%	90%	10%
Finance, Insurance, Real Estate & Leasing	0%	100%	0%
Other	0%	86%	14%
Total	0%	94%	6%

Q.13 Have any employees left your company in the past 12 months as a result of voluntary turnover?

Overall, 53 per cent companies surveyed reported employees have left their company in the past 12 months as a result of voluntary turnover.



Close to 210 employees have left the companies surveyed in the past 12 months as a result of voluntary turnover. Overall, approximately one in five workers have left their employer for other work in the past year (20 per cent turnover rate). On average, accommodation & food services/arts & entertainment industries had the highest turnover rate at 34 per cent.

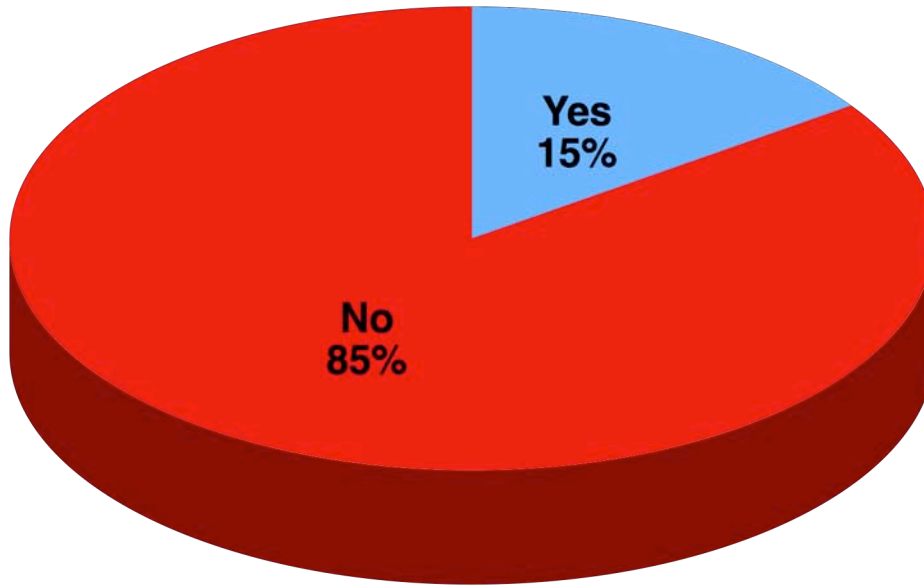
Industry	Yes	No	Total Turnover	Total Employees	Turnover Rate
Mining & Oil & Gas	35%	65%	9	105	9%
Construction	52%	48%	23	110	21%
Manufacturing	68%	32%	28	126	22%
Wholesale & Retail Trade	68%	32%	30	124	24%
Transportation & Warehousing	50%	50%	20	103	19%
Professional, Scientific & Technical Services	55%	45%	24	89	27%
Health Care & Social Assistance	35%	65%	10	108	9%
Accommodation & Food Services/Arts & Entertainment	76%	24%	36	106	34%
Finance, Insurance, Real Estate & Leasing	35%	65%	10	84	12%
Other	50%	50%	19	103	18%
Total	53%	47%	209	1,058	20%

Q.13 Comments

- We had some people quit when school started. – *Accommodation & Food Services/Arts & Entertainment*
- I've had a few guys leave to look for work elsewhere. My advice to them is that if they find any they should hold on to it and not look back. – *Construction*
- You lose someone here, someone there....no big deal. – *Construction*
- Even though we were able to replace her, it was difficult working without an accountant for a while. – *Finance, Insurance, Real Estate & Leasing*
- Nothing much has changed around here in a long time. – *Finance, Insurance, Real Estate & Leasing*
- My boss quit, I got her job, and I had to hire 1 person. – *Finance, Insurance, Real Estate & Leasing*
- The only reason I got this job was because the person before me retired. I would guess the turnover rate here is about 1 person every 20 years. – *Finance, Insurance, Real Estate & Leasing*
- They were both students, and that's always a problem with students. – *Manufacturing*
- They weren't replaced, so it wasn't a problem. – *Mining & Oil & Gas*
- It's been the same 4 people for a long time. – *Professional, Scientific & Technical Services*
- When you have part-time staff of any kind it comes with the territory. – *Wholesale & Retail Trade*
- It's been the five of us for a long time, and our newest staff member is working out very well. – *Wholesale & Retail Trade*
- It's mostly the part-timers. – *Wholesale & Retail Trade*

Q.14 Are there any occupations in your company that have a particularly high turnover rate?

Overall, 15 per cent of the companies surveyed said there are some occupations in their companies that have a particularly high turnover rate.



Thirty-six per cent of the companies in the wholesale and retail trade industries said there are some occupations in their companies that have a particularly high turnover rate.

Industry	Yes	No
Mining & Oil & Gas	5%	95%
Construction	14%	86%
Manufacturing	18%	82%
Wholesale & Retail Trade	36%	64%
Transportation & Warehousing	10%	90%
Professional, Scientific & Technical Services	20%	80%
Health Care & Social Assistance	10%	90%
Accommodation & Food Services/Arts & Entertainment	19%	81%
Finance, Insurance, Real Estate & Leasing	5%	95%
Other	14%	86%
Total	15%	85%

Companies reported that the following occupations have high turnover rates.

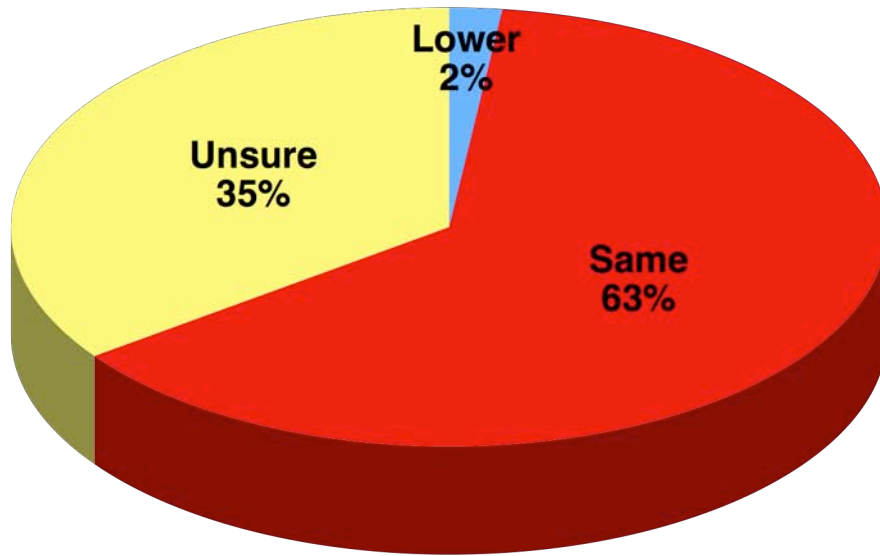
Industry	NOC Code	Occupation
Mining & Oil & Gas	1414	Receptionists
Construction	7611	Construction Trades Helpers and Labourers
	7441	Residential and Commercial Installers
Manufacturing	9619	Manufacturing Labourers
	7261	Sheet Metal Workers
	1453	Customer Service Representatives
	6221	Technical Sales Specialists
Wholesale & Retail Trades	1471	Shippers and Receivers
	6221	Technical Sales Specialists - Wholesale Trade
	6421	Retail Salespersons and Sales Clerks
	6611	Cashiers
	1414	Receptionists
Transportation & Warehousing	7411	Truck Drivers
	7371	Crane Operators
Professional, Scientific & Technical Services	7611	General Labourers
	1221	Office Administrators
	1231	Accounting Technicians
Health Care & Social Assistance	3414	Optometric Assistants
	1414	Receptionists
Accommodation & Food Services/ Arts, Entertainment & Recreation	6661	Housekeeping Attendants
	6641	Food Counter Attendants, Kitchen Helpers and Related Occupations
Finance, Insurance, Real Estate & Leasing	1414	Receptionists
Other	7443	Automotive Mechanical Installers
	6662	Specialized Cleaners

Q.14 Comments

- I think just some people don't want to do the work. – *Accommodation & Food Services/Arts & Entertainment*
- It's more the part time people. They're the ones who seem to switch jobs a lot. – *Accommodation & Food Services/Arts & Entertainment*
- It's hard because I train everyone personally and it takes a lot of my time and also the time of my other experienced staff. – *Health Care & Social Assistance*
- Some people start the job and decide they just don't like it. – *Manufacturing*
- I wouldn't say any occupation in particular. We had a couple of people quit when the business changed hands. – *Wholesale & Retail Trade*

Q.15 Do you anticipate employee turnover will be higher, lower, or about the same in the next 12 months?

Overall, 63 per cent of the companies surveyed anticipate employee turnover will be about the same in the next 12 months, 2 per cent anticipate it will be lower, and 35 per cent are unsure.



Five per cent of the organizations surveyed in the construction, wholesale & retail trade, health care & social assistance, and 'other' industries anticipate employee turnover will be lower in the next 12 months. Sixty-three per cent anticipate employee turnover will be about the same in the next 12 months.

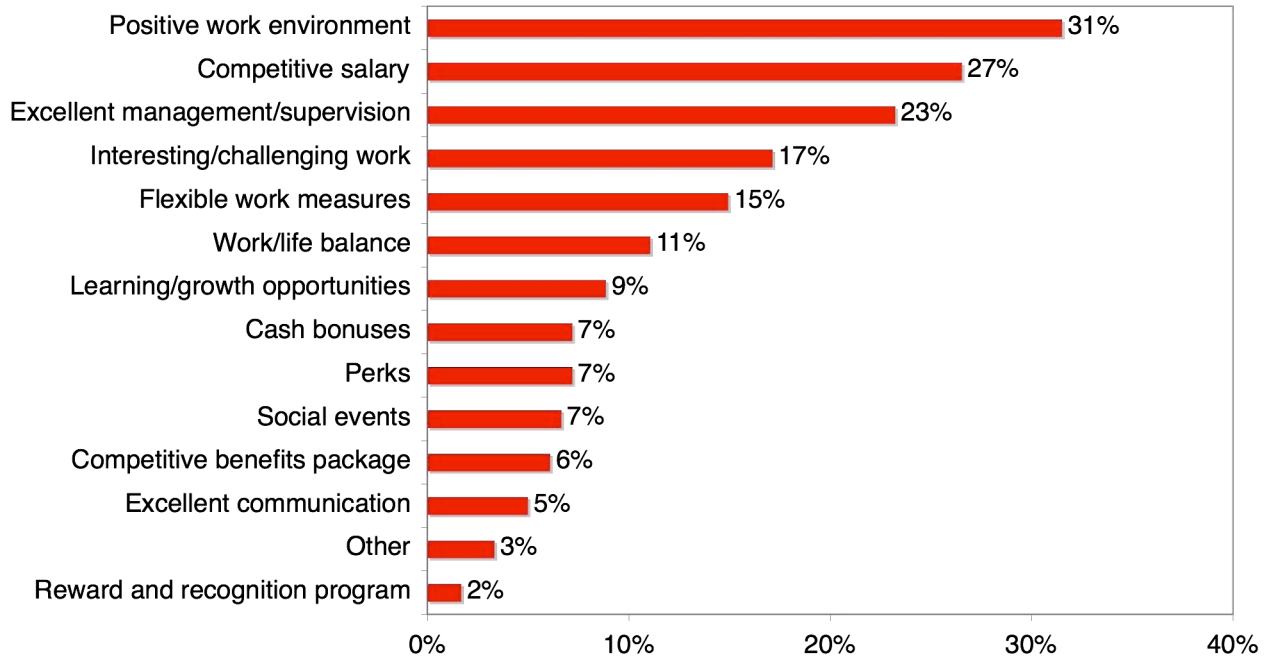
Industry	Higher	Lower	Same	Unsure
Mining & Oil & Gas	0%	0%	70%	30%
Construction	0%	5%	67%	29%
Manufacturing	0%	0%	68%	32%
Wholesale & Retail Trade	0%	5%	55%	41%
Transportation & Warehousing	0%	0%	60%	40%
Professional, Scientific & Technical Services	0%	0%	40%	60%
Health Care & Social Assistance	0%	5%	80%	15%
Accommodation & Food Services/Arts & Entertainment	0%	0%	62%	38%
Finance, Insurance, Real Estate & Leasing	0%	0%	70%	30%
Other	0%	5%	59%	36%
Total	0%	2%	63%	35%

Q.15 Comments

- If people are smart, they'll hang on to the job they have. – *Construction*
- It's been this way for about 3 years now. I'd say it's a fraction better this year but not much. – *Health Care & Social Assistance*
- It couldn't be lower. – *Mining & Oil & Gas*
- I don't think that will ever change. – *Wholesale & Retail Trade*
- I don't know...this year was better than last year. Next year? I'm not sure. – *Wholesale & Retail Trade*

Q.16 What strategies is your company currently using to retain employees?

Overall, the top strategies companies are using to retain employees are: positive work environment (31%), competitive salary (27%), and excellent management/supervision (23%). Only 6 per cent of the companies surveyed are currently using 4 or more strategies to retain employees.



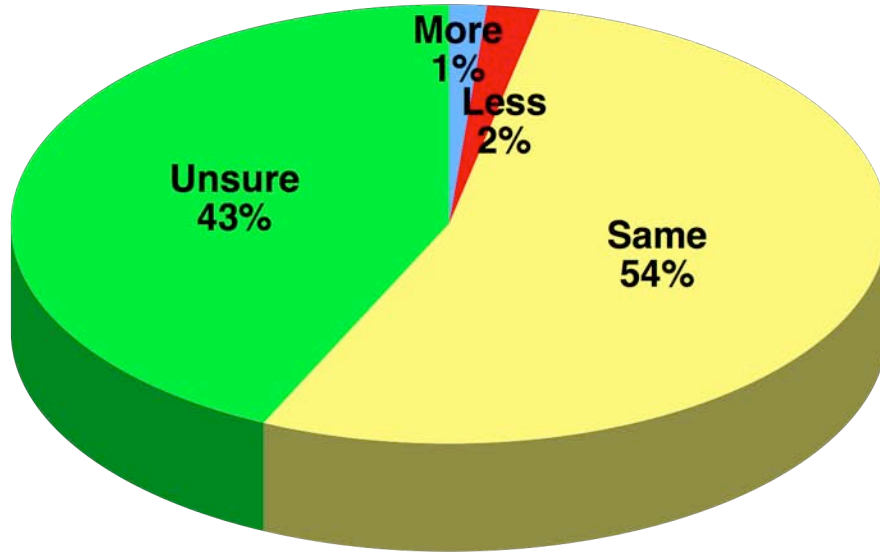
Q.16 Comments

- I think it's the fact that we own the business, we know our staff, and we make sure everyone's happy. – *Accommodation & Food Services/Arts & Entertainment*
- I think the regular hours that we work are very appealing. – *Accommodation & Food Services/Arts & Entertainment*
- Working with people like this, meeting people all the time....it's all interesting, it can be exciting. – *Accommodation & Food Services/Arts & Entertainment*
- It's really just like a big family here. – *Construction*
- My strategy is just to not lay anyone off if I can help it! – *Construction*
- You don't really have to work nights. – *Construction*

- I would say that it's a chance to make a lot of money during the summer months but we work really long hours. If you like your time off in the summer this probably isn't the job for you. – *Finance, Insurance, Real Estate & Leasing*
- I would say it is definitely a friendly place to work, and that there is a real feeling of being on a team. – *Health Care & Social Assistance*
- We have 3 part time staff filling 2 full time positions so there is a great deal of flexibility. – *Health Care & Social Assistance*
- One of the best things about working here in particular is that it's in an office not a mall. We aren't open evenings, weekends, or holidays. Also I think it's the kind of job where you get to think a little...it's not completely mindless. – *Health Care & Social Assistance*
- We know each other really well and it's nice feeling like you're working with old friends. – *Health Care & Social Assistance*
- I treat people fairly, that's about all you can do. – *Manufacturing*
- It's usually a pretty casual place to work. Most days aren't too stressful. – *Manufacturing*
- Great boss, good pay, Christmas party... – *Manufacturing*
- It's interesting doing all the traveling and meeting people from all over the world. – *Mining & Oil & Gas*
- We treat our staff like gold. – *Mining & Oil & Gas*
- What we do is a niche business. It's not like you could just go get a job anywhere else. – *Other*
- I think it's a great opportunity to get to know your community – *Other*
- There's really a lot of perks. We sell cruises so of course you are privy to all the best deals and would receive a discount on all travel. Also, you would receive training on all the cruise specific software that travel agencies used and be trained on all aspects of the industry. Also, I would say there is an opportunity for advancement. Someone starting out as an administrator certainly could become an agent one day. – *Other*
- I think working for a small family business is appealing to people. – *Professional, Scientific & Technical Services*
- It's a great company because we don't have to just deal with one product. There are 14 different products we represent. We put up displays, travel, meet people. It's a great job. – *Professional, Scientific & Technical Services*
- They pay well, and they really take care of you. When you start here they fly you out for paid training because they really care that you know what you're doing. They listen, make it fun, and because it's not commission based, it's a relaxed place to work. – *Wholesale & Retail Trade*
- We're all close so we all get along, spend time outside of work together...that sort of thing. I don't think you would get that at a larger company. – *Wholesale & Retail Trade*
- The best thing about a small company is the flexibility. – *Transportation & Warehousing*

Q.17 Overall, do you anticipate your company will be focusing more, less, or the same on employee retention in the next 12 months?

One per cent of the companies surveyed anticipate their companies will be focusing more on employee retention in the next 12 months, 2 per cent will be focusing less, and 54 per cent will be focusing about the same.

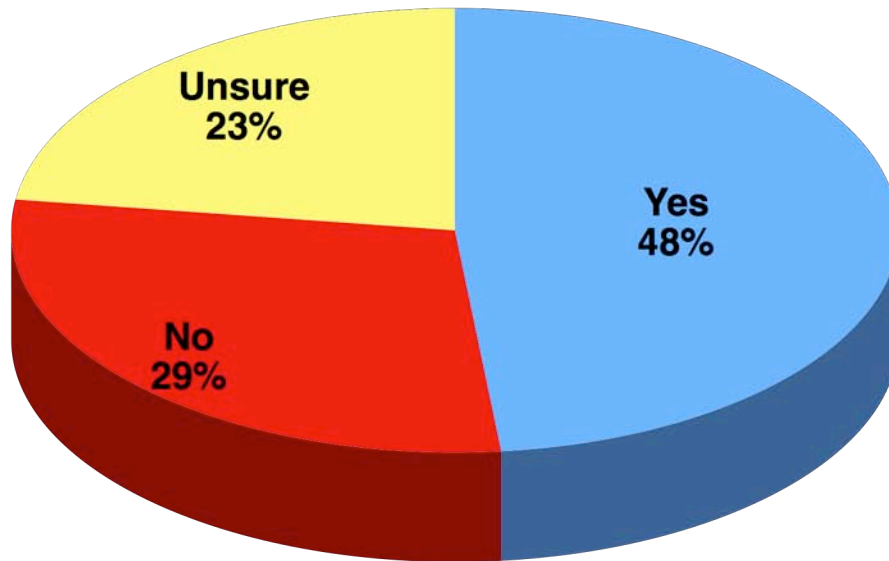


Fourteen per cent of the companies in the accommodation & food services/arts & entertainment industries reported they will be focusing more on employee retention in the next 12 months. For the most part, however, companies in all of the industries surveyed were either unsure, or anticipate they will be focusing about the same on employee retention in the next 12 months.

Industry	More	Less	Same	Unsure
Mining & Oil & Gas	0%	0%	45%	55%
Construction	0%	5%	71%	24%
Manufacturing	0%	0%	64%	36%
Wholesale & Retail Trade	0%	0%	50%	50%
Transportation & Warehousing	0%	10%	60%	30%
Professional, Scientific & Technical Services	0%	0%	35%	65%
Health Care & Social Assistance	0%	0%	65%	35%
Accommodation & Food Services/Arts & Entertainment	14%	0%	33%	52%
Finance, Insurance, Real Estate & Leasing	0%	0%	65%	35%
Other	0%	0%	50%	50%
Total	1%	2%	54%	43%

Q.18a Does your company have any flexible work arrangements available to employees to accommodate work/life balance needs?

Overall, 48 per cent of the companies surveyed said flexible work arrangements are available to employees to accommodate work/life balance needs, 29 per cent said flexible work arrangements are not available, and 23 per cent were unsure.

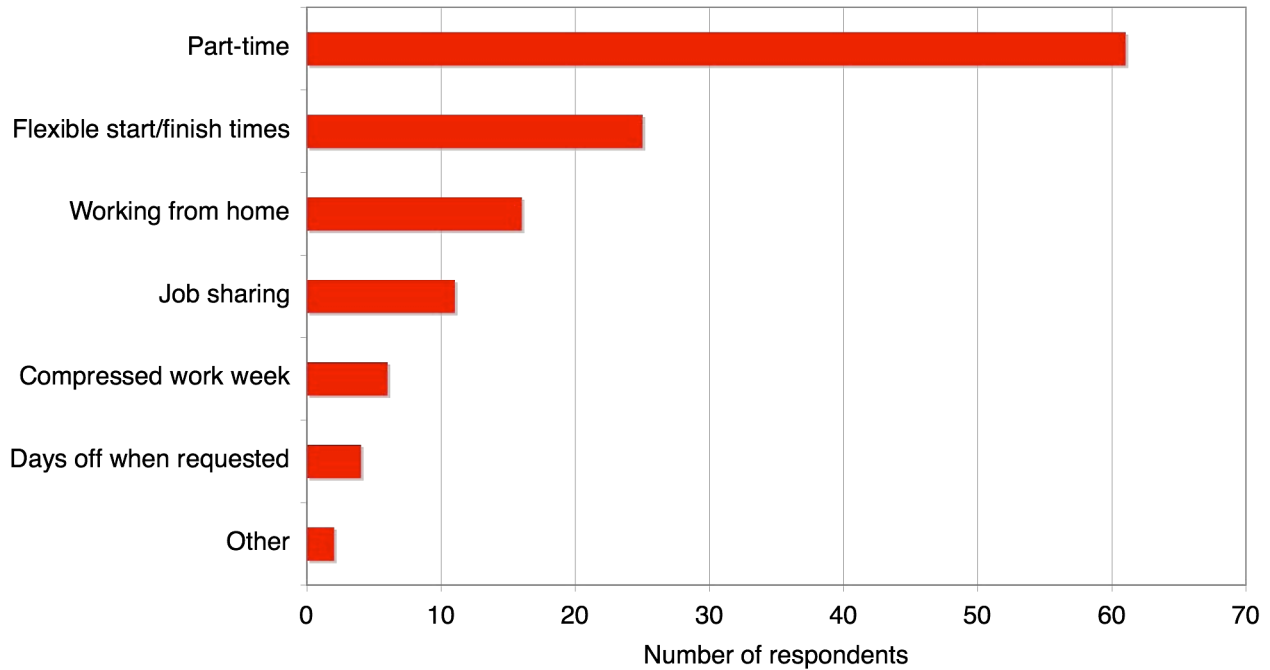


Seventy-three per cent of the wholesale & retail trade companies, 71 per cent of the accommodation & food services/arts & entertainment companies, and 70 per cent of the health care & social assistance organizations said their companies have flexible work arrangements available to employees to accommodate work/life balance needs. Only 15 per cent of the transportation & warehousing companies said their companies have flexible work arrangements.

Industry	Yes	No	Unsure
Mining & Oil & Gas	35%	35%	30%
Construction	24%	52%	24%
Manufacturing	55%	27%	18%
Wholesale & Retail Trade	73%	9%	18%
Transportation & Warehousing	15%	45%	40%
Professional, Scientific & Technical Services	45%	25%	30%
Health Care & Social Assistance	70%	20%	10%
Accommodation & Food Services/Arts & Entertainment	71%	10%	19%
Finance, Insurance, Real Estate & Leasing	40%	40%	20%
Other	55%	27%	18%
Total	48%	29%	23%

Q.18b If yes, what flexible work arrangements are available to employees?

Of the 101 companies (48 per cent) that said they have flexible work arrangements available to their employees, part-time was the most common response (61 companies), followed by flexible start/finish times (25 companies) and working from home (16 companies).



Q.18c If no, what are the reasons your company does not have any flexible work arrangements available to employees?

Q.18c Comments

- We're just too small. – *Accommodation & Food Services/Arts & Entertainment*
- People will work as much as they can right now. – *Construction*
- Unfortunately we usually have a schedule. – *Construction*
- If we are busy I'd rather pay overtime than have guys not come in one day. – *Construction*
- When we are in high season we need everyone working all the time. – *Finance, Insurance, Real Estate & Leasing*
- The clinic has set hours, so we work set hours. – *Health Care & Social Assistance*

- It doesn't really work. I need staff to be here everyday because if I had a question about a client who came in the day before I need to know what's going on. Everyone should know. – *Health Care & Social Assistance*
- Doesn't work for most of us. – *Manufacturing*
- You kind of have to take things as they come. If there's not work then you get a break. If there is then you work. – *Mining & Oil & Gas*
- It just wouldn't work around here. – *Mining & Oil & Gas*
- In our line of work there isn't a lot of room for flexibility. – *Professional, Scientific & Technical Services*
- Unfortunately, you have to just work when you can. Seasonal work doesn't work for everyone. – *Professional, Scientific & Technical Services*
- We are always busy. I don't think there's any room in the schedule to be flexible. – *Professional, Scientific & Technical Services*
- When there's work to do, you gotta just do it. – *Transportation & Warehousing*
- Doesn't work for us. There's a few guys that don't want to work so much....why would you hire them when you can hire people who do want to work. – *Transportation & Warehousing*
- It's not common to work part time in this area. – *Transportation & Warehousing*

COMPARATIVE ANALYSIS AND YEAR TO DATE SURVEY RESULTS

This section compares the results from the Q4 2008 survey (companies with < 10 employees) with results from the Q1 2008 survey (companies with 100+ employees), the Q2 2008 survey (companies with 50 – 99 employees), and the Q3 2008 survey (companies with 10 – 49 employees). Throughout this analysis:

- Companies surveyed in the first quarter of 2008 with 100+ employees will be referred to as LARGE-sized companies;
- Companies surveyed in the second quarter of 2008 with 50 – 99 employees will be referred to as MEDIUM-sized companies; and
- Companies surveyed in the third quarter of 2008 with 10 – 49 employees will be referred to as SMALL-sized companies.
- Companies surveyed in the fourth quarter of 2008 with < 10 employees will be referred to as MICRO-sized companies.

It should be noted that the economic downturn that has occurred over the course of 2008 has likely impacted some employers, most likely those in the mining and oil and gas, construction, and manufacturing industries. As a result, quarter-to-quarter comparisons should be viewed with caution.

How many employees does your company employ in the Calgary region?

Industry	Q1 2008	Q2 2008	Q3 2008	Q4 2008
	100+ employees	50 - 99 employees	10 - 49 employees	< 10 employees
Mining & Oil & Gas	20,520	1,403	554	105
Construction	4,888	1,514	542	110
Manufacturing	7,501	1,376	499	126
Wholesale & Retail Trade	3,550	1,429	391	124
Transportation & Warehousing	5,840	1,124	478	103
Professional, Scientific & Technical Services	6,499	1,543	381	89
Health Care & Social Assistance	32,087	1,462	416	108
Accommodation & Food Services/Arts & Entertainment	3,547	1,355	518	106
Finance, Insurance, Real Estate & Leasing	4,952	1,351	438	84
Other	4,645	1,337	531	103
Total Employees	94,029	13,894	4,748	1,058
	n=203	n=206	n=208	n=208

In the first quarter of 2008, companies with 100 or more employees were surveyed. The 203 companies surveyed employ 94,029 people in the Calgary region.

- In the second quarter, 206 companies with 50 – 99 employees were surveyed, employing a total of 13,894 people.
- In the third quarter, 208 companies with 10 – 49 employees were surveyed, employing a total of 4,748 people.
- In the fourth quarter, 208 companies with < 10 employees were surveyed, employing a total of 1,058 people.

Has your company expanded, relocated, or downsized in the last 12 months?

Response	Q1 2008	Q2 2008	Q3 2008	Q4 2008
	100+ employees	50 - 99 employees	10 - 49 employees	< 10 employees
Expanded	26%	23%	21%	5%
Relocated	1%	1%	0%	0%
Downsized	8%	4%	11%	9%
No	65%	72%	68%	86%
	n=203	n=206	n=208	n=208

Slightly more large-sized companies (26 per cent) have expanded in the year prior to their survey than medium-sized companies (23 per cent) or small-sized companies (21 per cent). Only 5 per cent of micro-sized companies reported they have expanded in the year prior to their survey.

- More small-sized companies (11 per cent) and micro-sized companies (9 per cent) have downsized than large (8 per cent) or medium-sized companies (4 per cent).

Year to Date Results

Industry	Yes - expanded	Yes - relocated	Yes - downsized	No
Mining & Oil & Gas	14%	0%	19%	68%
Construction	26%	2%	13%	58%
Manufacturing	13%	1%	12%	74%
Wholesale & Retail Trade	18%	0%	4%	78%
Transportation & Warehousing	15%	0%	11%	74%
Professional, Scientific & Technical Services	33%	1%	8%	57%
Health Care & Social Assistance	16%	1%	4%	80%
Accommodation & Food Services/Arts & Entertainment	8%	0%	0%	92%
Finance, Insurance, Real Estate & Leasing	21%	0%	4%	75%
Other	24%	0%	5%	71%
Total	19%	1%	8%	72%

n=825

Year-to-date, of the 825 companies surveyed, 19 per cent have expanded, 1 per cent have relocated, and 8 per cent have downsized.

- More companies in the professional, scientific and technical services industry (33 per cent) have expanded than companies in the other industries.
- More mining and oil and gas companies have downsized (19 per cent) than companies in the other industries.

Do you anticipate a business expansion, relocation, downsize, or closure in the next 12 months?

Response	Q1 2008	Q2 2008	Q3 2008	Q4 2008
	100+ employees	50 - 99 employees	10 - 49 employees	< 10 employees
Expansion	18%	18%	13%	1%
Relocation	0%	0%	0%	0%
Downsize	3%	1%	1%	3%
Closure	0%	0%	2%	2%
No	79%	81%	83%	94%
	n=203	n=206	n=208	n=208

More large and medium-sized companies (18 per cent each) anticipate a business expansion in the 12 months following their survey than small-sized (13 per cent) or micro-sized companies (1 per cent).

- Slightly more large-sized and micro-sized companies (3 per cent each) anticipate a business downsize than medium or small-sized companies (1 per cent each).
- Two per cent of small-sized and micro-sized companies anticipate a business closure in the 12 months following their survey.

Year to Date Results

Industry	Yes - expansion	Yes - relocation	Yes - downsize	Yes - closure	No
Mining & Oil & Gas	11%	0%	8%	1%	80%
Construction	16%	0%	5%	4%	75%
Manufacturing	5%	0%	4%	0%	92%
Wholesale & Retail Trade	13%	0%	0%	1%	86%
Transportation & Warehousing	7%	0%	4%	2%	87%
Professional, Scientific & Technical Services	23%	1%	1%	1%	73%
Health Care & Social Assistance	12%	0%	0%	0%	88%
Accommodation & Food Services/Arts & Entertainment	4%	0%	0%	0%	96%
Finance, Insurance, Real Estate & Leasing	17%	0%	1%	0%	81%
Other	16%	0%	0%	0%	84%
Total	13%	0%	2%	1%	84%

n=825

Year-to-date, of the 825 companies surveyed, 13 per cent anticipate a business expansion, 2 per cent anticipate a business downsize, and 1 per cent anticipate a business closure in the 12 months following their survey.

- More companies in the professional, scientific and technical services industry (23 per cent) anticipate a business expansion than companies in the other industries.
- More companies in the mining and oil and gas industry (8 per cent) anticipate a business downsize than companies in the other industries.
- Four per cent of companies in the construction industry, and 2 per cent of companies in the transportation and warehousing industry anticipate a business closure in the 12 months following their survey.

Does your company currently have any vacant positions that need to be filled?

Response	Q1 2008	Q2 2008	Q3 2008	Q4 2008
	100+ employees	50 - 99 employees	10 - 49 employees	< 10 employees
Yes	84%	59%	30%	8%
No	16%	41%	70%	92%
	n=203	n=206	n=208	n=208

Significantly more large-sized companies (84 per cent) said they had vacant positions that needed to be filled than medium (59 per cent), small (30 per cent), or micro-sized companies (8 per cent).

Year to Date Results

Industry	Yes	No
Mining & Oil & Gas	38%	63%
Construction	40%	60%
Manufacturing	39%	61%
Wholesale & Retail Trade	46%	54%
Transportation & Warehousing	37%	63%
Professional, Scientific & Technical Services	56%	44%
Health Care & Social Assistance	66%	34%
Accommodation & Food Services/Arts & Entertainment	51%	49%
Finance, Insurance, Real Estate & Leasing	38%	62%
Other	36%	64%
Total	45%	55%

n=825

Year-to-date, of the 825 companies surveyed, 45 per cent reported they had vacant positions that needed to be filled.

- More health care and social assistance organizations (66 per cent) reported they had vacant positions that needed to be filled than companies in the other industries.
- Less than 40 per cent of the companies in the mining and oil and gas, manufacturing, transportation and warehousing, finance, insurance, real estate and leasing and 'other' industry categories said they had vacant positions that needed to be filled.

Not including existing vacant positions, do you anticipate requiring additional employees in the next 3 months?

Response	Q1 2008	Q2 2008	Q3 2008	Q4 2008
	100+ employees	50 - 99 employees	10 - 49 employees	< 10 employees
Yes	29%	5%	6%	2%
No	36%	59%	64%	85%
Unsure	35%	36%	30%	13%
	n=203	n=206	n=208	n=208

Significantly more large-sized companies (29 per cent) than medium (5 per cent), small (6 per cent), or micro-sized companies (2 per cent) required additional employees in the 3 months following their survey.

- Significantly more micro-sized companies were certain (85 per cent) they did not require additional employees in the 3 months following their survey.

Year to Date Results

Industry	Yes	No	Unsure
Mining & Oil & Gas	4%	65%	31%
Construction	14%	68%	18%
Manufacturing	8%	62%	30%
Wholesale & Retail Trade	16%	53%	31%
Transportation & Warehousing	10%	68%	22%
Professional, Scientific & Technical Services	11%	57%	32%
Health Care & Social Assistance	8%	54%	37%
Accommodation & Food Services/Arts & Entertainment	13%	43%	44%
Finance, Insurance, Real Estate & Leasing	5%	78%	17%
Other	14%	63%	23%
Total	10%	61%	29%

n=825

Year-to-date, of the 825 companies surveyed, 10 per cent required additional employees in the 3 months following their survey.

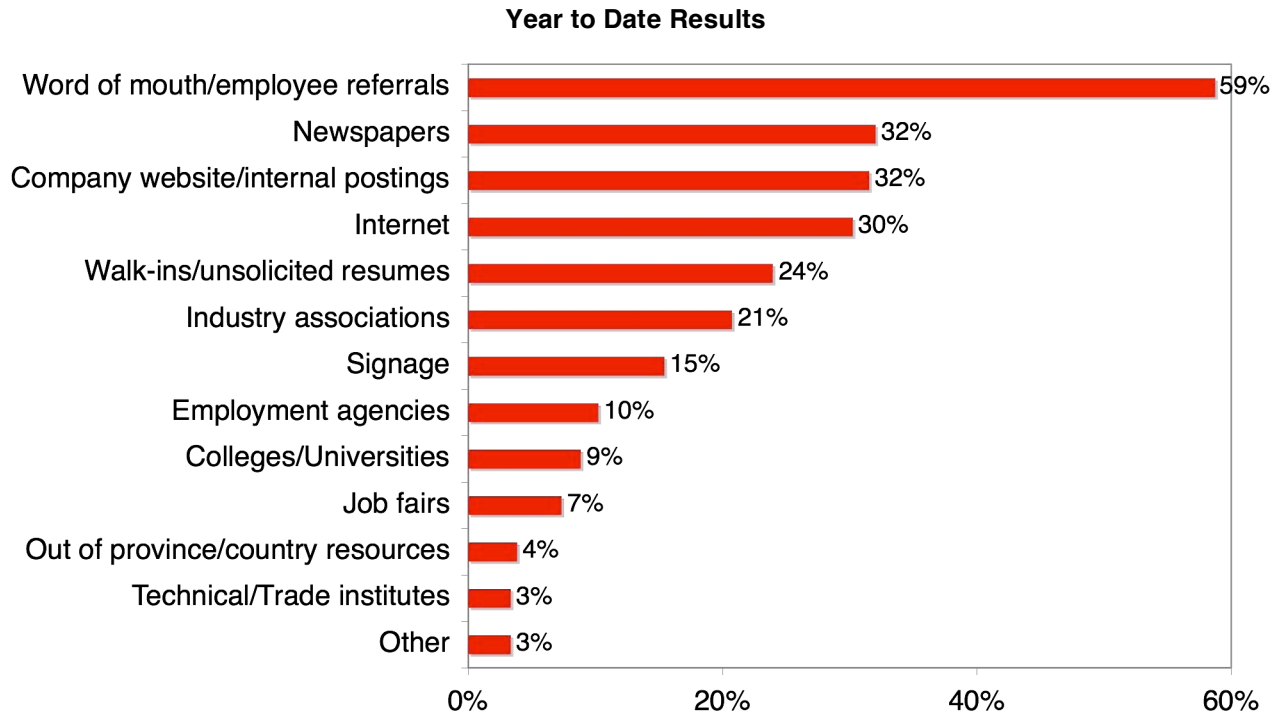
- More wholesale and retail trade companies (16 per cent) required additional employees than companies in the other industries.
- Only 4 per cent of the mining and oil and gas companies and 5 per cent of the finance, insurance, real estate and leasing companies reported they required additional employees in the 3 months following their survey.

What resources does your company use to find applicants?

Response	Q1 2008	Q2 2008	Q3 2008	Q4 2008
	100+ employees	50 - 99 employees	10 - 49 employees	< 10 employees
Company website/internal postings	62%	42%	15%	8%
Word of mouth/employee referrals	54%	60%	63%	57%
Internet	52%	33%	24%	13%
Newspapers	40%	33%	31%	24%
Walk-ins/unsolicited resumes	29%	24%	24%	19%
Colleges/Universities	21%	12%	2%	0%
Job fairs	21%	6%	3%	0%
Signage	18%	11%	16%	16%
Industry associations	16%	23%	23%	22%
Employment agencies	15%	9%	12%	4%
Out of province/country resources	9%	2%	2%	1%
Technical/Trade institutes	6%	4%	3%	0%
Magazines	0%	1%	0%	0%
Other	5%	3%	4%	1%
	n=203	n=206	n=208	n=208

The top resource used by medium (60 per cent), small (63 per cent), and micro-sized companies (57 per cent) to find applicants is word of mouth/employee referrals. The top resource used by large-sized companies (62 per cent) is company website/internal postings.

- Significantly more large-sized companies use the Internet to find applicants (52 per cent) than medium (33 per cent), small (24 per cent), or micro-sized companies (13 per cent).
- Significantly more large-sized companies utilize colleges/universities and job fairs to find applicants than medium or small-sized companies. None of the micro-sized companies surveyed reported they utilize colleges/universities or job fairs in their recruitment efforts.
- Industry associations were mentioned less often by large-sized companies (16 per cent) as a recruitment resource than medium (23 per cent), small (23 per cent), or micro-sized companies (22 per cent).



Year-to-date, the top four resources companies use to find applicants are: word of mouth/employee referrals (59%), newspapers (32 per cent), company website/internal postings (32 per cent), and the Internet (30 per cent).

Has your company had difficulty recruiting qualified employees in the last 12 months?

Response	Q1 2008	Q2 2008	Q3 2008	Q4 2008
	100+ employees	50 - 99 employees	10 - 49 employees	< 10 employees
Yes	43%	42%	32%	9%
No	57%	58%	68%	91%
	n=203	n=206	n=208	n=208

More large (43 per cent) and medium-sized companies (42 per cent) had difficulty recruiting qualified employees in the 12 months prior to their survey than small (32 per cent), or micro-sized companies (9 per cent).

Year to Date Results

Industry	Yes	No
Mining & Oil & Gas	18%	83%
Construction	38%	62%
Manufacturing	35%	65%
Wholesale & Retail Trade	27%	73%
Transportation & Warehousing	25%	75%
Professional, Scientific & Technical Services	39%	61%
Health Care & Social Assistance	58%	42%
Accommodation & Food Services/Arts & Entertainment	21%	79%
Finance, Insurance, Real Estate & Leasing	22%	78%
Other	33%	67%
Total	32%	68%

n=825

Year-to-date, of the 825 companies surveyed, 32 per cent had difficulty recruiting qualified employees.

- Significantly more health care and social assistance organizations (58 per cent) had difficulty recruiting qualified employees than companies in the other industries.
- Three-quarters or more of the mining and oil and gas, transportation and warehousing, accommodation and food services/arts and entertainment, and finance, insurance, real estate and leasing companies reported they have not had difficulty recruiting qualified employees in the 12 months prior to their survey.

Do you anticipate having more, less, or the same amount of difficulty recruiting qualified employees in the next 12 months?

Response	Q1 2008	Q2 2008	Q3 2008	Q4 2008
	100+ employees	50 - 99 employees	10 - 49 employees	< 10 employees
More	10%	3%	2%	1%
Less	11%	15%	9%	9%
Same	66%	66%	63%	70%
Unsure	13%	16%	26%	20%
	n=203	n=206	n=208	n=208

More large-sized companies (10 per cent) anticipate they will have more difficulty recruiting qualified employees in the 12 months following their survey than medium (3 per cent), small (2 per cent), or micro-sized companies (1 per cent).

- More medium-sized companies (15 per cent) anticipate they will have less difficulty recruiting qualified employees than large (11 per cent), small (9 per cent), or micro-sized companies (9 per cent).
- More small-sized companies (26 per cent) were unsure whether they would have more, less, or the same amount of difficulty recruiting in the 12 months following their survey.

Year to Date Results

Industry	More	Less	Same	Unsure
Mining & Oil & Gas	0%	18%	66%	16%
Construction	1%	24%	58%	17%
Manufacturing	5%	12%	67%	17%
Wholesale & Retail Trade	5%	11%	71%	13%
Transportation & Warehousing	2%	14%	62%	22%
Professional, Scientific & Technical Services	1%	9%	66%	24%
Health Care & Social Assistance	18%	1%	70%	11%
Accommodation & Food Services/Arts & Entertainment	0%	10%	69%	21%
Finance, Insurance, Real Estate & Leasing	4%	6%	69%	21%
Other	2%	5%	69%	24%
Total	4%	11%	67%	18%

n=825

Year to date, of the 825 companies surveyed, 4 per cent anticipate having more difficulty recruiting qualified employees in the 12 months following their survey, 11 per cent anticipate having less difficulty, and 67 per cent anticipate having about the same amount of difficulty.

- More organizations in the health care and social assistance industry (18 per cent) anticipate having more difficulty recruiting qualified employees in the 12 months following their survey.
- Twenty-four per cent of the construction companies anticipate having less difficulty recruiting qualified employees.

Are you aware that some groups of workers in the Calgary region such as persons with disabilities, Aboriginal people, immigrants, older workers, youth and women are traditionally underemployed?

Response	Q1 2008	Q2 2008	Q3 2008	Q4 2008
	100+ employees	50 - 99 employees	10 - 49 employees	< 10 employees
Yes	96%	96%	97%	96%
No	4%	4%	3%	4%
	n=203	n=206	n=208	n=208

Awareness on traditional underemployment of some groups of workers in the Calgary region appears to be high among all companies surveyed (96 – 97 per cent).

Year to Date Results

Industry	Yes	No
Mining & Oil & Gas	99%	1%
Construction	94%	6%
Manufacturing	99%	1%
Wholesale & Retail Trade	94%	6%
Transportation & Warehousing	96%	4%
Professional, Scientific & Technical Services	94%	6%
Health Care & Social Assistance	100%	0%
Accommodation & Food Services/Arts & Entertainment	90%	10%
Finance, Insurance, Real Estate & Leasing	96%	4%
Other	99%	1%
Total	96%	4%

n=825

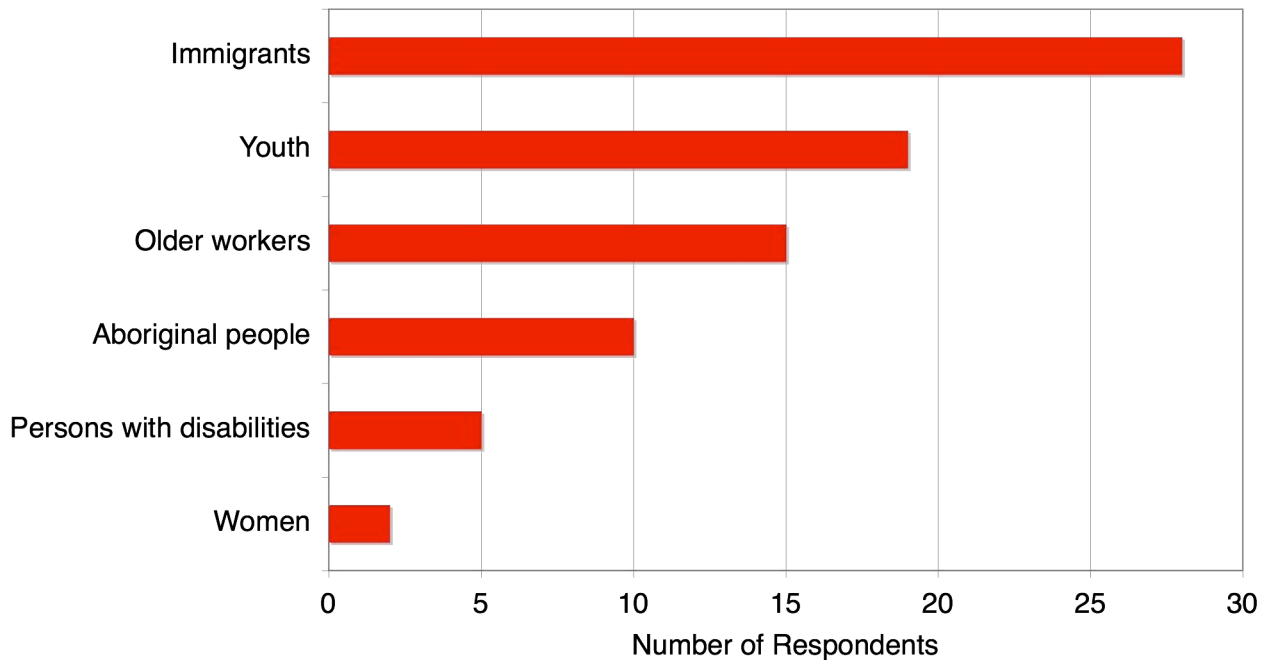
Year to date, all of the companies surveyed in the health care and social assistance industry reported they are aware that some group of workers in the Calgary region are traditionally underemployed.

Does your company have plans to directly target any of these underemployed groups in the next 12 months?

	Q1 2008	Q2 2008	Q3 2008	Q4 2008
Response	100+ employees	50 - 99 employees	10 - 49 employees	< 10 employees
Yes	14%	7%	8%	3%
No/Unsure	86%	93%	92%	97%
	n=203	n=206	n=208	n=208

Although 96 – 97 per cent per cent of companies reported they are aware some groups of workers such as persons with disabilities, Aboriginal people, immigrants, older workers, youth, and women are traditionally underemployed, only 14 per cent of large-sized companies, 7 per cent of medium-sized companies, 8 per cent of small-sized companies and 3 per cent of micro-sized companies have plans to directly target any of these groups in the 12 months following their survey.

Year to Date Results



Year to date, 28 companies have plans to directly target immigrants, 19 companies have plans to target youth, and 15 companies have plans to target older workers.

Does your company currently employ any temporary foreign workers?

Response	Q1 2008	Q2 2008	Q3 2008	Q4 2008
	100+ employees	50 - 99 employees	10 - 49 employees	< 10 employees
Yes	20%	10%	6%	1%
No	80%	90%	94%	99%
	n=203	n=206	n=208	n=208

Significantly more large-sized companies (20 per cent) reported they employ temporary foreign workers than medium (10 per cent), small, (6 per cent) and micro-sized companies (1 per cent).

Year to Date Results

Industry	Yes	No
Mining & Oil & Gas	14%	86%
Construction	10%	90%
Manufacturing	17%	83%
Wholesale & Retail Trade	2%	98%
Transportation & Warehousing	4%	96%
Professional, Scientific & Technical Services	9%	91%
Health Care & Social Assistance	11%	89%
Accommodation & Food Services/Arts & Entertainment	15%	85%
Finance, Insurance, Real Estate & Leasing	0%	100%
Other	11%	89%
Total	9%	91%

n=825

Year to date, of the 825 companies surveyed, 9 per cent reported they currently employ temporary foreign workers.

- More manufacturing (17 per cent), accommodation and food services/arts and entertainment (15 per cent), and mining and oil and gas companies (14 per cent) employ temporary foreign workers than companies in the other industries.
- None of the finance, insurance, real estate and leasing companies surveyed employ temporary foreign workers.

Do you anticipate applying for or hiring any temporary foreign workers in the next 12 months?

Response	Q1 2008	Q2 2008	Q3 2008	Q4 2008
	100+ employees	50 - 99 employees	10 - 49 employees	< 10 employees
Yes	10%	5%	2%	0%
No	73%	87%	87%	94%
Unsure	17%	8%	11%	6%
	n=203	n=206	n=208	n=208

More large-sized companies (10 per cent) anticipate applying for or hiring temporary foreign workers in the 12 months following their survey than medium (5 per cent), small (2 per cent), and micro-sized companies (0 per cent).

Year to Date Results

Industry	Yes	No	Unsure
Mining & Oil & Gas	1%	84%	15%
Construction	8%	85%	7%
Manufacturing	11%	71%	18%
Wholesale & Retail Trade	4%	88%	8%
Transportation & Warehousing	5%	93%	2%
Professional, Scientific & Technical Services	0%	89%	11%
Health Care & Social Assistance	4%	84%	12%
Accommodation & Food Services/Arts & Entertainment	7%	79%	14%
Finance, Insurance, Real Estate & Leasing	0%	98%	2%
Other	2%	86%	12%
Total	4%	86%	10%

n=825

Year to date, of the 825 companies surveyed, 4 per cent anticipate applying for or hiring temporary foreign workers in the 12 months following their survey, 86 per cent have no plans, and 10 per cent are unsure.

- More manufacturing companies (11 per cent) anticipate applying for or hiring temporary foreign workers in the 12 months following their survey.
- None of the professional, scientific and technical services or finance, insurance, real estate and leasing companies anticipate applying for or hiring temporary foreign workers in the 12 months following their survey.

Have any employees left your company in the past 12 months as a result of voluntary turnover?

Response	Q1 2008	Q2 2008	Q3 2008	Q4 2008
	100+ employees	50 - 99 employees	10 - 49 employees	< 10 employees
Yes	100%	99%	81%	53%
No	0%	1%	19%	47%
Total Turnover	18,411	4,165	1,151	209
Total Employees	94,029	13,894	4,748	1,058
Turnover Rate	20%	30%	24%	20%
	n=203	n=206	n=208	n=208

More large (100 per cent) and medium-sized companies (99 per cent) reported employees have left their companies in the year prior to their survey as a result of voluntary turnover than small (81 per cent) or micro-sized companies (53 per cent).

- Over 18,400 employees have voluntarily left the large-sized companies in the year prior to their survey, resulting in an overall turnover rate of 20 per cent.
- Medium-sized companies had a significantly higher turnover rate. Over 4,160 employees have voluntarily left the medium-sized companies, resulting in an overall turnover rate of 30 per cent.
- Just over 1,150 employees have left the small-sized companies in the past year, resulting in an overall turnover rate of 24 per cent.
- Close to 210 employees have left the micro-sized companies in the 12 months prior to their survey, resulting in an overall turnover rate of 20 per cent.

Year to Date Results

Industry	Yes	No	Total Turnover	Total Employees	Turnover Rate
Mining & Oil & Gas	74%	26%	2,999	22,582	13%
Construction	88%	12%	2,813	7,054	40%
Manufacturing	87%	13%	2,228	9,502	23%
Wholesale & Retail Trade	87%	13%	2,254	5,494	41%
Transportation & Warehousing	83%	17%	1,625	7,545	22%
Professional, Scientific & Technical Services	85%	15%	1,374	8,512	16%
Health Care & Social Assistance	72%	28%	6,097	34,073	18%
Accommodation & Food Services/Arts & Entertainment	94%	6%	1,924	5,526	35%
Finance, Insurance, Real Estate & Leasing	80%	20%	928	6,825	14%
Other	82%	18%	1,706	6,616	26%
Total	83%	17%	23,948	113,729	21%

n=825

Year to date, close to 24,000 employees have left the 825 companies surveyed, resulting in an overall turnover rate of 21 per cent.

- The wholesale and retail trade companies and construction companies have the highest average turnover rate at 41 per cent and 40 per cent respectively.
- The mining and oil and gas and finance, insurance, real estate and leasing companies have the lowest average turnover rate at 13 per cent and 14 per cent respectively.

Do you anticipate employee turnover will be higher, lower, or about the same in the next 12 months?

Response	Q1 2008	Q2 2008	Q3 2008	Q4 2008
	100+ employees	50 - 99 employees	10 - 49 employees	< 10 employees
Higher	5%	2%	1%	0%
Lower	8%	10%	5%	2%
Same	57%	51%	63%	63%
Unsure	30%	37%	31%	35%
	n=203	n=206	n=208	n=208

Slightly more large-sized companies (5 per cent) anticipate employee turnover will be higher in the 12 months following their survey than medium (2 per cent), small (1 per cent), and micro-sized companies (0 per cent).

- More medium-sized companies (10 per cent) anticipate employee turnover will be lower than large (8 per cent), small (5 per cent) or micro-sized companies (2 per cent).

Year to Date Results

Industry	Higher	Lower	Same	Unsure
Mining & Oil & Gas	0%	4%	60%	36%
Construction	2%	13%	48%	37%
Manufacturing	2%	4%	62%	32%
Wholesale & Retail Trade	6%	6%	55%	33%
Transportation & Warehousing	0%	5%	53%	42%
Professional, Scientific & Technical Services	0%	9%	56%	35%
Health Care & Social Assistance	6%	2%	72%	19%
Accommodation & Food Services/Arts & Entertainment	2%	8%	52%	37%
Finance, Insurance, Real Estate & Leasing	0%	6%	64%	30%
Other	0%	5%	61%	34%
Total	2%	6%	58%	34%

n=825

Year to date, of the 825 companies surveyed, 2 per cent anticipate employee turnover will be higher in the year following their survey, 6 per cent anticipate it will be lower, and 58 per cent anticipate it will be about the same.

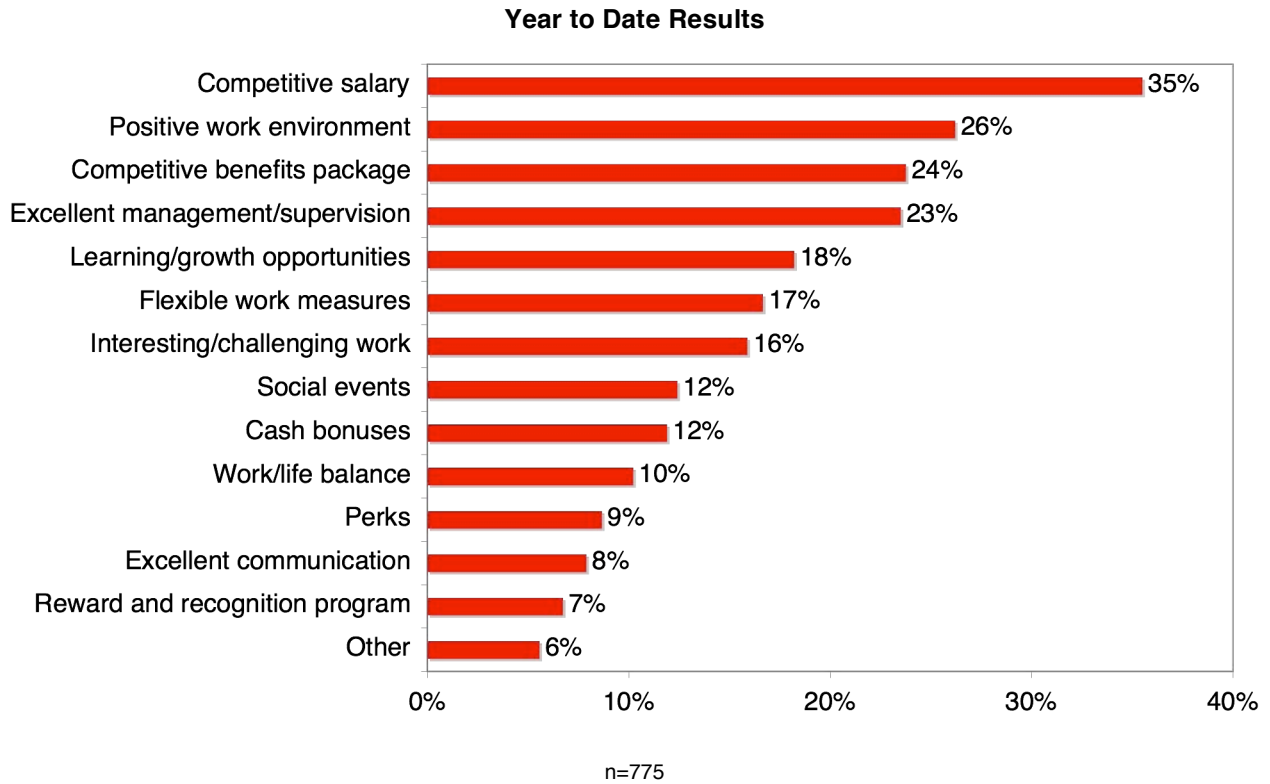
- More wholesale and retail trade companies and health care and social assistance organizations (6 per cent each) anticipate employee turnover will be higher in the year following their survey than companies in the other industries.
- More construction companies (13 per cent) anticipate turnover will be lower than companies in the other industries.
- Forty-two per cent of the transportation and warehousing companies are unsure as to the direction of employee turnover in the 12 months following their survey.

What strategies is your company currently using to retain employees?

Response	Q1 2008	Q2 2008	Q3 2008	Q4 2008
	100+ employees	50 - 99 employees	10 - 49 employees	< 10 employees
Competitive salary	41%	39%	34%	27%
Competitive benefits package	36%	34%	18%	6%
Learning/growth opportunities	28%	21%	15%	9%
Flexible work measures	21%	16%	15%	15%
Social events	18%	15%	10%	7%
Positive work environment	18%	27%	29%	31%
Excellent management/supervision	17%	33%	21%	23%
Cash bonuses	15%	15%	10%	7%
Reward and recognition program	15%	7%	3%	2%
Work/life balance	12%	10%	8%	11%
Perks	11%	9%	8%	7%
Interesting/challenging work	11%	19%	17%	17%
Excellent communication	9%	10%	8%	5%
Other	8%	5%	6%	3%
	n=196	n=200	n=198	n=181

A competitive salary was the top strategy reported by small (34 per cent), medium (39 per cent), and large-sized companies (41 per cent) to retain employees. A positive work environment was the top strategy reported by micro-sized companies (31 per cent).

- A competitive benefits package (36 per cent) and learning growth opportunities (28 per cent) were the next most reported strategies large-sized companies are using to retain employees.
- A competitive benefits package (34 per cent) and excellent management/supervision (33 per cent) were the next most reported strategies medium-sized companies are using.
- A positive work environment (29 per cent) and excellent management/supervision (21 per cent) were the next most reported strategies small-sized companies are using to retain employees.
- A competitive salary (27 per cent) and excellent management supervision (23 per cent) were the next most reported strategies micro-sized companies are using to retain employees.
- More large-sized companies (15 per cent) use reward and recognition programs to retain employees than medium (7 per cent), small (3 per cent) or micro-sized companies (2 per cent).
- Fewer large-sized companies (11 per cent) said interesting/challenging work is retaining employees.



Year to date, of the 775 companies that answered this question, the top four strategies companies are using to retain employees are: competitive salary (35 per cent), positive work environment (26 per cent), competitive benefits package (24 per cent), and excellent management/supervision.

Overall, do you anticipate your company will be focusing more, less, or the same on employee retention in the next 12 months?

Response	Q1 2008	Q2 2008	Q3 2008	Q4 2008
	100+ employees	50 - 99 employees	10 - 49 employees	< 10 employees
More	27%	9%	2%	1%
Less	3%	0%	1%	2%
Same	53%	60%	46%	54%
Unsure	17%	31%	51%	43%
	n=203	n=206	n=208	n=208

Significantly more large-sized companies (27 per cent) indicated they would be focusing more on employee retention in the 12 months following their survey than medium (9 per cent), small (2 per cent), and micro-sized companies (1 per cent).

- More small-sized companies (51 per cent) were unsure how much focus they would be putting on employee retention in the next year.

Year to Date Results

Industry	More	Less	Same	Unsure
Mining & Oil & Gas	8%	0%	61%	31%
Construction	6%	1%	62%	31%
Manufacturing	14%	2%	50%	33%
Wholesale & Retail Trade	12%	2%	48%	37%
Transportation & Warehousing	6%	2%	63%	28%
Professional, Scientific & Technical Services	6%	2%	49%	43%
Health Care & Social Assistance	20%	0%	51%	29%
Accommodation & Food Services/Arts & Entertainment	12%	2%	46%	39%
Finance, Insurance, Real Estate & Leasing	5%	1%	54%	40%
Other	8%	0%	48%	43%
Total	10%	1%	53%	36%

n=825

Year to date, of the 825 companies surveyed, 10 per cent reported they would be focusing more on employee retention in the 12 months following their survey, 1 per cent said they would be focusing less, and 53 per cent said they would be focusing about the same.

- More health care and social assistance organizations (20 per cent) reported they would be focusing more on employee retention than companies in the other industries.
- Forty-three per cent of the companies in the professional, scientific and technical services industry and 'other' industry category were unsure how much focus they would be putting on employee retention in the next year.

LABOUR MARKET INFORMATION REVIEW

This section captures information related to other labour market activities undertaken by the consultant during the reporting period.

LABOUR MARKET NEWS HIGHLIGHTS

The Calgary & Area Labour Market News, published monthly, provides current labour market information and analysis geared toward job seekers. Below are highlights of the October, November and December 2008 issues. The full articles are available on the Alberta Employment and Immigration website at <http://www.employment.gov.ab.ca/cps/rde/xchg/hre/hs.xsl/2396.html>

VOLUME 10. ISSUE 10. OCTOBER 2008

An Active Career: Swim instructors

Swim or sports instructors teach the basics of swimming or other sports to students of all ages either individually or in groups. The City of Calgary is a major employer of swim and sports instructors and these positions are in high demand. This is a great career opportunity for young or mature workers, since the schedules are very flexible and employment is generally on a part time basis. Swim instructors must have first aid and CPR training and be certified as Water Safety Instructors or as Swimming and Lifesaving Instructors.

Moving Up: Recreation facility operators

Recreation facility operators maintain and supervise the use of recreational facilities, and their duties can vary depending on the day. While these positions are in high demand within the City of Calgary, they are advertised internally only because only experienced staff can apply. This career choice is great for people looking for flexible schedules and who enjoy working in an upbeat, active and fun environment. Education requirements for recreation facility operators varies greatly depending on where the operator is working.

Working in Tourism

The local tourism industry is a great contributor to Calgary's economy and is comprised of five sectors: food and beverage, accommodations, recreation and entertainment, travel services and transportation. There is always a high demand for workers within this industry and there is a great deal of career progression. While pay in this industry is relatively low, perks such as gratuities and discounts are common.

Becoming an English as an Additional Language Instructor

Formerly known as English as a Second Language Instructors, English as an Additional Language (EAL) teachers provide English language and life skills instruction to immigrants, international students and others whose first language is not English. With many immigrants moving to Calgary each year, EAL teachers are in demand. Education and pay for EAL teachers varies greatly depending on where they work.

The Realities of Making a Career Change

Many mid-life career changers are surprised by some of the negative aspects that go along with making a mid-life career change. That's why it's important for mid-life career changers to be realistic about the changes they are considering prior to making the crucial decision to change career paths. This article explores some of the things to consider before making a mid-life career change.

VOLUME 10. ISSUE 11. NOVEMBER 2008

Renovation Trades: Tiler

Tilers cover, repair and decorate exterior and interior walls, floors and other surfaces. In Calgary's busy construction industry tilers is one of the trades with a severe shortage, creating plenty of opportunity for those interested in pursuing it as a career. Tilers are one of the highest paid tradespeople in Alberta. While wages vary from \$22 to \$30 an hour, they are generally paid per square foot and can choose their own amount of hours and salary. The term of apprenticeship for tilers is three years.

Working in Construction-related Wholesale Trade

The wholesale industry is one of the top 10 industries in Calgary and demand for wholesale salespersons is the highest within the industry. Wholesale, non-technical sales representatives have a thorough knowledge of the construction industry and it is common for many in this occupation to have started their careers in entry-level construction positions. Wholesale, non-technical salespersons can specialize in areas such as new home building and renovation, heavy industrial, institutional and commercial or civil engineering.

Unlocking a Career in the Trades

Locksmiths install and repair locks, key control systems, window bars, deadbolts and keyless entry locks. Many locksmiths pick their own shifts depending on the schedule they prefer. They are paid by a combination of salary plus commissions or solely on commission. As an optional certification trade, education for locksmiths is an option but it is not always necessary to gain employment. A locksmith in Alberta can be a registered apprentice, a certified journeyman, someone who holds a recognized trade certificate or someone who has worked for an employer who is satisfied with their knowledge of the trade. They must also have a license to pick locks.

The Effects of the Multi-generational Workforce

There are many realities mid-life employees need to face when choosing to change their career path, such as how to get started, assessing their skills, overcoming bias and facing the realities of career change. But one of the most common issues facing mid-life career changers is a topic that is not often discussed: the multi-generational workforce. The modern workplace contains four different generations and by understanding these different generations mid-life career changers can succeed in today's evolved workplace.

VOLUME 10. ISSUE 12. DECEMBER 2008

Working in Finance: Financial Customer Service Representatives

Financial customer service representatives, also known as bank tellers, work in financial institutions such as chartered banks, credit unions and trust companies, and demand for people in these positions is high. More important than education or math skills, bank tellers must have excellent communication skills because they spend the entire day dealing with customers. Bank tellers earn between \$16 and \$18 an hour.

Moving Up: Banking/Investment Managers

Banking and investment managers plan and direct the activities of departments or branches in financial institutions and demand for these professionals is high. Much of the training is on the job and most people in these positions have extensive experience in the finance industry. Bank/investment managers generally earn between \$68,000 and \$95,000 a year.

Working in Finance

Calgary is an attractive market for the finance industry, and the demand for workers within this industry is high. There are various career opportunities in finance and the best place to start the job hunt is by searching bank and financial institution websites for job postings.

Finding Employers in Calgary

Calgary Economic Development's business directory is an excellent resource for job seekers searching for employers in Calgary. The directory can be searched by business name, city, keywords, postal code and by NAICS code.

EMPLOYER LABOUR MARKET NEWS HIGHLIGHTS

The Calgary & Area Employer Labour Market News, published bi-monthly, is geared toward employers, business and industry. Below are highlights of the November 2008 issue. The full articles are available on the Alberta Employment and Immigration website at

<http://www.employment.gov.ab.ca/cps/rde/xchg/hre/hs.xsl/2397.html>

VOLUME 3. ISSUE 6. NOVEMBER 2008

Reviewing Resumés: Screening in talent and opportunity

While employers have traditionally screened out applicants who fell short on meeting requirements, today's tight labour market has meant employers will have to screen in resumés that may not have made the best impression but come from candidates who are qualified and capable. Employers need to know and communicate the job well, screen out applicants who do not meet basic qualifications and screen in applicants by keeping the "maybe" resumé pile active even when employers are unsure of how an applicants' experience may translate to the position available.

Best Practice: The Calgary Zoo

The Calgary Zoo has many techniques that make screening in applicants more manageable and less time consuming. The Calgary Zoo ensures its job descriptions include essential parts of the job with the essentials clearly defined. It then eliminates applicants who don't meet the necessary requirements and hands the remaining resumés over to the hiring manager who reads between the lines to find the most suitable candidates for interviews.

Labour Market Information: Preparing for Change: Calgary 2013

The City of Calgary's socio-economic forecasts pull together trends in demographics and economics to paint a picture of Calgary's future over the next five years. Employers will have to adapt to a more diverse workforce as immigration from outside Canada is forecast to continue. According to the City of Calgary, approximately 25 to 30 per cent of the workforce is going to be culturally diverse in some way. To tap this workforce, employers will have to learn how to recognize foreign experience and credentials. The workforce will also become more mature as baby boomers continue to age. Overcoming these and many other issues will require ingenuity and a clear understanding of the current and future business environment.

Industry in Focus: Health Sector

Alberta's health sector is facing many challenges. An increased demand for services in the growing province has put more pressure on the industry. Meanwhile, a tight workforce combined with increased competition as other provinces recruit in the area makes attracting and retaining workers difficult. The booming province is already short-staffed and the number of graduates is not meeting demand. In response the industry is improving efficiency and implementing new hiring processes.

Featured Association: Talent Pool, New Talent for the New Workforce

Calgary Chamber of Commerce’s Talent Pool brings together ideas and innovation from businesses throughout Calgary to compile best practices and research available on employing historically underrepresented groups in the workforce.

JOB AD ANALYSIS

The Job Bank, Calgary Herald Classifieds, and Monster.ca were analyzed in the fourth quarter of 2008.

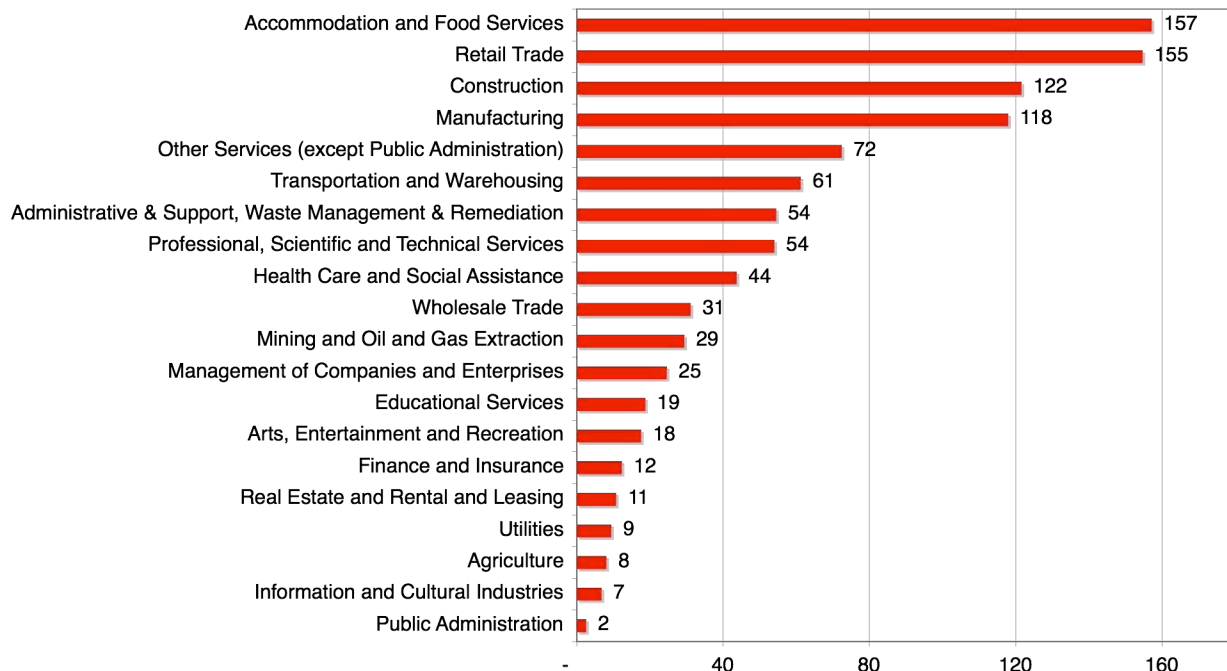
JOB BANK

The Job Bank in September 2008 was dominated by employment ads from the accommodation and food services, retail trade, construction, and manufacturing industries, representing 55 per cent of the 1,170 ads analyzed. When this source was analyzed in January 2008, these same four industry categories represented 47 per cent of the 900 ads analyzed.

The job ad analysis section in the October 2008 Calgary and Area Labour Market News focuses on jobs in the tourism industry.

“The federal government’s Job Bank is an excellent source of jobs in tourism, particularly in the areas of accommodation and food services. In September of 2008, many jobs were posted for kitchen helpers, servers, light duty cleaners, cooks and hotel front desk clerks. There were plenty of management opportunities in these areas as well.”¹⁰³

Figure 12: Job Bank: Number of Employment Ads by Industry

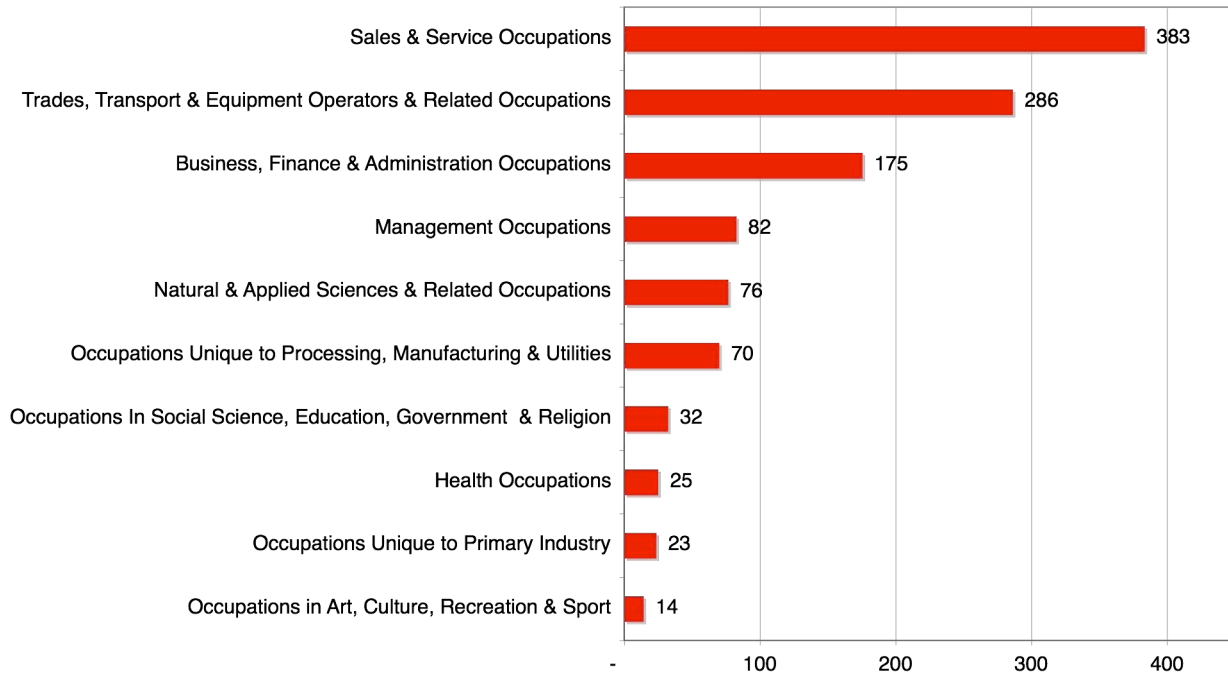


¹⁰³ Calgary and Area Labour Market News, Volume 10, Issue 10, October 2008, p.6.

Sales and service occupations and trades, transport and equipment operator occupations represented 57 per cent of the employment ads in September 2008, unchanged from when this source was analyzed in January 2008.

Business, finance and administration occupations represented an additional 15 per cent of the ads analyzed in September 2008.

Figure 13: Job Bank: Number of Employment Ads by Occupation



CALGARY HERALD CLASSIFIEDS

In October 2008, the Calgary Herald Classified section was dominated by employment ads from the health care and social assistance and accommodation and food services industries (representing 15 per cent of the ads analyzed each), and the retail trade and construction industries (representing 12 per cent of the ads analyzed each).

When this source was analyzed in February 2008, the health care and social assistance and accommodation and food services industries represented 16 per cent and 15 per cent of the ads analyzed respectively, and the retail trade and construction industries represented 15 per cent of the ads analyzed each.

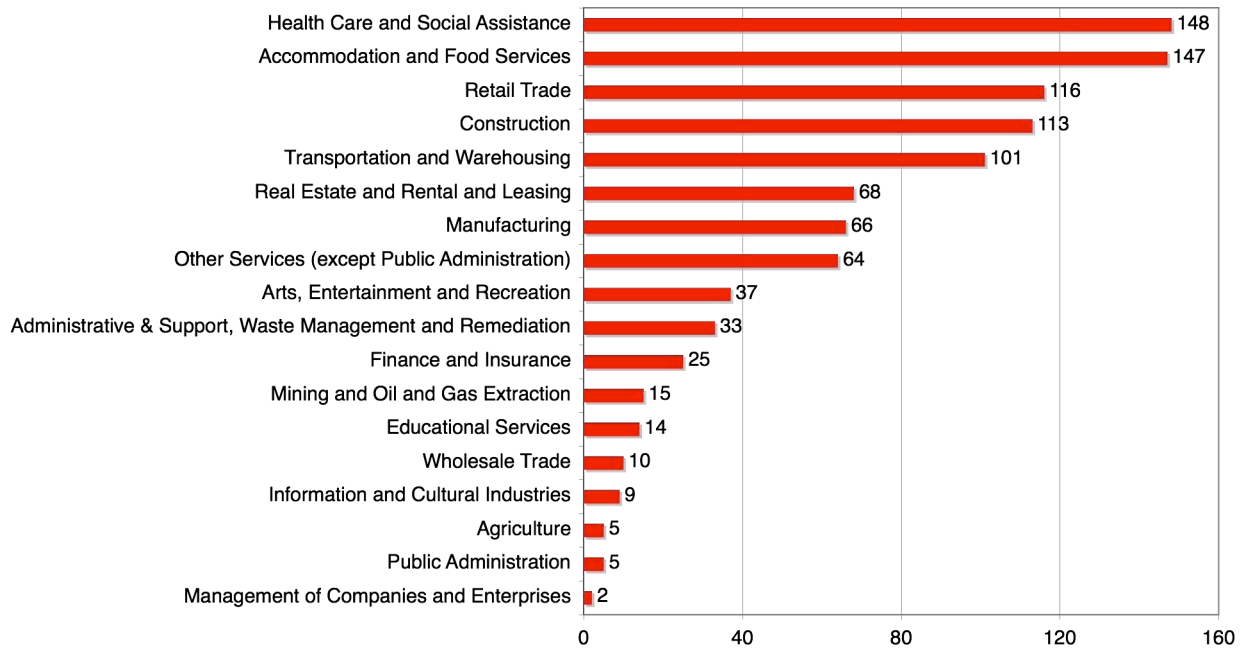
The total volume of ads in October 2008 (980 ads) was down 22 per cent compared to February 2008 (1,260 ads).

The job ad analysis section in the November 2008 Calgary and Labour Market News focuses on jobs in the construction-related wholesale trade industry.

“The Calgary Herald classifieds is a great local source for positions in construction. This resource includes entry-level occupations such as general labourers, apprentice plumbers and millwrights to more advanced occupations such as electricians, supervisory roles and sales positions.”¹⁰⁴

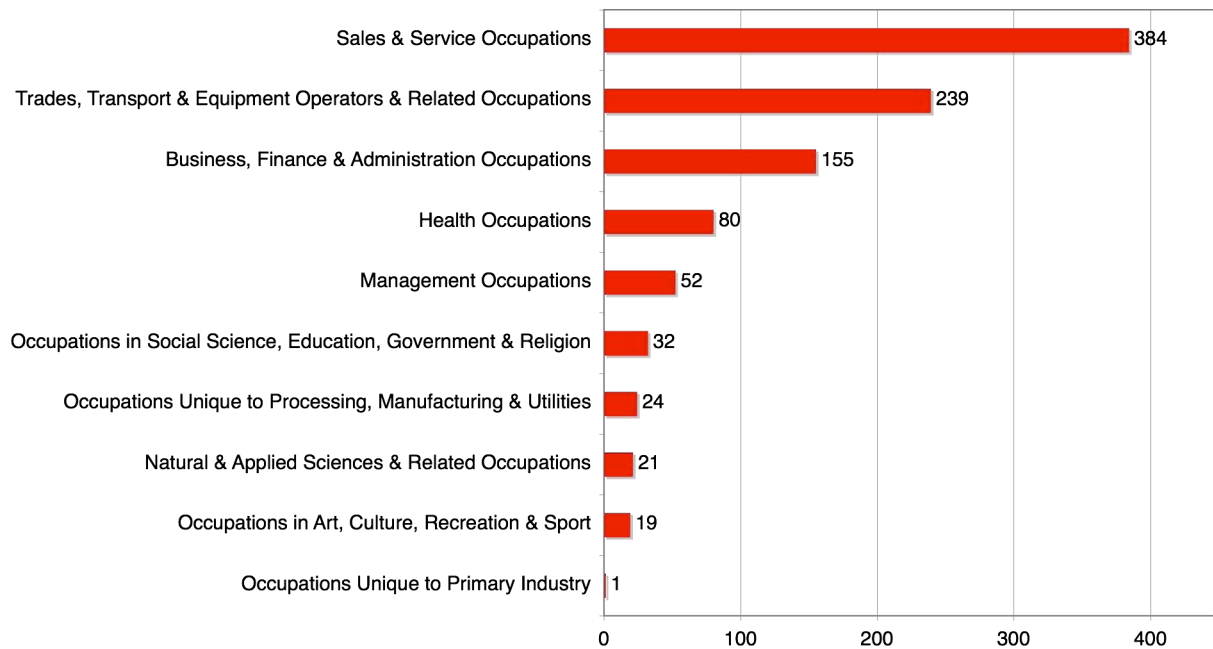
¹⁰⁴ Calgary and Area Labour Market News, *Volume 10, Issue 11, November 2008*.

Figure 14: Calgary Herald Classifieds: Number of Employment Ads by Industry



Sales and service and trades, transport and equipment operator occupations represented over 60 per cent per cent of the employment ads in October 2008, unchanged from when this source was analyzed in February 2008. Business, finance and administration occupations represented an additional 15 per cent of the ads in October 2008.

Figure 15: Calgary Herald Classifieds: Number of Employment Ads by Occupation



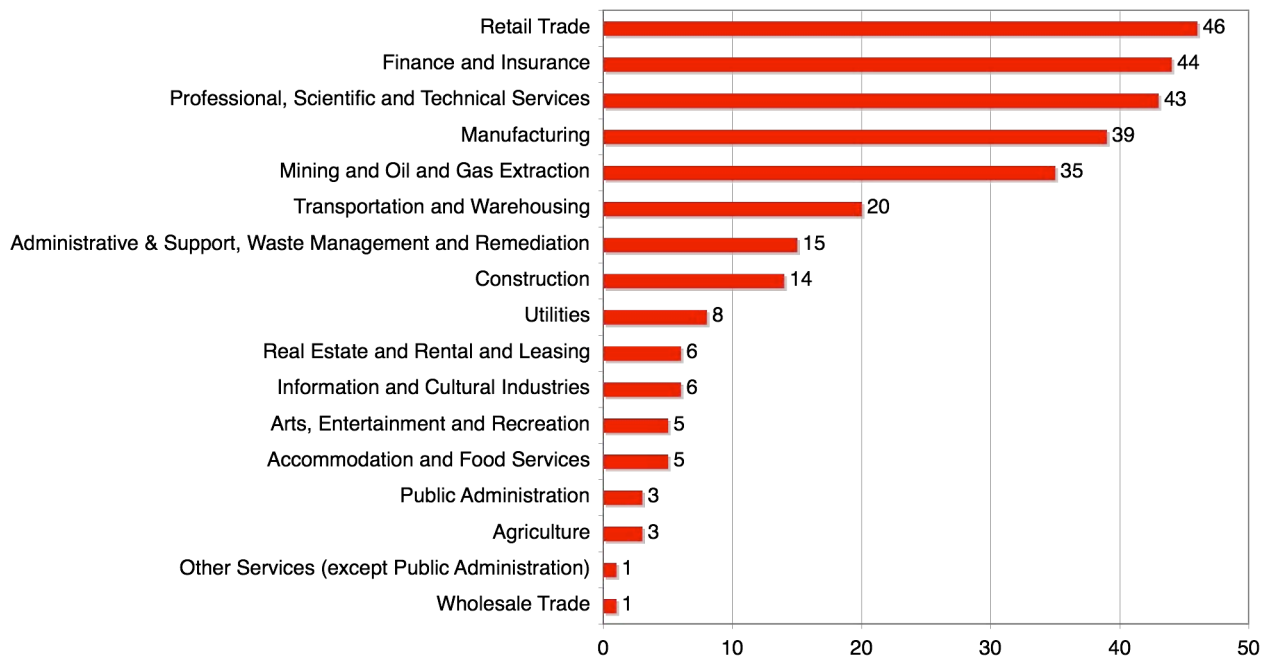
MONSTER.CA

In November 2008, employment ads from the retail trade, finance and insurance, professional, scientific and technical services, manufacturing and mining and oil and gas industries were most dominant. When this source was analyzed in March 2008, results were very similar, including the total volume of ads.

The job ad analysis section in the December 2008 Calgary and Labour Market News focuses on jobs in the finance industry.

“Monster is a great local source for positions in finance. This resource includes many jobs for accountants, customer service representatives, investment advisors, financial analysts and sales representatives in various industries.”¹⁰⁵

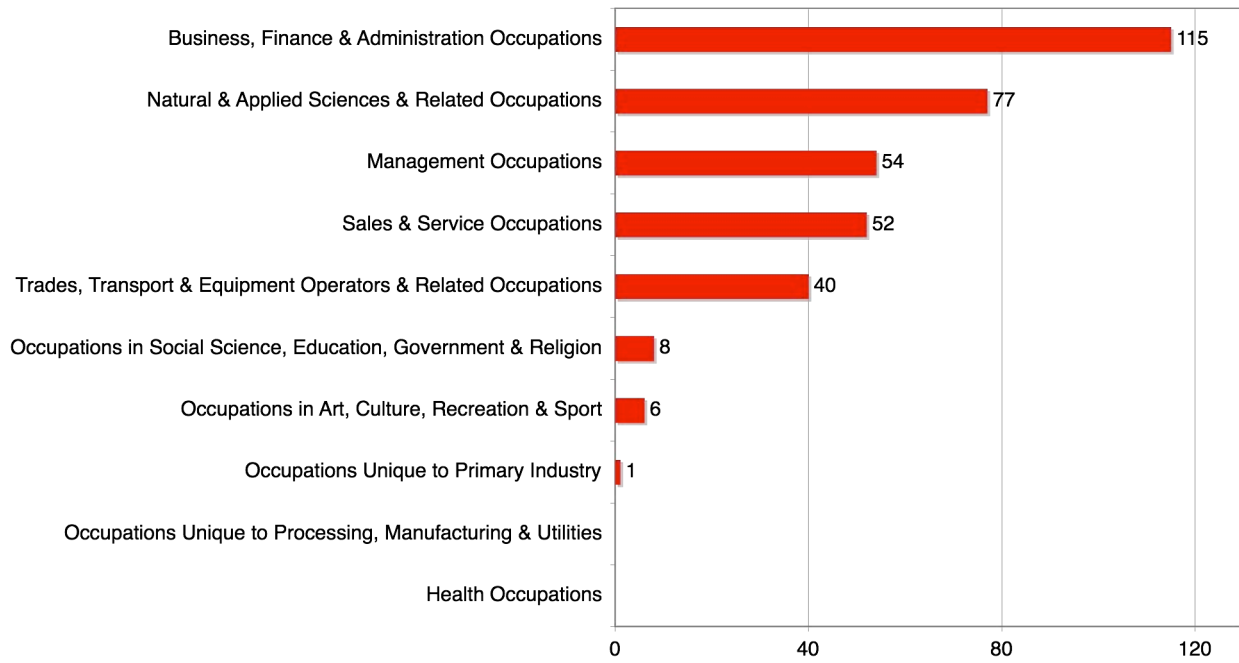
Figure 16: Monster.ca: Number of Employment Ads by Industry



Business, finance and administration occupations represented 33 per cent of the employment ads in November 2008, while natural and applied sciences and related occupations (mainly computer-related occupations) represented 22 per cent.

¹⁰⁵ Labour Market News, Volume 10, Issue 12, December 2008, p.8.

Figure 17: Monster.ca: Number of Employment Ads by Occupation



APPENDIX A

SURVEY METHODOLOGY

The Q4 2008 Calgary and Area Employer Survey is based on responses to a telephone questionnaire conducted between November 1, 2008 and December 5, 2008. The survey sampled 208 Calgary and area companies with < 10 employees. Following are the number of respondents from each industry sector included in the sample:

Industry	Number of Respondents
Mining & Oil & Gas	20
Construction	21
Manufacturing	22
Wholesale & Retail Trade	22
Transportation & Warehousing	20
Professional, Scientific & Technical Services	20
Health Care & Social Assistance	20
Accommodation & Food Services/Arts & Entertainment	21
Finance, Insurance, Real Estate & Leasing	20
Other	22
Total	208

The 'Other' industry category includes a variety of companies from the remainder of the industry categories: Agriculture, Utilities, Information & Culture, Management of Companies, Administrative & Support Services, Educational Services, Other Services and Public Administration.

It should be noted that the method of sample selection provides a good cross-section of opinion. Nevertheless, given the size of the sample, the statistical reliability of the survey is limited, particularly when the data is reported by industry. The value of this survey, however, goes beyond the data captured by the questionnaire. The telephone interview allows companies to expand on their responses, which provides invaluable information and comments that cannot be measured quantitatively.