

ECONOMIC OUTLOOK 2008

September 27, 2007



2007 Calgary Business Survey

Calgary Business Survey

CALGARY
ECONOMIC
DEVELOPMENT

Calgary 
Heart of the New West

The Most Important Issues Impacting Economic Development in Calgary

Economic Development Issues in Calgary	Very Important (rated 6 or 7 on a 7 point scale)	Mean Score (out of 7)
Access to skilled labour	88%	6.44
Transportation infrastructure (roads and public transit)	84%	6.28
Affordable housing	75%	6.08
Post-secondary institutions and providers of professional development programs	70%	5.98
Air access (incoming and outgoing)	66%	5.84

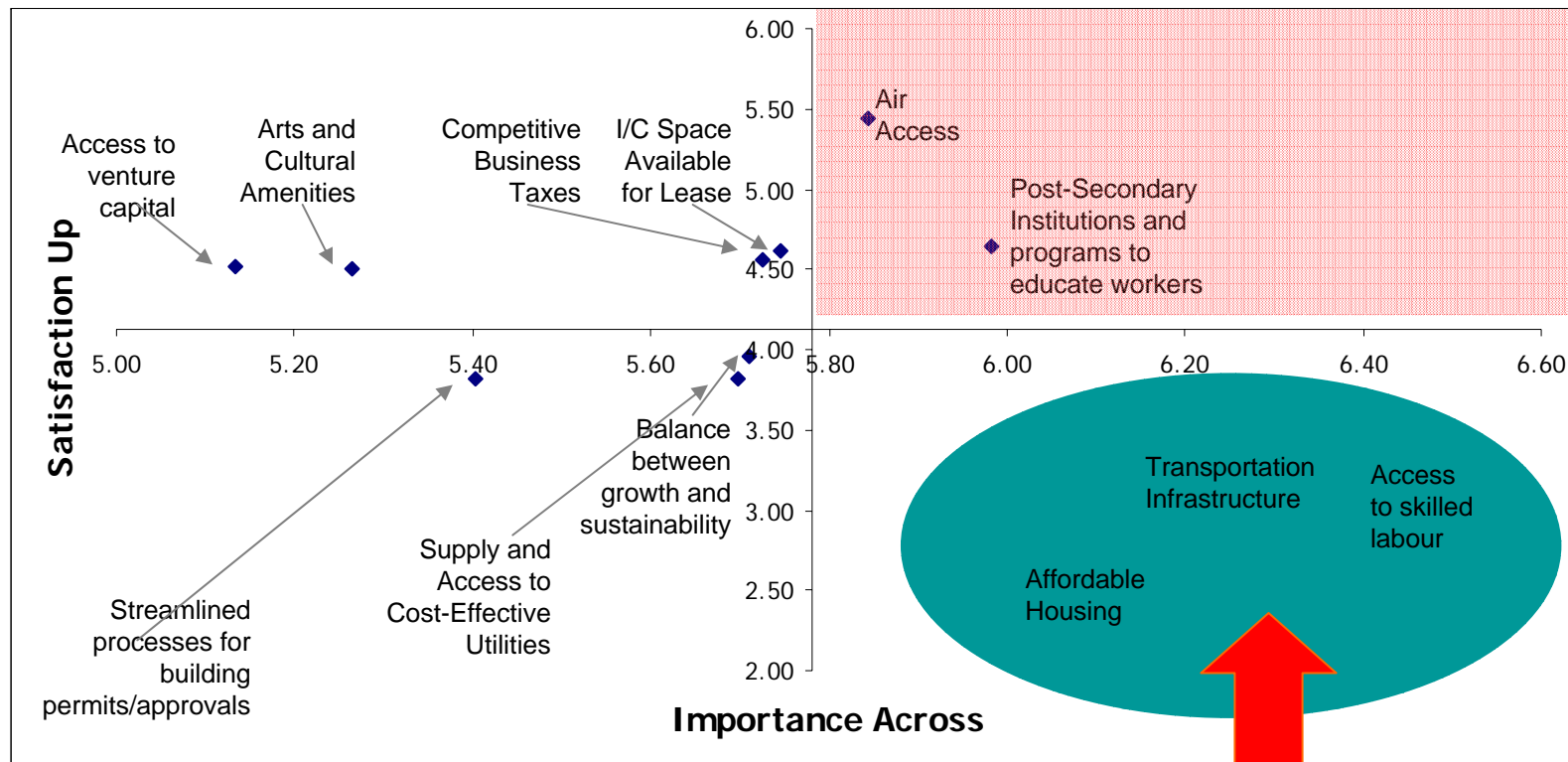
Source: Leger Marketing, CED

Calgary Business Survey

Satisfaction With The “Most Important “ Economic Development Issues and Activities in Calgary

Economic Development Issues and Activities in Calgary	Very Satisfied (rating 6 or 7)	Very dis-satisfied (rating 1 or 2)	Gap (satisfaction – dissatisfaction)
Air access (incoming and outgoing)	52%	2%	+50
Post-secondary institutions and providers of professional development programs	31%	9%	+22
Transportation infrastructure (roads and public transit)	8%	29%	-21
Access to skilled labour	7%	29%	-22
Affordable housing	3%	48%	-45

Importance Versus Satisfaction (Issues and Activities)



The intercepts on this table are the overall mean scores for the importance variables (5.78) and satisfaction variables (4.12)

High Importance – Low Satisfaction

Calgary Business Survey

CALGARY
ECONOMIC
DEVELOPMENT



The Most Important Services Impacting Economic Development in Calgary

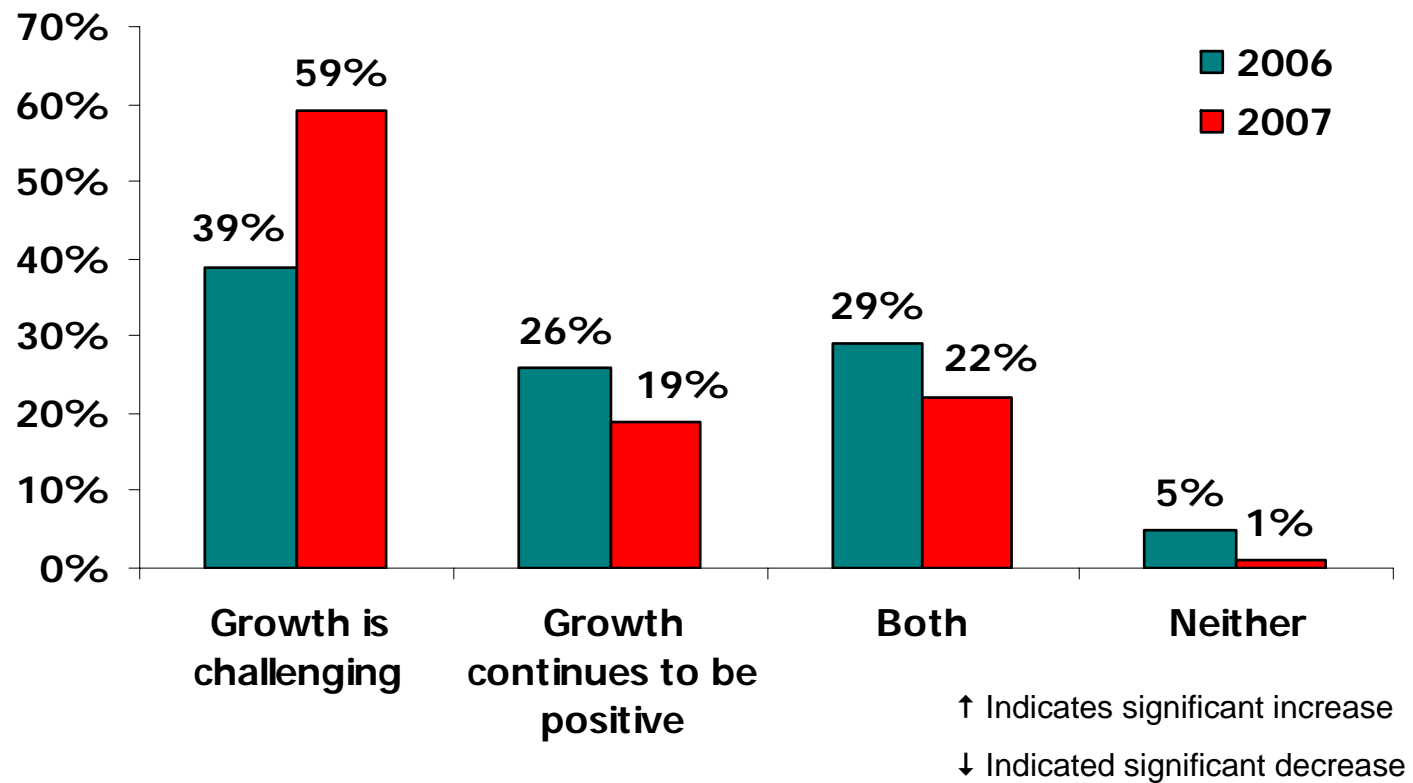
Services	Very Important	Mean Score
Programs to educate and train workers	67%	5.84
Promoting economic diversity by encouraging growth in a number of business sectors	61%	5.62
Availability of sector and industry specific intelligence	51%	5.42
Promotion of the benefits of Calgary to potential businesses	48%	5.28

Calgary Business Survey

CALGARY
ECONOMIC
DEVELOPMENT



Calgary's Growth becoming more and more challenging...



Summary and Conclusions

- Fatigue
- Concerns over economic foundations
- Quality of life issues becoming business issues

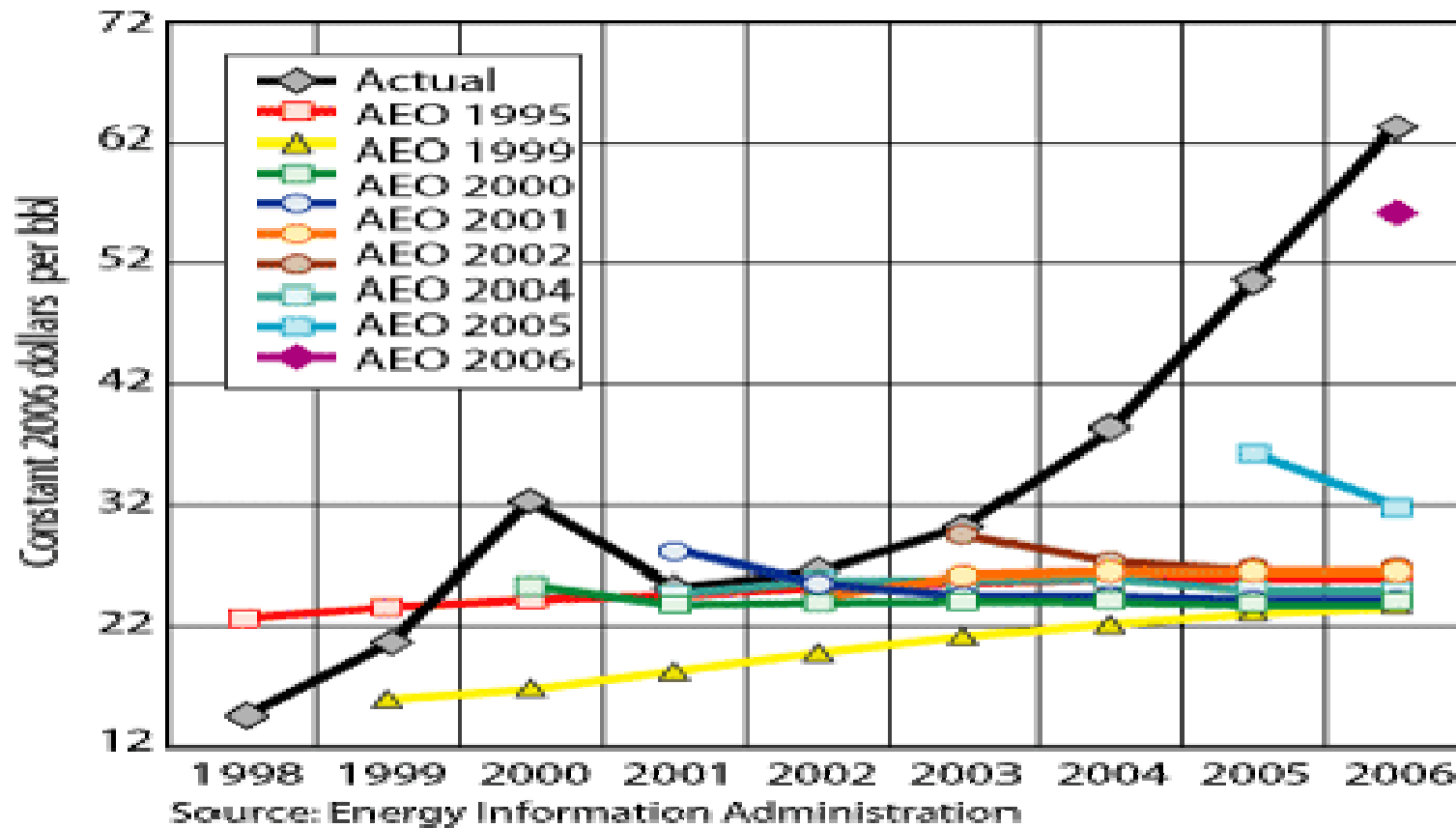
2008 Calgary Economic Outlook

2008 Economic Outlook

CALGARY
ECONOMIC
DEVELOPMENT

Calgary
Heart of the New West

Forecast vs. Actual



Calgary Overview

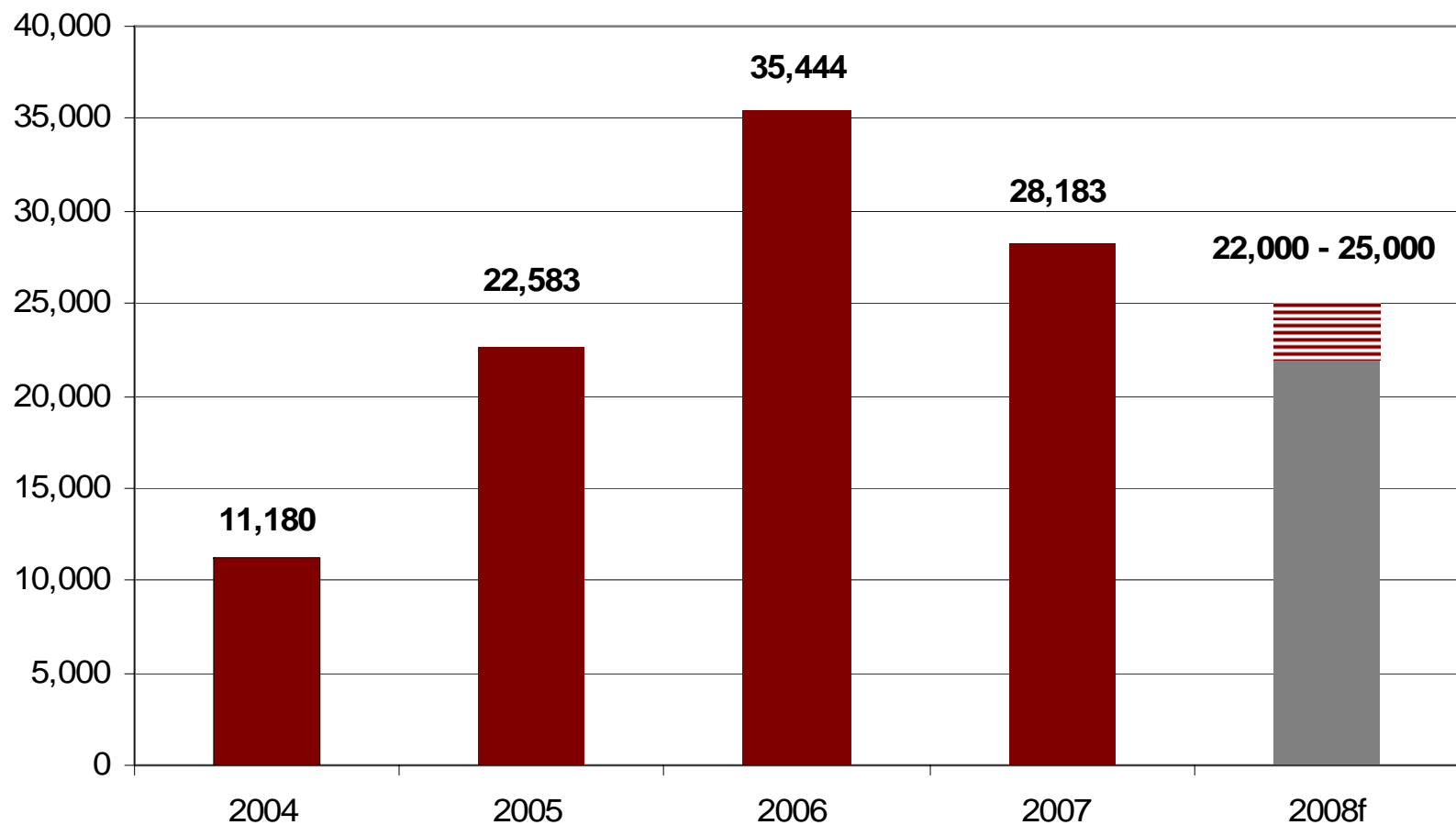
- Slower, more sustainable growth
- Reasons for slower growth
 - Necessity
 - Slowing population growth
 - Higher cost environment

2008 Economic Outlook

CALGARY
ECONOMIC
DEVELOPMENT



Population Growth



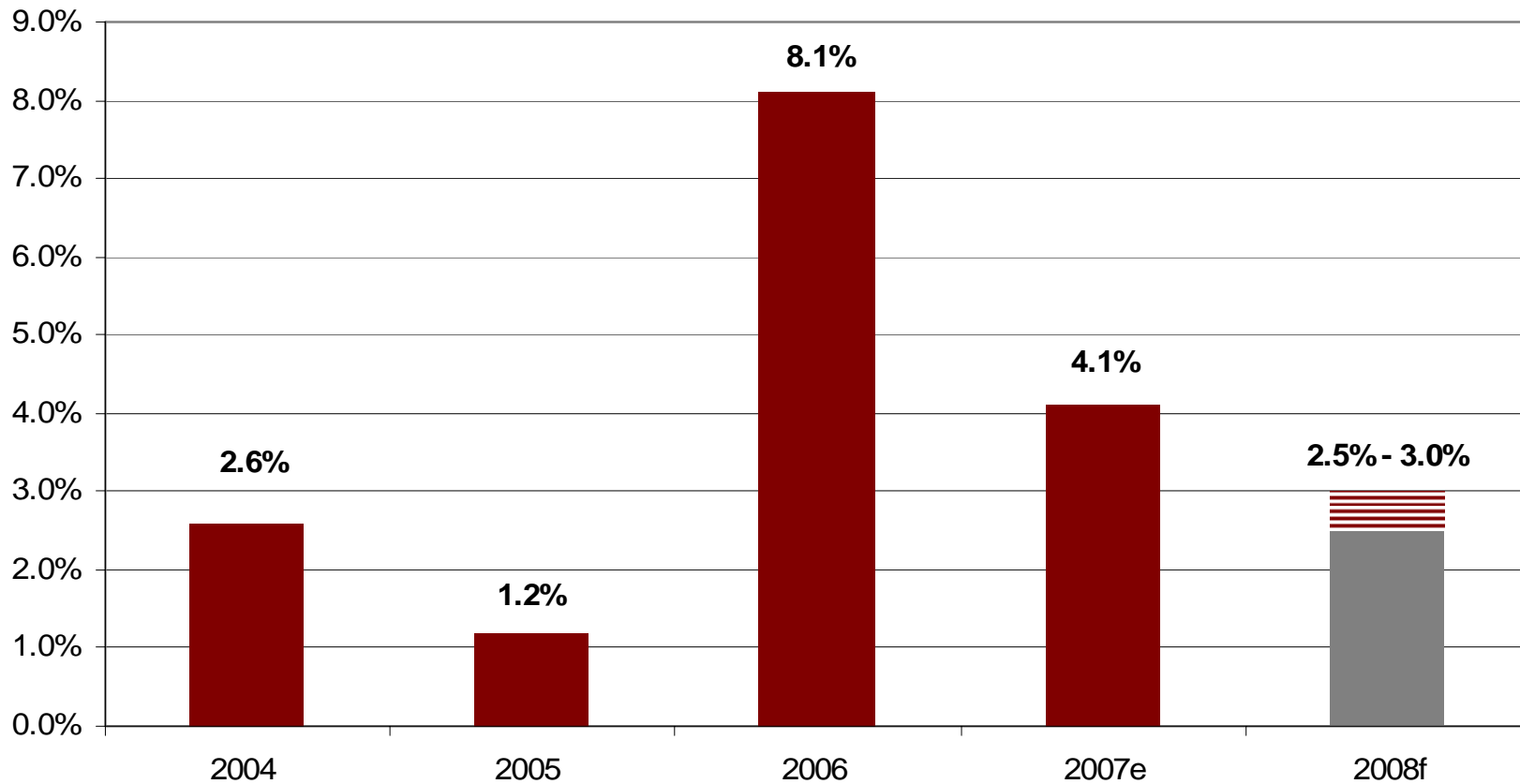
Source: Calgary Civic Census, CED

2008 Economic Outlook

CALGARY
ECONOMIC
DEVELOPMENT

Calgary 
Heart of the New West

Employment Growth



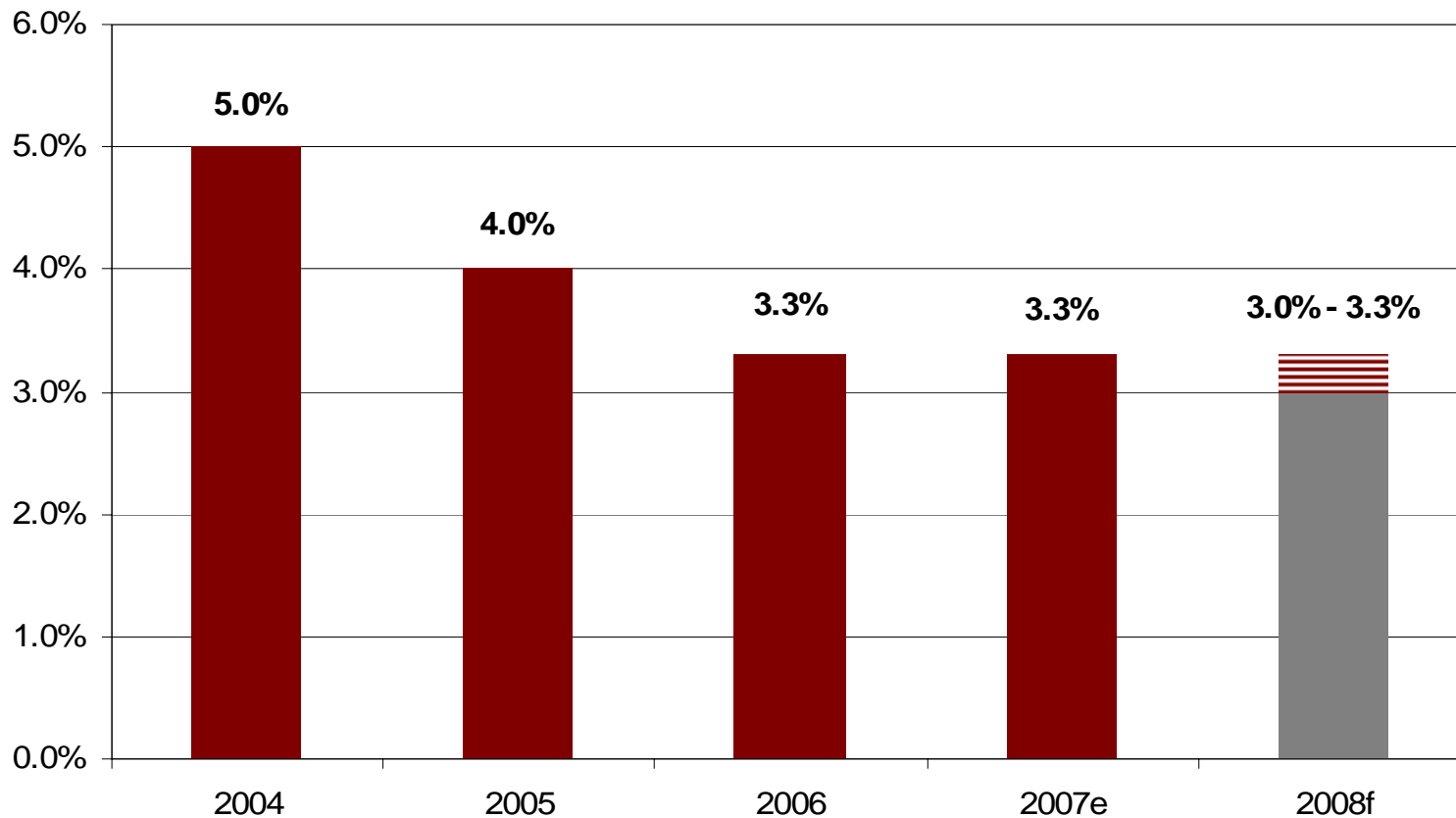
Source: Conference Board of Canada, CED

2008 Economic Outlook

CALGARY
ECONOMIC
DEVELOPMENT



Unemployment Rate



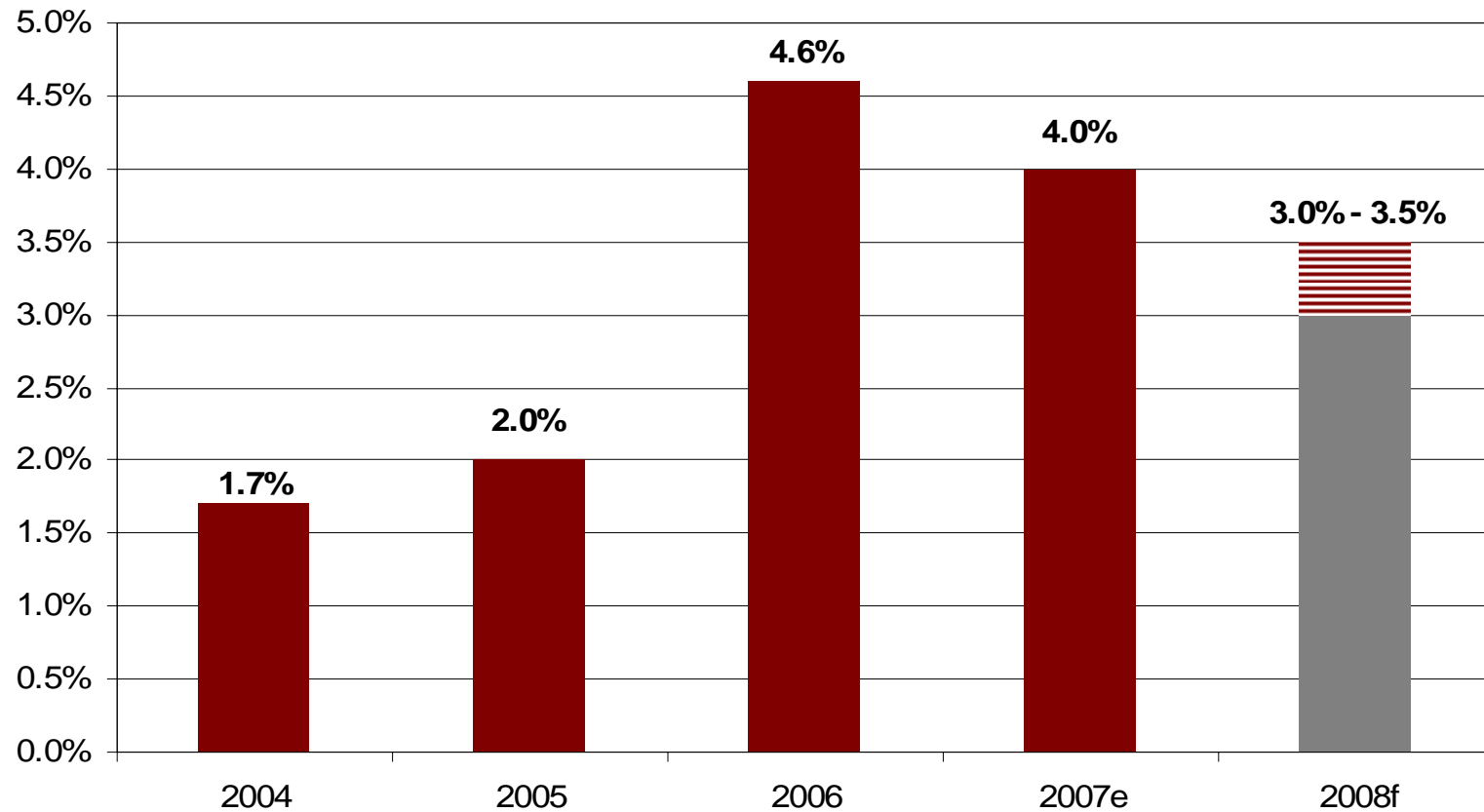
Source: Conference Board of Canada , CED

2008 Economic Outlook

CALGARY
ECONOMIC
DEVELOPMENT



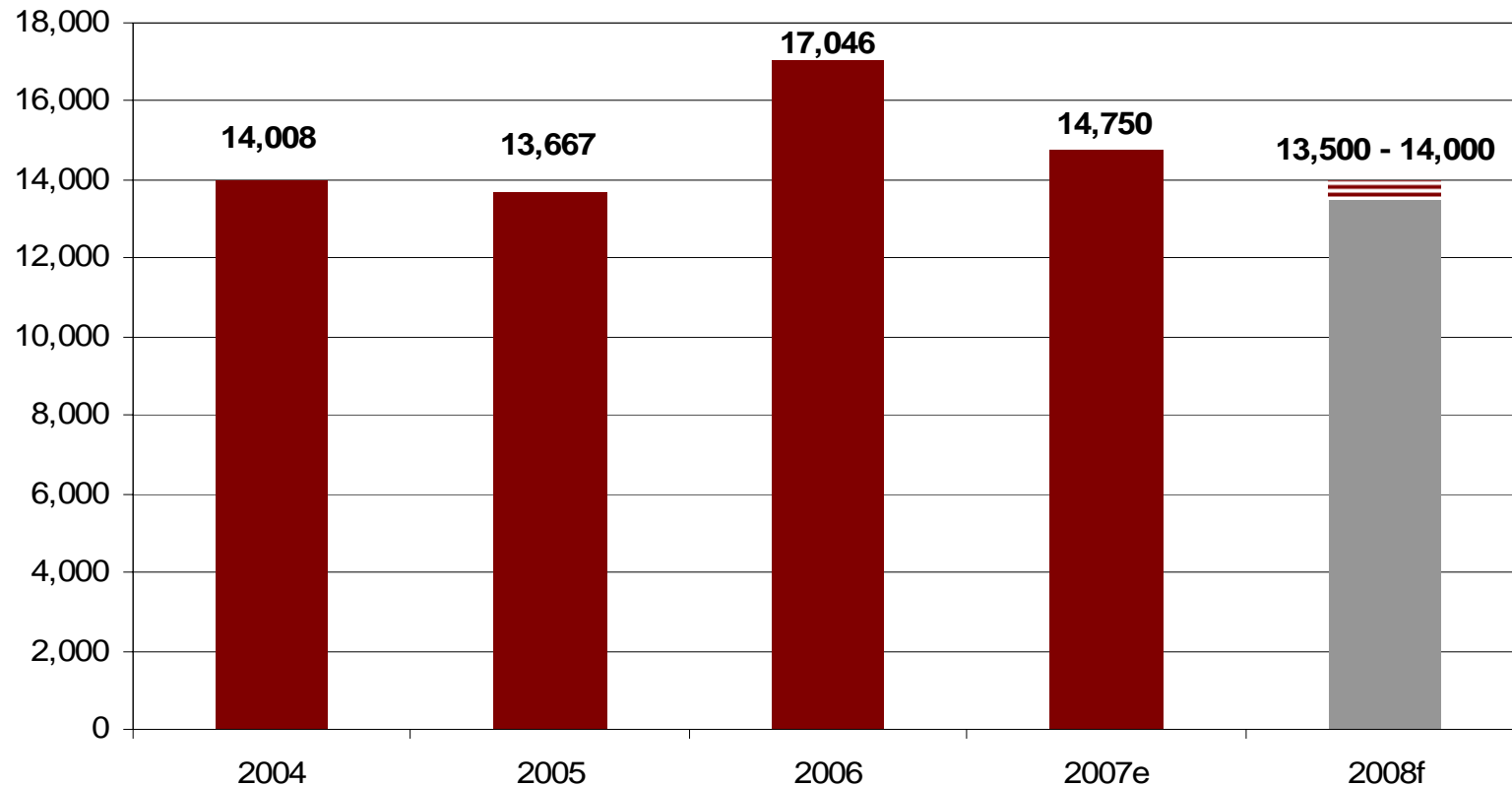
Inflation Rate



Source: Conference Board of Canada, CED

Real Estate - Residential

- Housing Starts

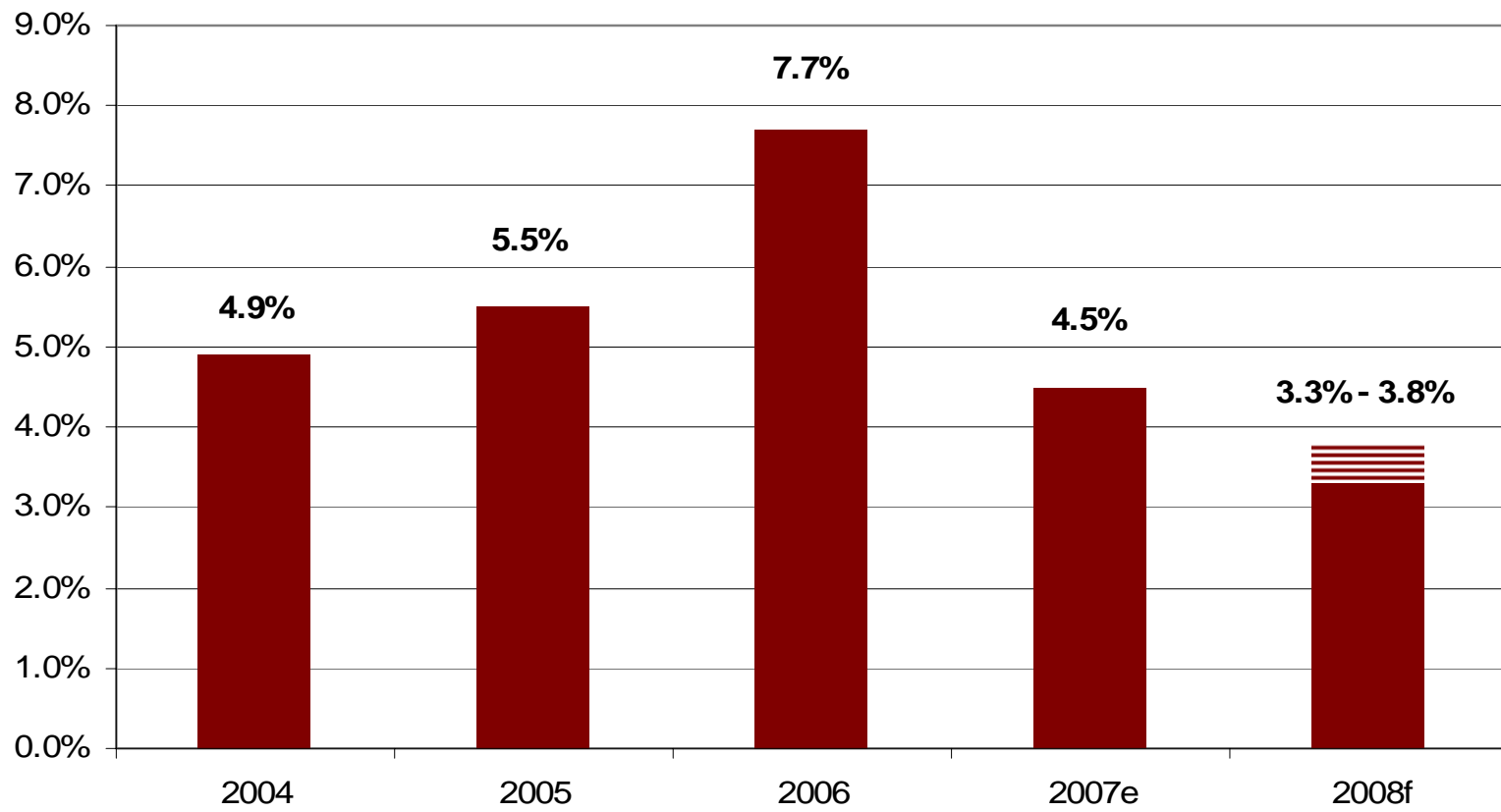


Real Estate - Non-residential

- Office market tight – relief 3-4 years out
- Balance – 2 million square feet vacant
- Industrial market demand continues unabated

Calgary's Economic Activity

■ Real GDP



2008 Economic Outlook

CALGARY
ECONOMIC
DEVELOPMENT


Calgary
Heart of the New West

Calgary's Pressure Points

Calgary's Pressure Points

- Labour shortage
- Office space shortage
- Affordable housing shortage

Calgary's Pressure Points - Outcome

- INFLATION

Calgary's Pressure Points - Outcome

- Competing on price is over

Calgary's Pressure Points - Housing

- 25% of Calgary families can afford the median house in Calgary

Calgary's New Competitive Advantage

- Vibrant communities
- Innovation + creativity
- Environmental integrity
- Global reach

2008 Calgary Economic Outlook Summary

- Slower, more sustainable growth
- Continued tight labour markets
- Slowing price growth
- Higher cost environment

Contact

- **Adam Legge**
Director, Research and Business Information
Calgary Economic Development
403-221-7892
adam@calgaryeconomicdevelopment.com

- **www.calgaryeconomicdevelopment.com**
 - 2008 Outlook presentation, CED and TD Bank
 - TD Tiger Report
 - CED Calgary Outlook Report
 - 2007 Calgary Business Survey

ECONOMIC OUTLOOK 2008

Thank you for joining us

