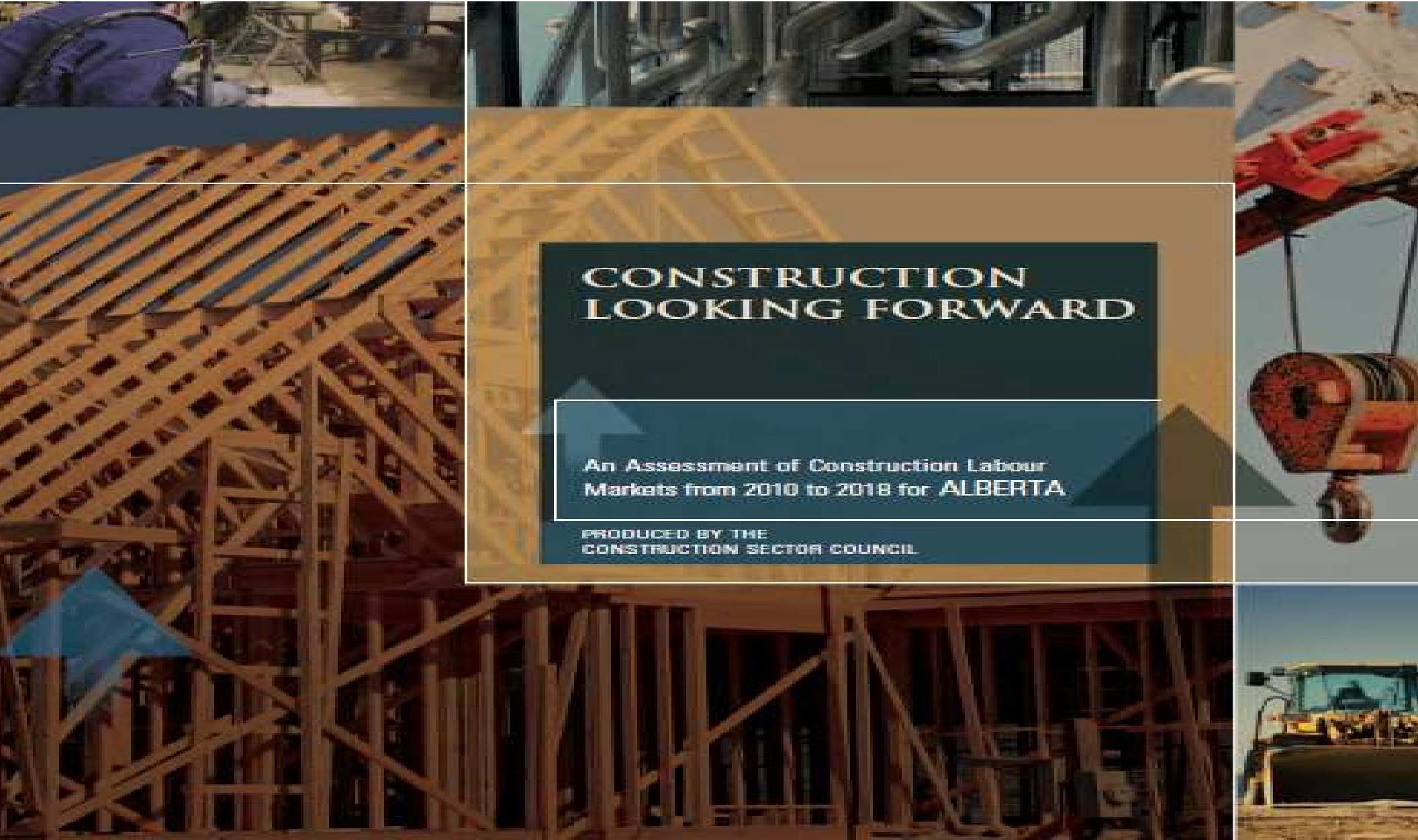




Forecast 2010



CONSTRUCTION LOOKING FORWARD

An Assessment of Construction Labour
Markets from 2010 to 2018 for ALBERTA

PRODUCED BY THE
CONSTRUCTION SECTOR COUNCIL

Assumptions

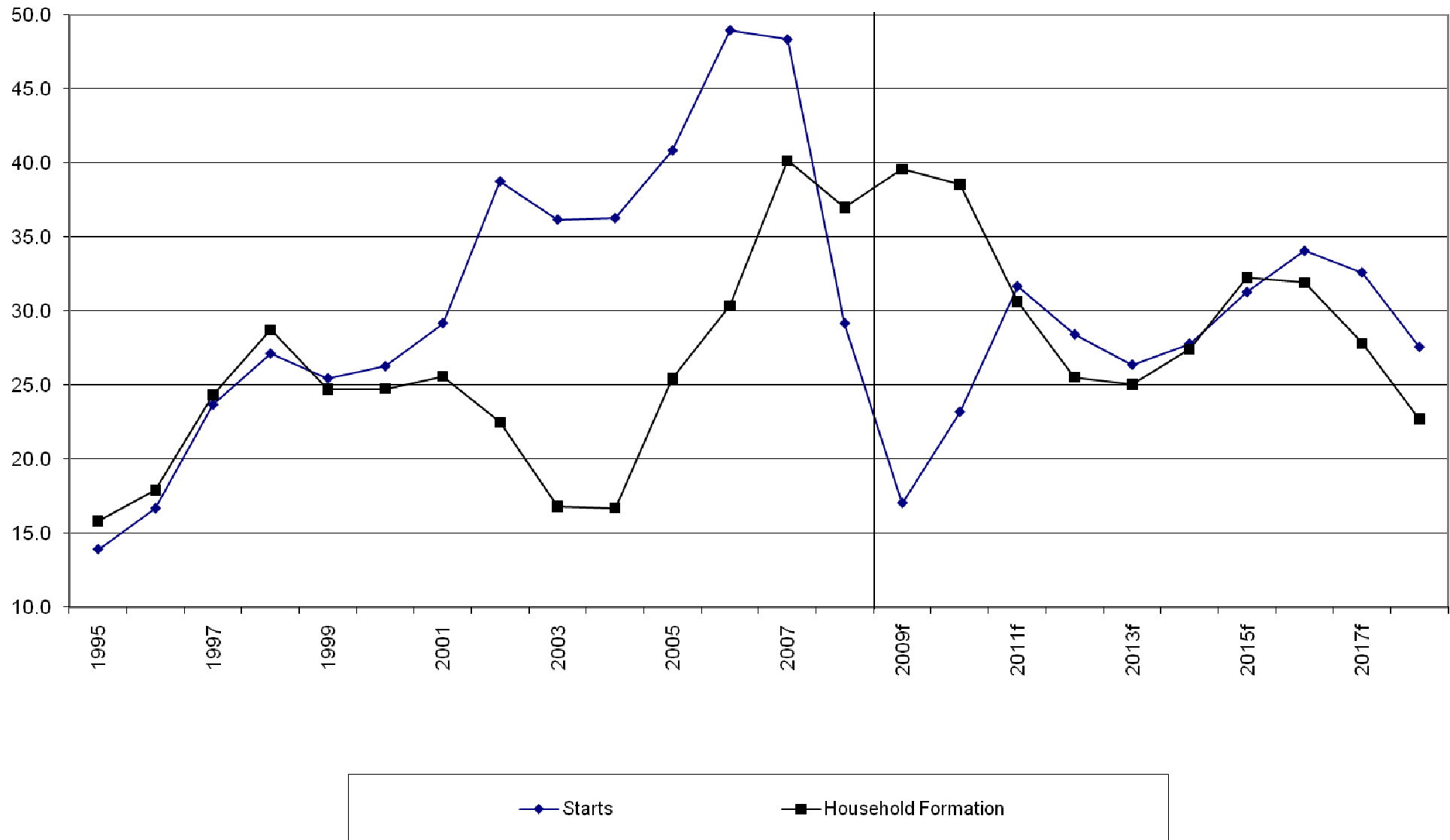
- WTI oil price \$75 in 2010 rising to \$96 by 2013 - \$120 in the 2014 to 2018 period
- Henry Hub gas \$5.50 in 2010 rising to \$6.70 by 2013 - \$7.40 in the 2014 to 2018 period
- US GDP growth of 2.5% 2010, 4% next year followed by 2 years at 3.5%
- Canada GDP growth 2.6% this year, 2.8% next year followed by 2 yrs at 2.7%



Alberta Assumptions

- After falling last year our Alberta GDP increases 2.8% this year and 4% next year followed by 2 more years around 3%
- Business investment fell 15% last year but should bounce back 2.5% this year and 7.6% next year
- Unemployment rates stay high at 7.1% this year but drop back to 4.5% by 2013 – stays in 4.2% range to 2018

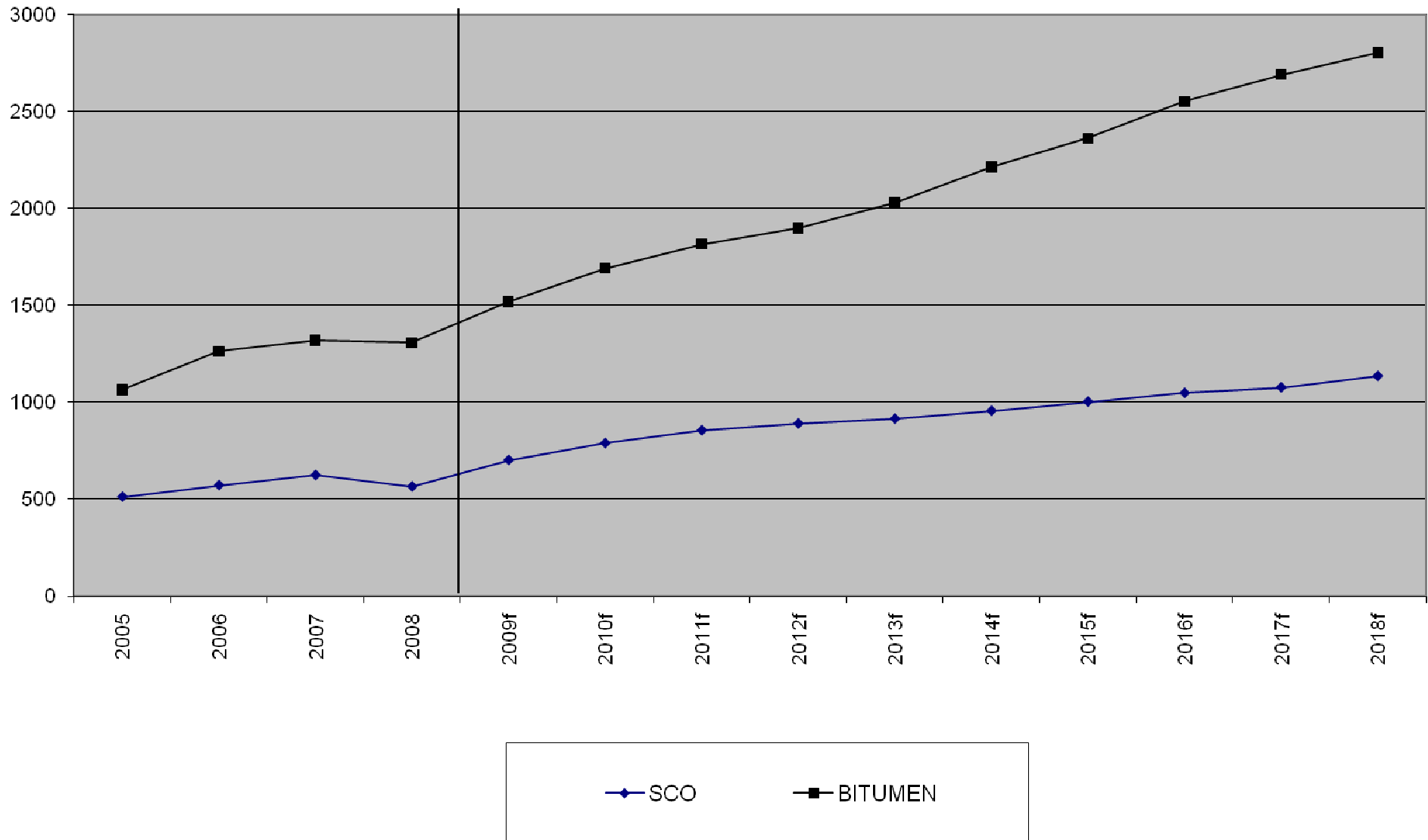
Housing Starts and Household Formation



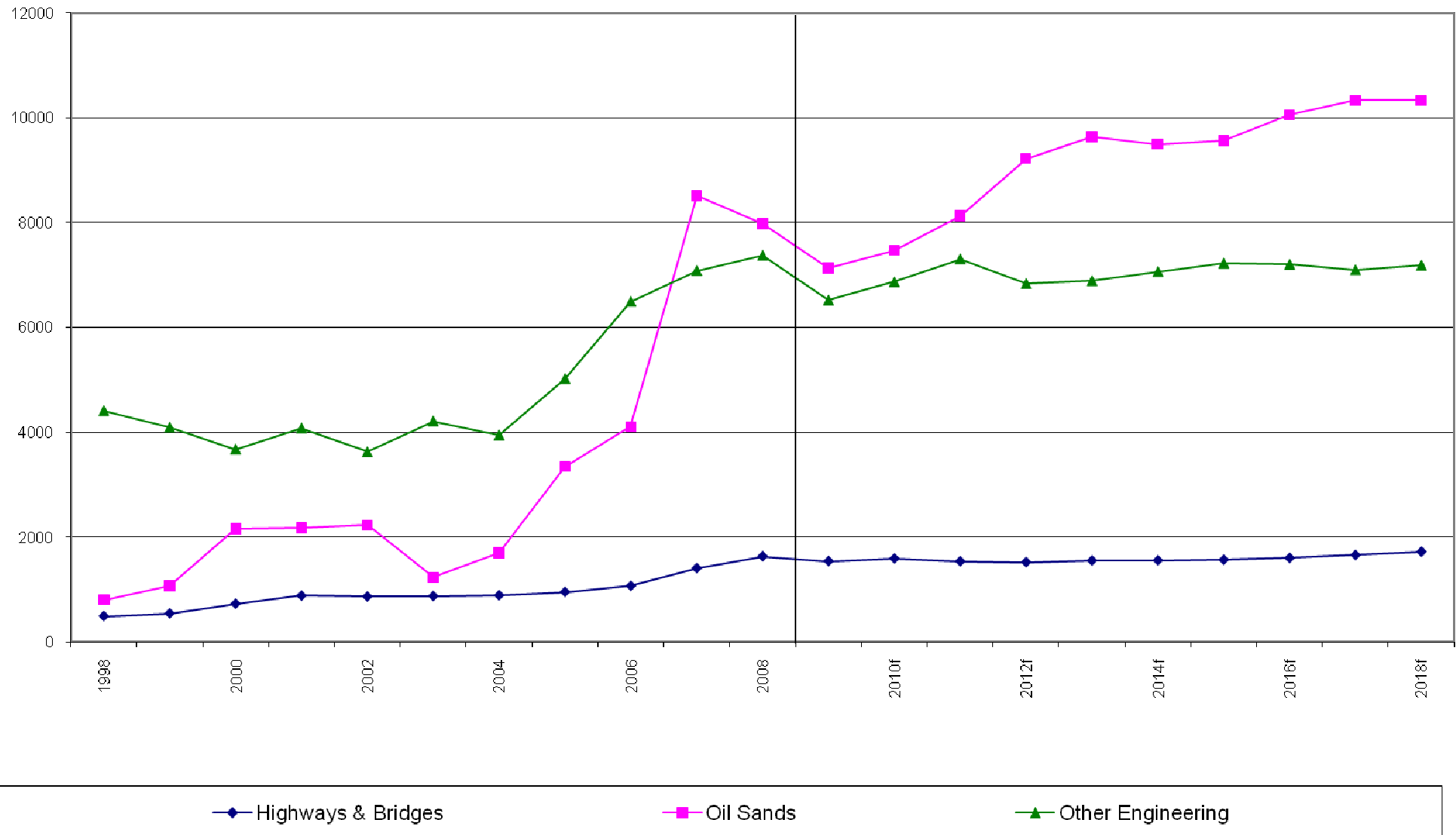
Non-residential Building Construction Investment



Oil Sands Production



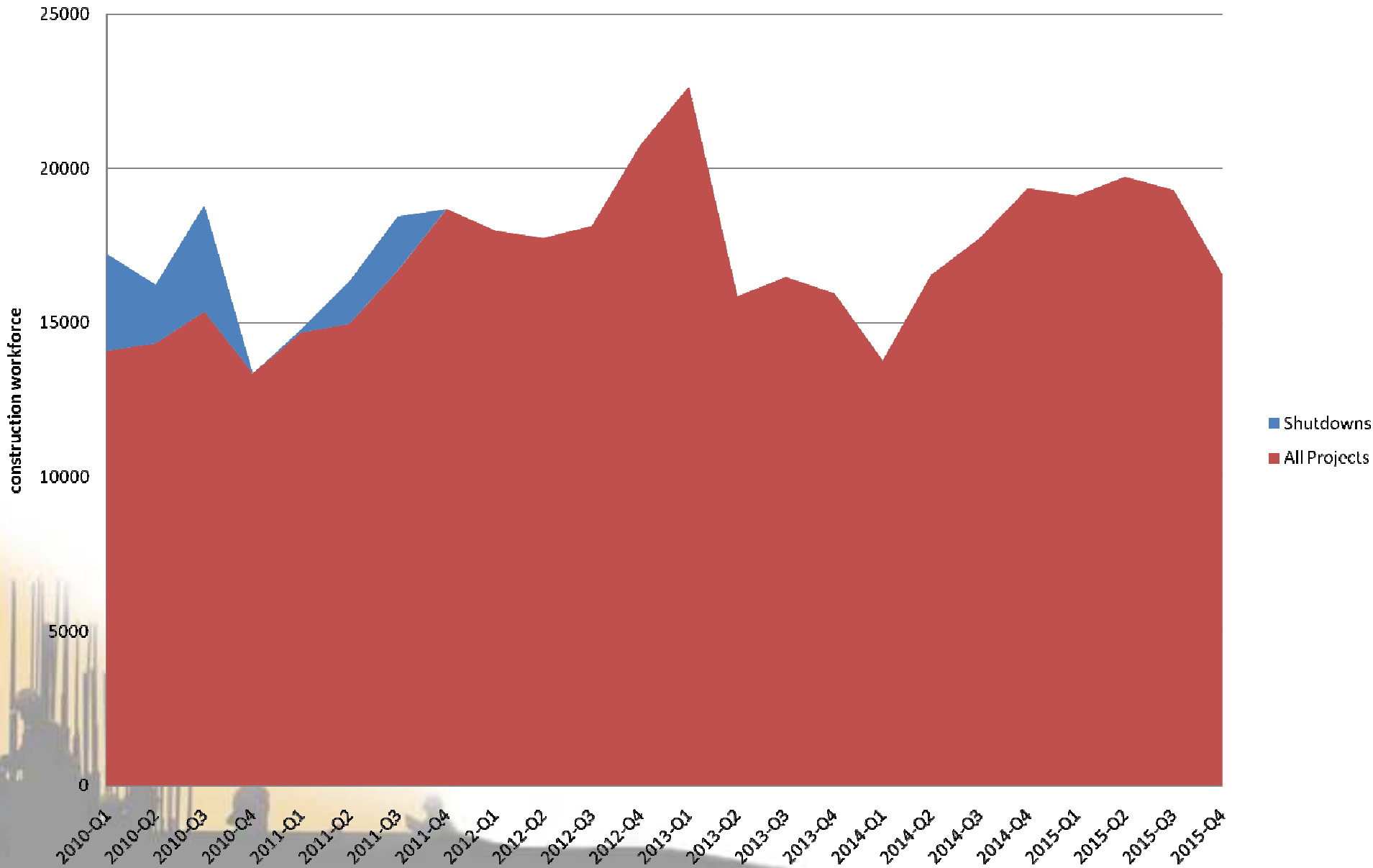
Engineering Construction Investment



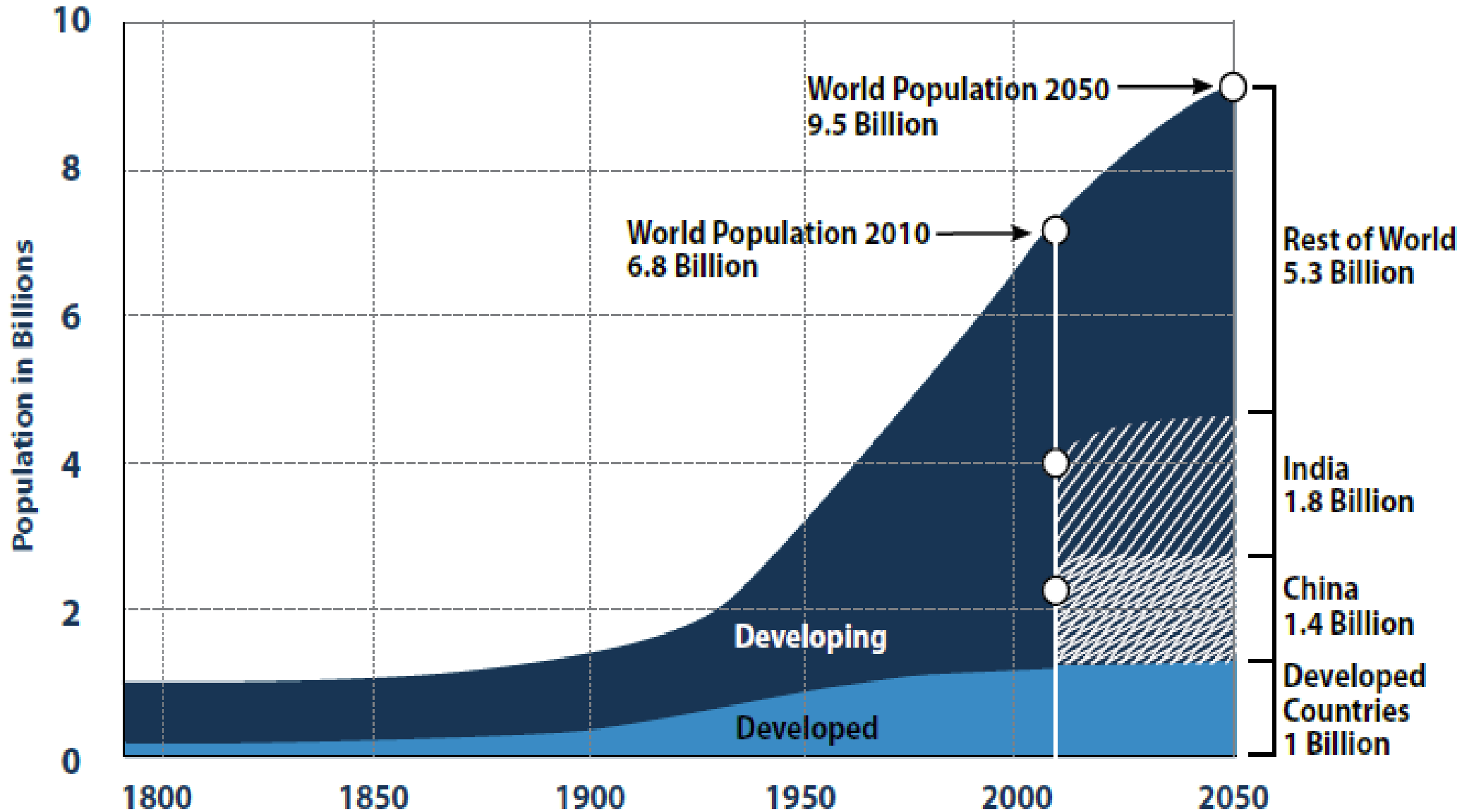


COAA
Construction Owners
Association of Alberta

Major Projects - Alberta



World Population to 2050



PYRAMID KEY

Retired Cohort

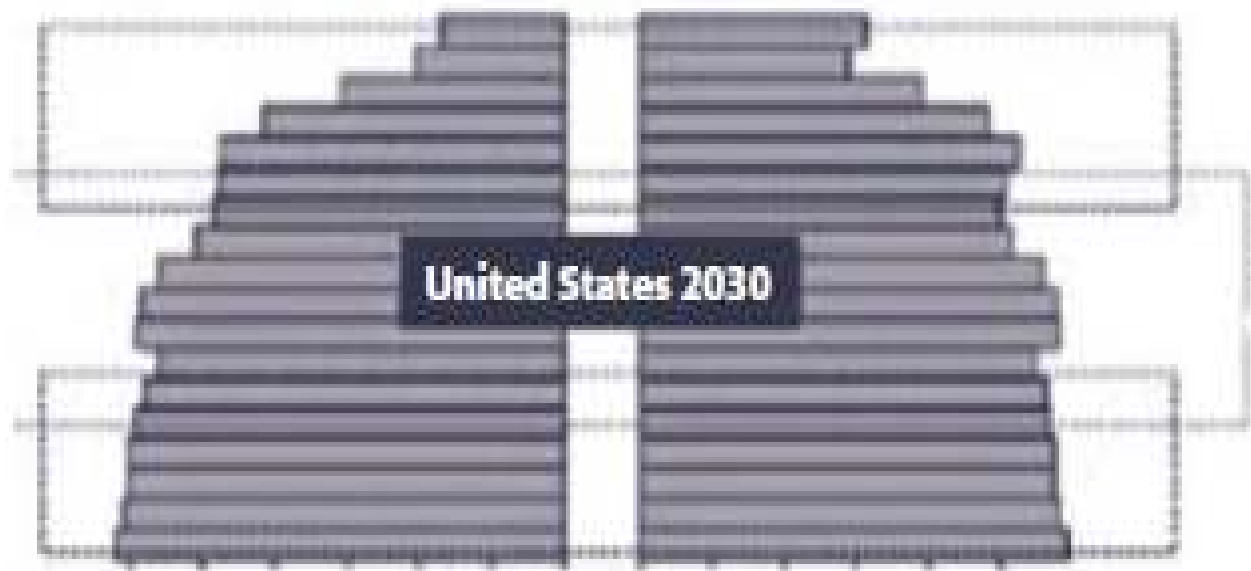
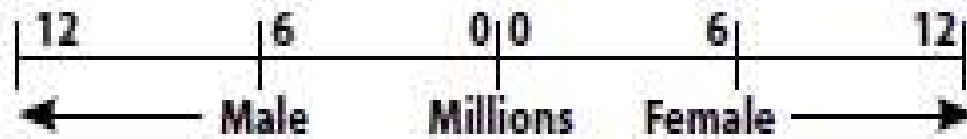
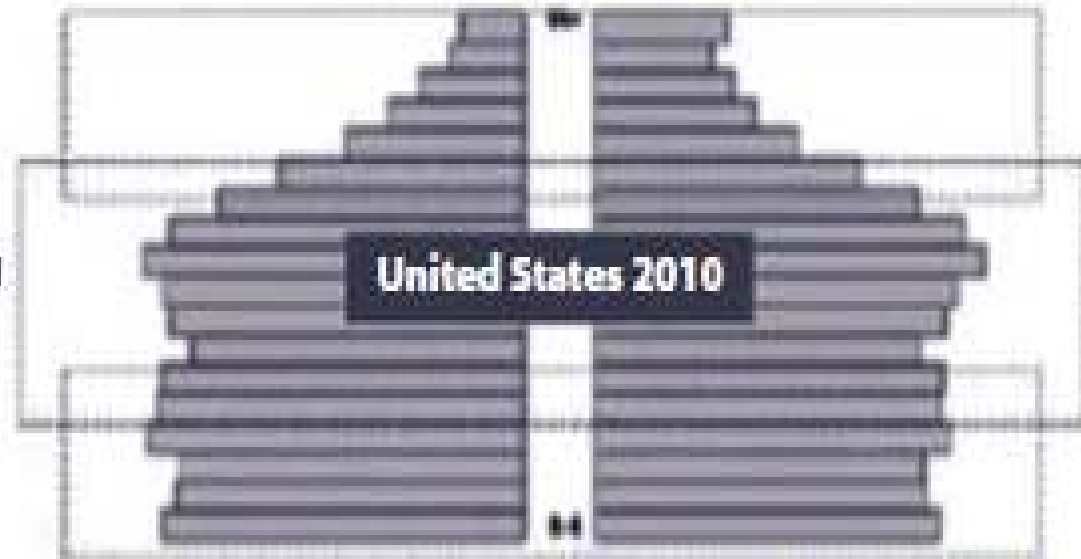
Wage Earning Cohort

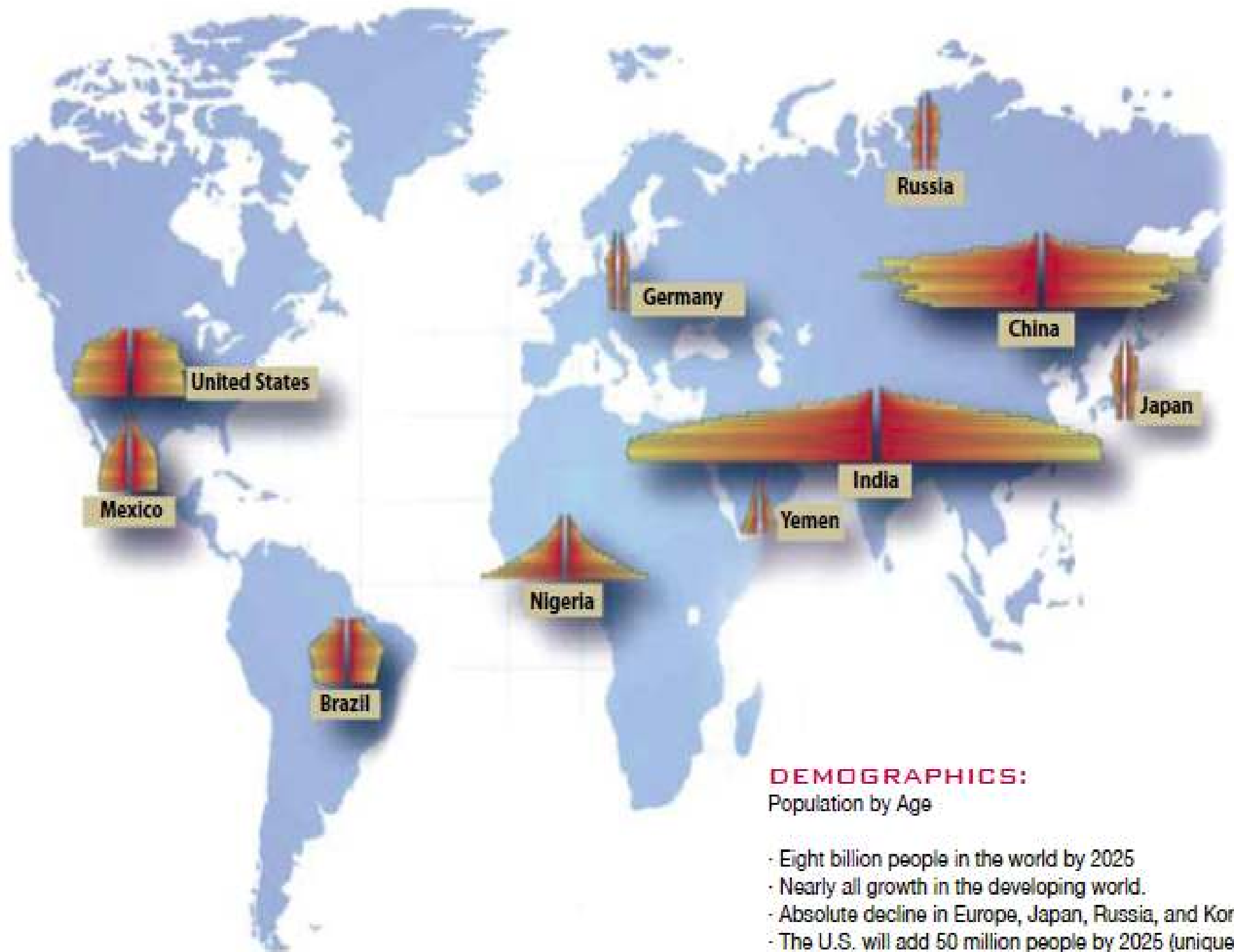
Schooling Cohort

The Past

The Present

The Future



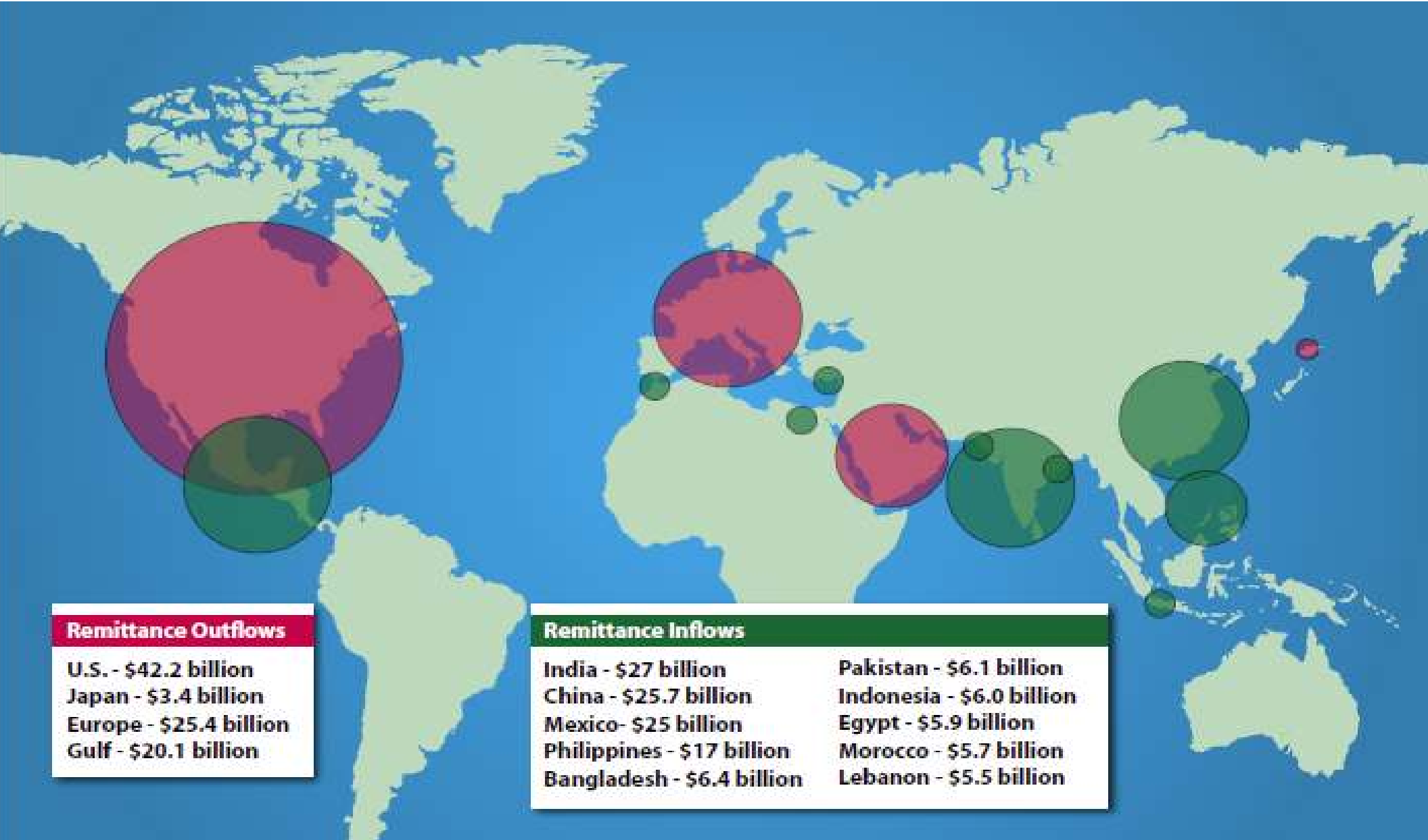


DEMOGRAPHICS:

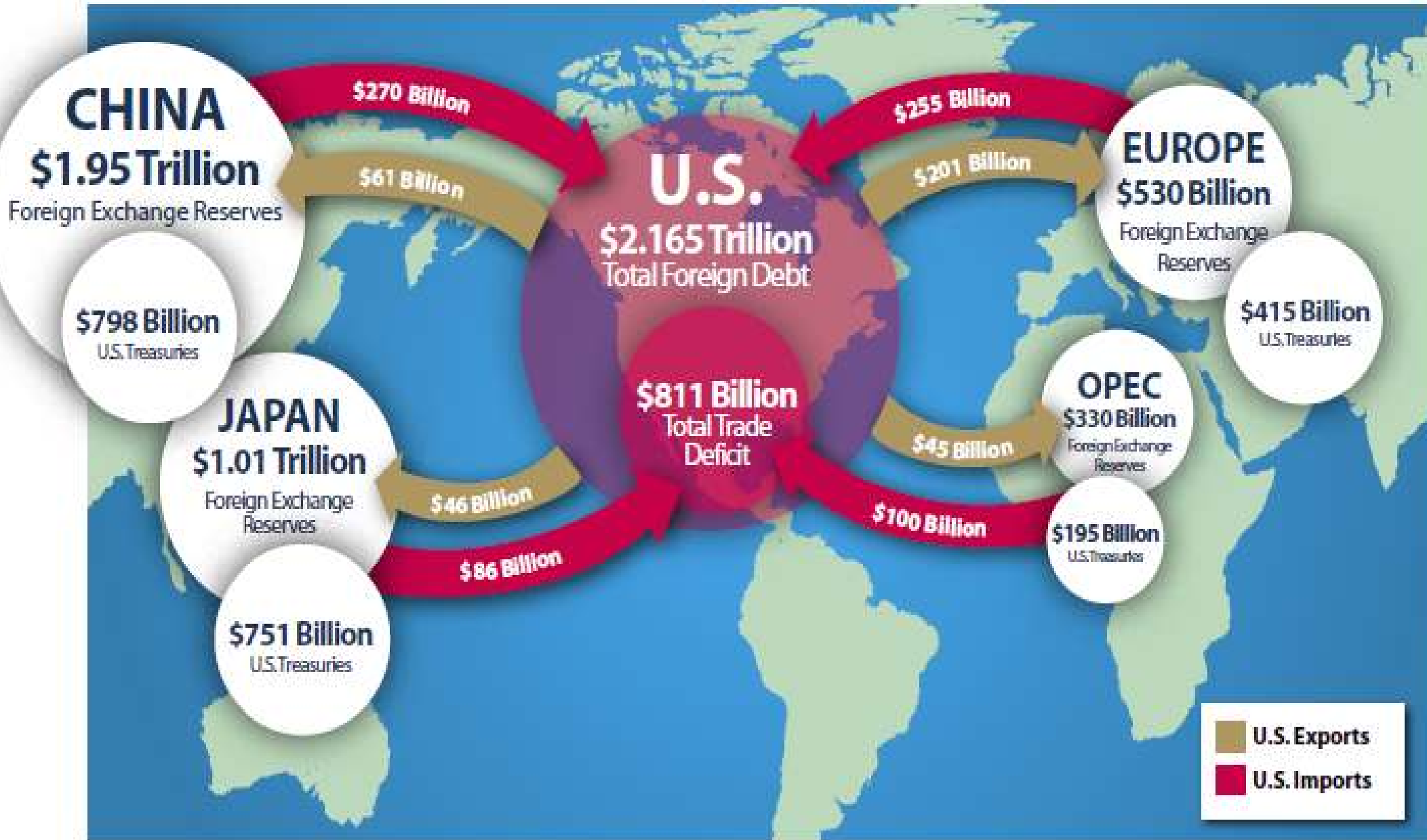
Population by Age

- Eight billion people in the world by 2025
- Nearly all growth in the developing world.
- Absolute decline in Europe, Japan, Russia, and Korea.
- The U.S. will add 50 million people by 2025 (unique among the developed countries of the world).

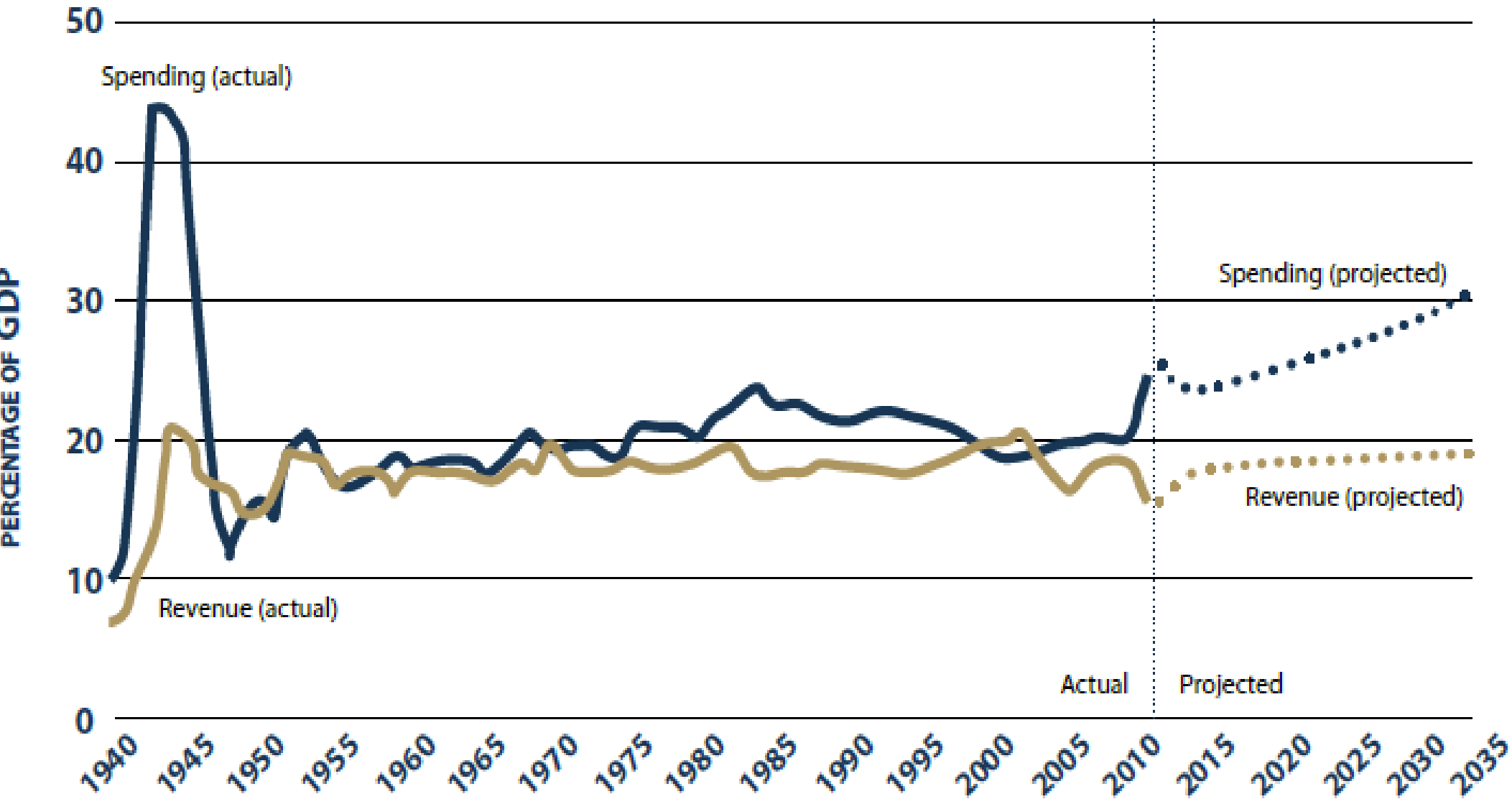
Global Remittance Flows



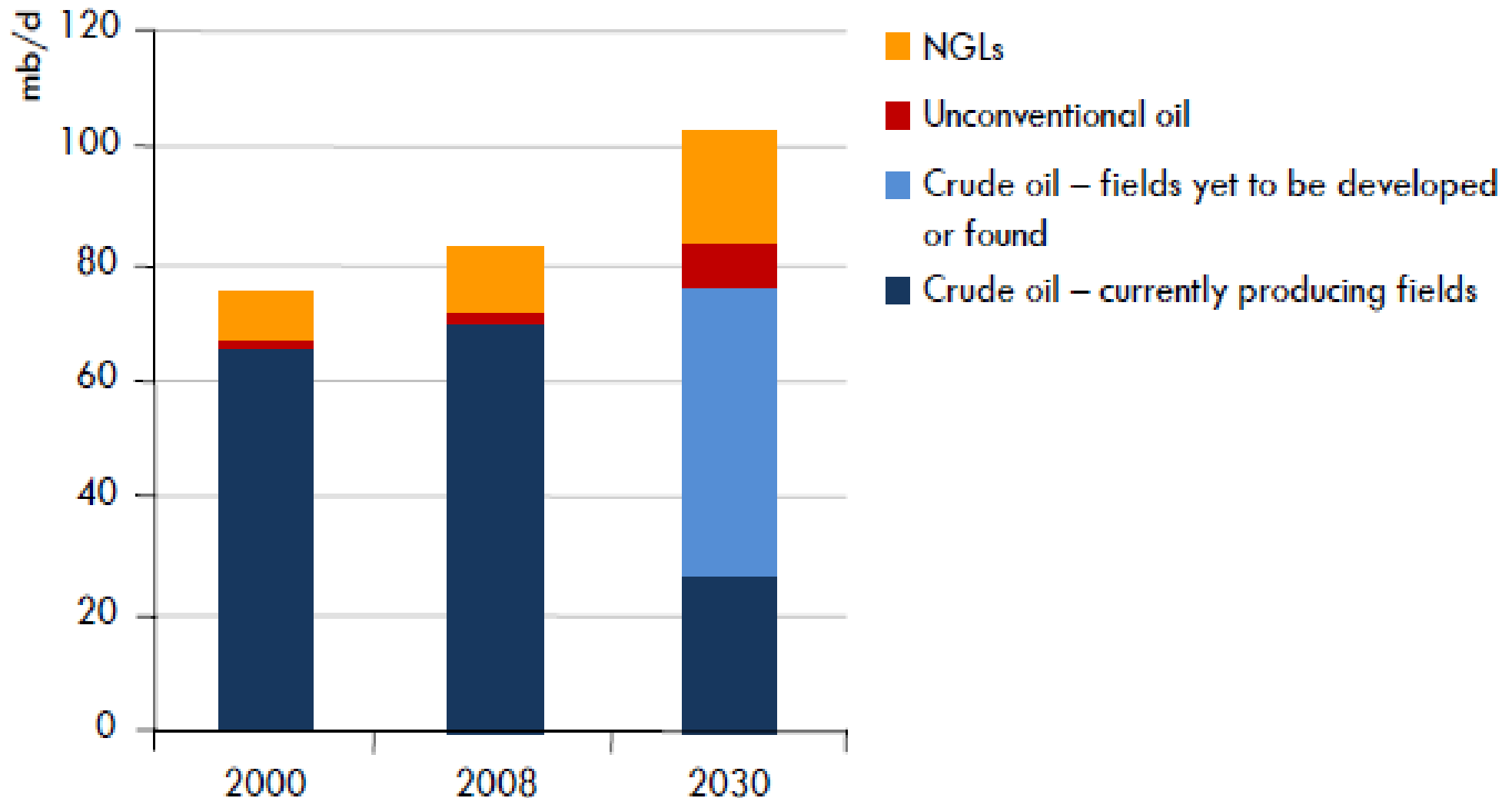
US Trade & Finance Imbalances



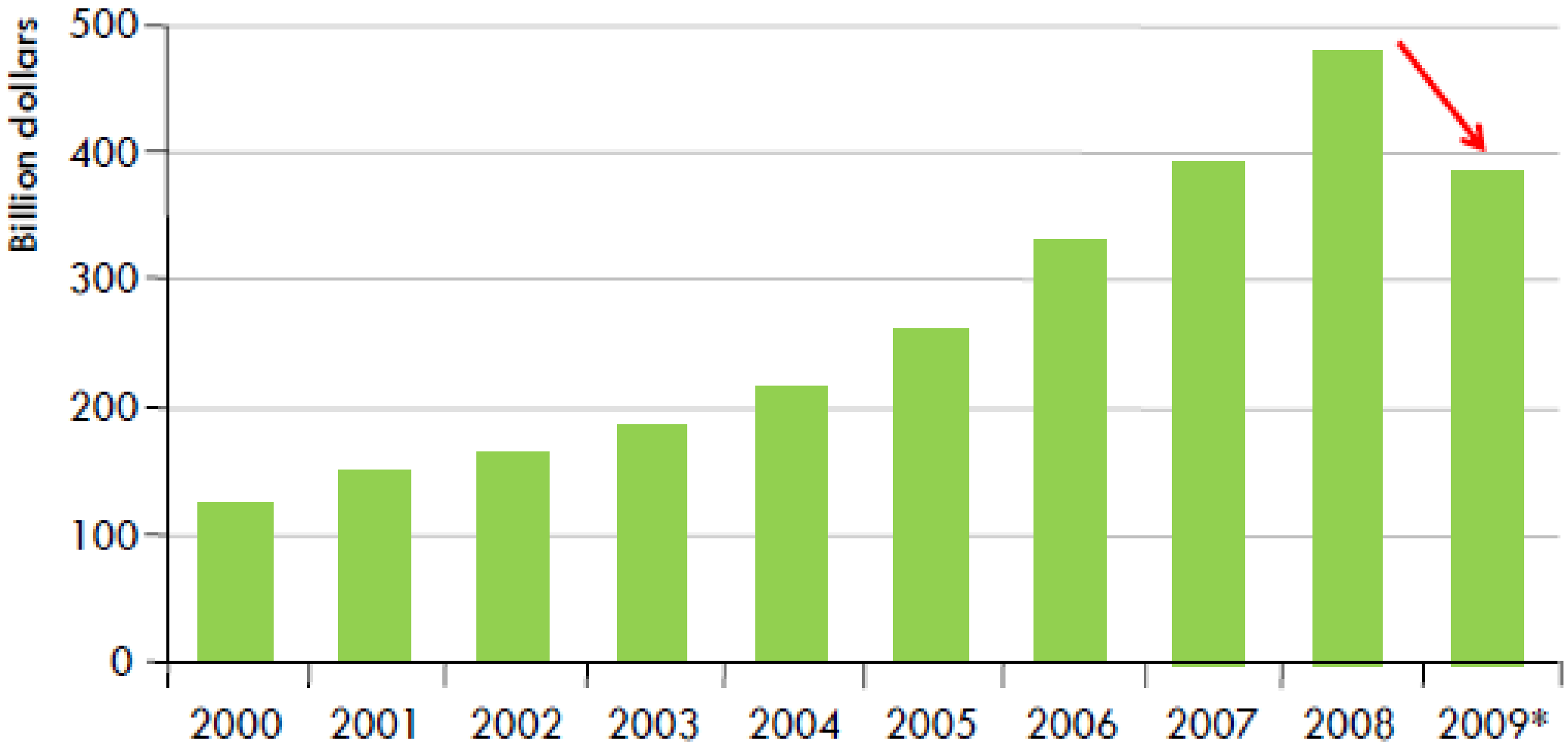
US Federal Spending & Revenue



Oil Production to 2030

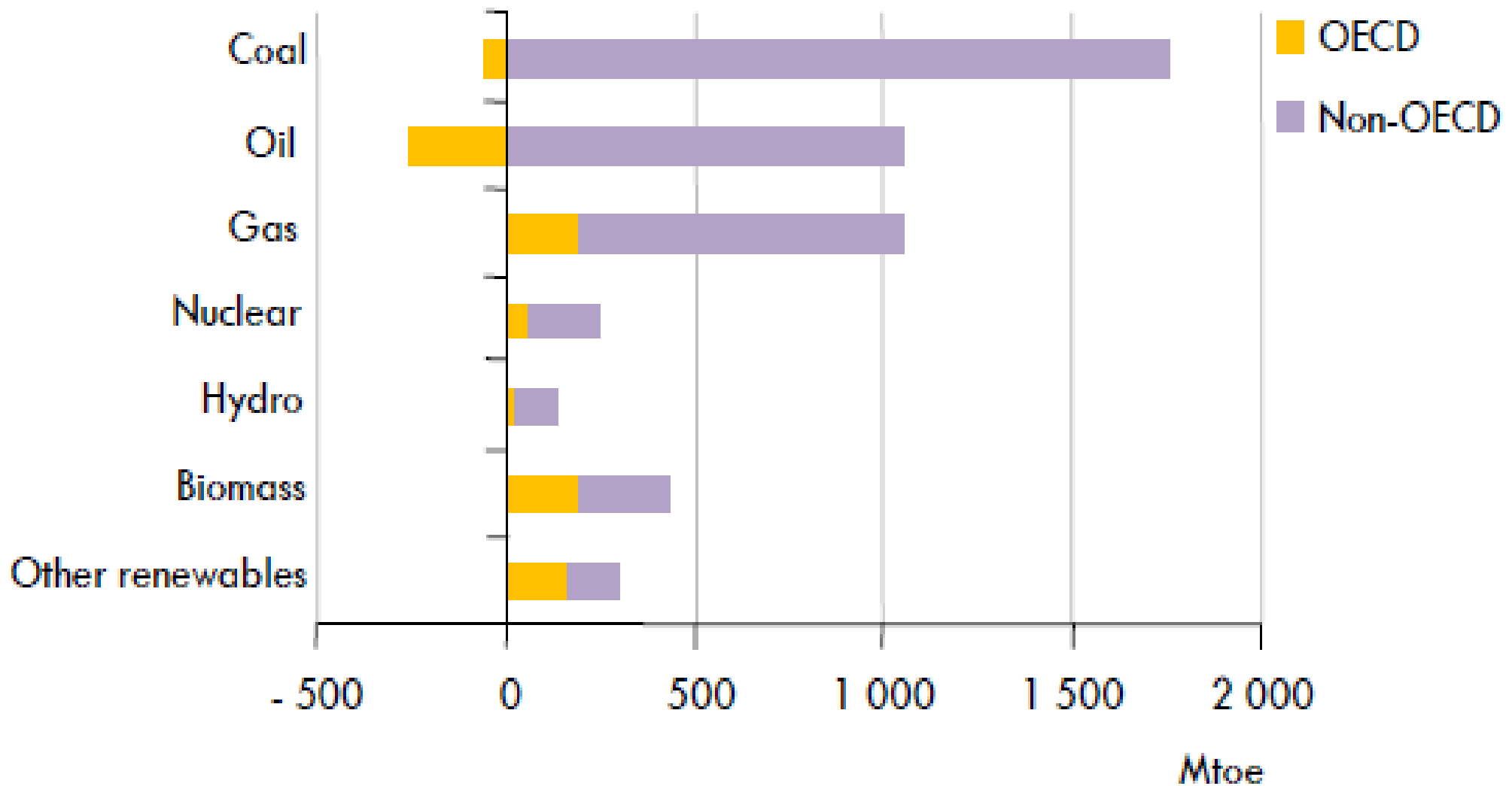


World Upstream Oil & Gas Capital Expenditures



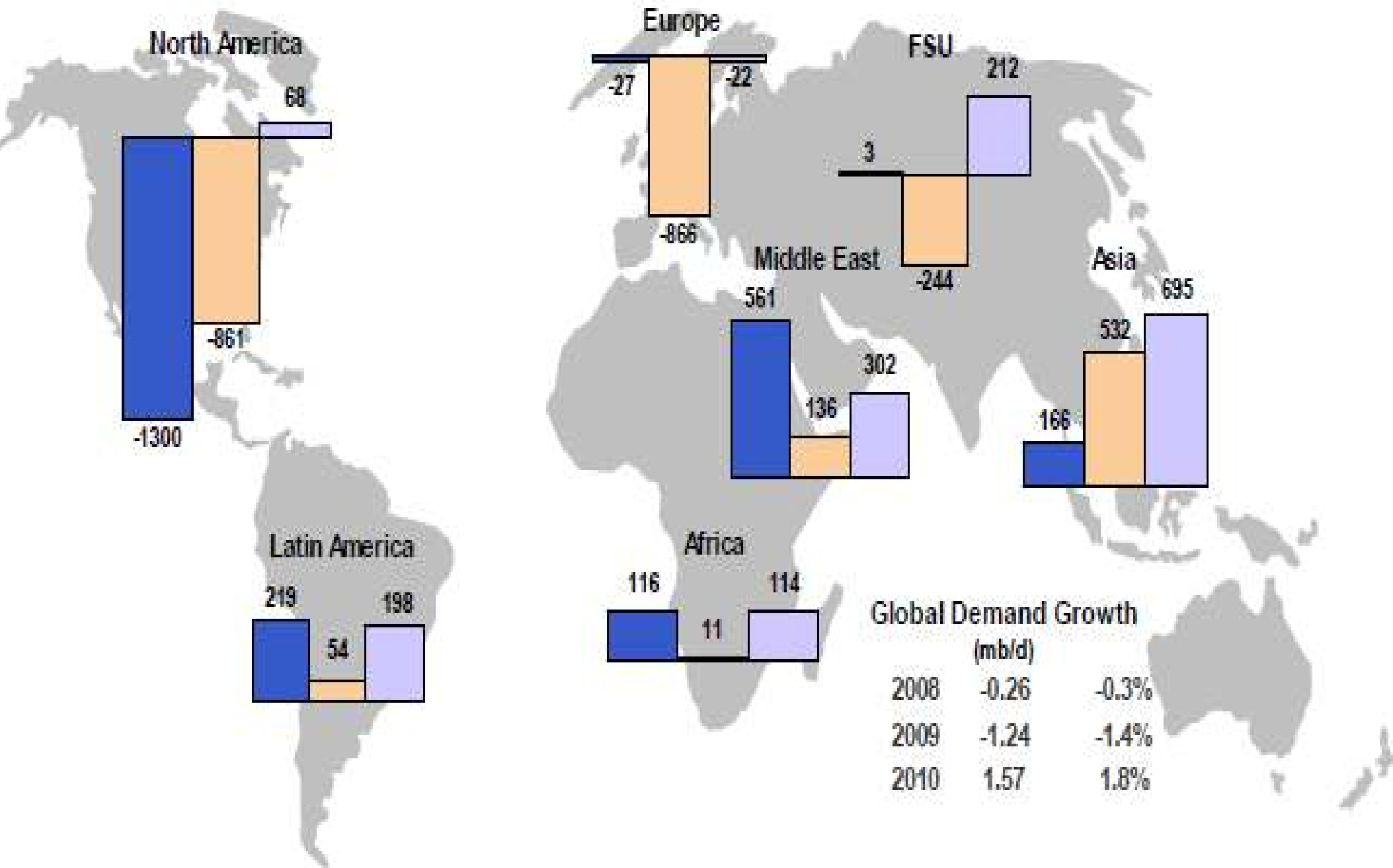
* Budgeted spending

Change in Energy Demand - 2007 to 2030

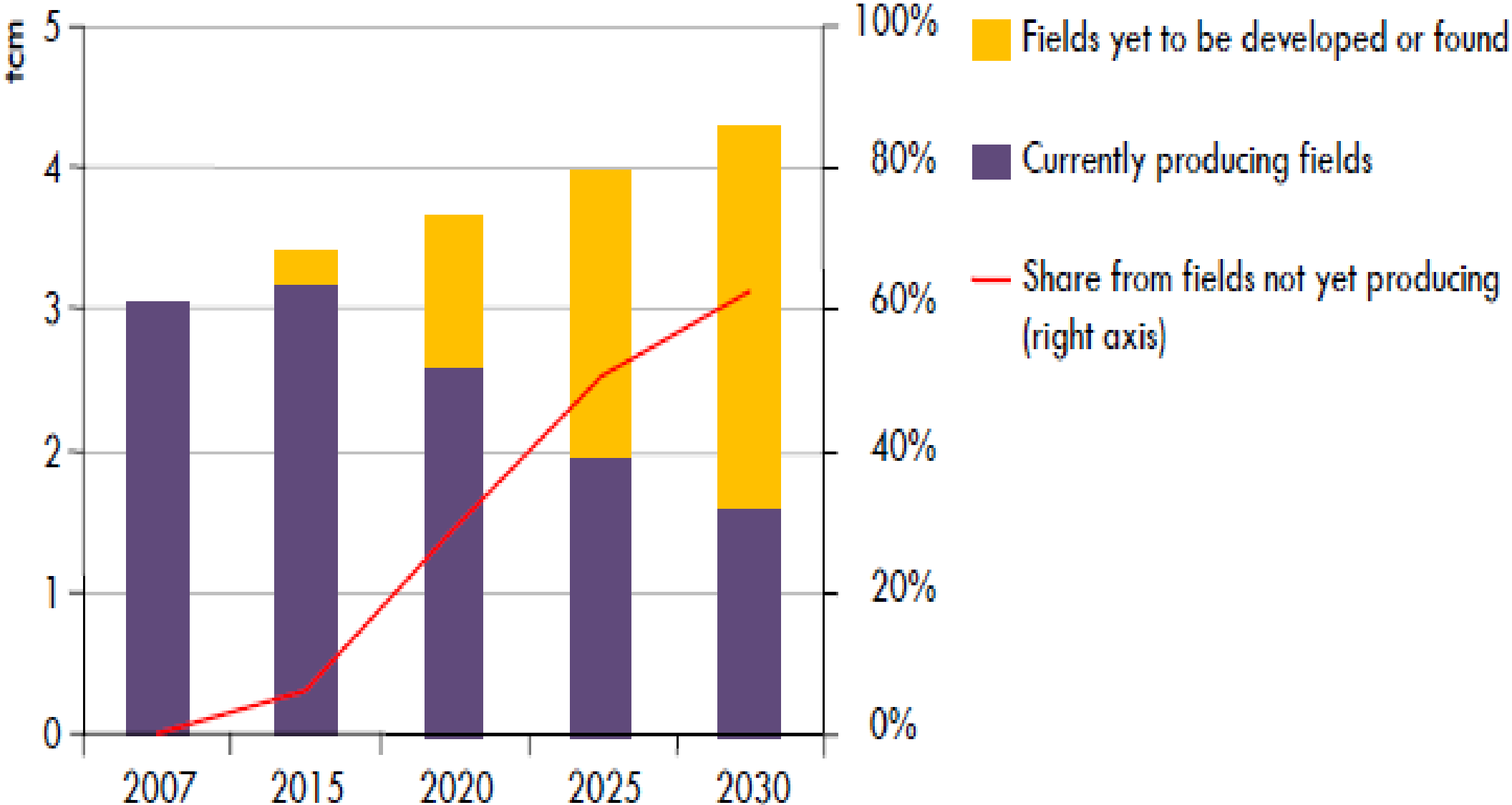


Global Demand Growth 2008/2009/2010

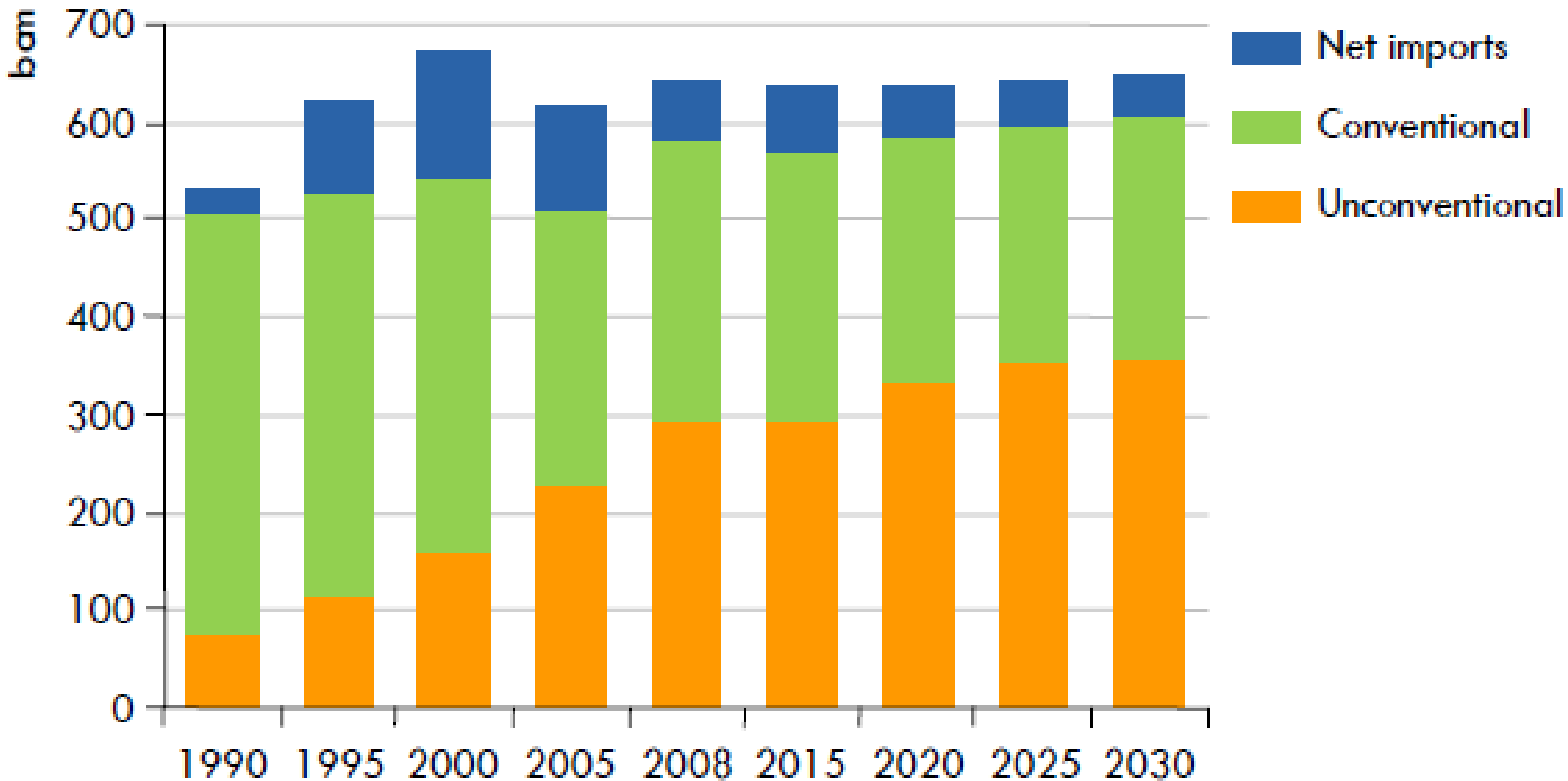
thousand barrels per day



Decline of World Natural Gas Production to 2030



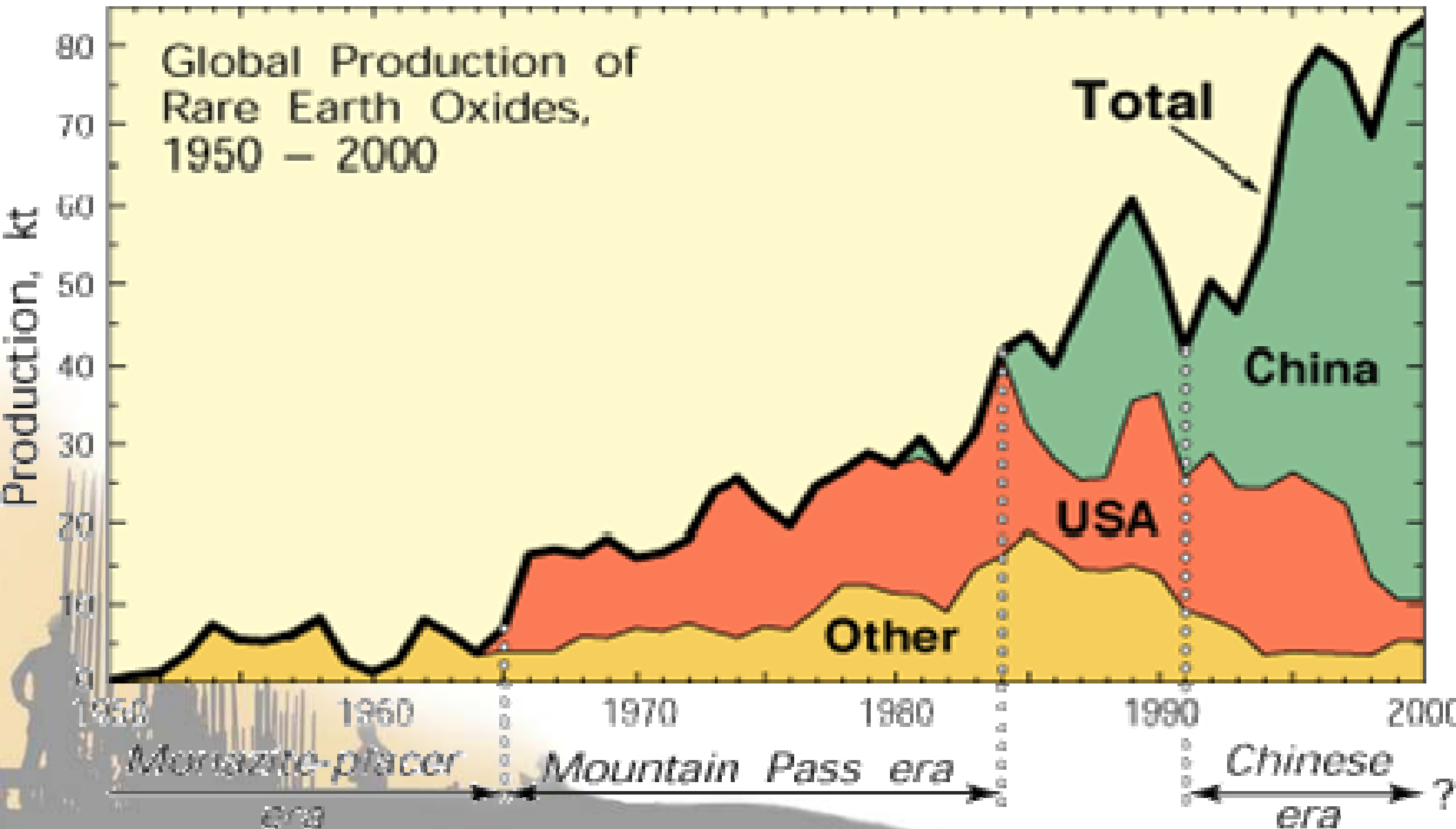
US Natural Gas Supplies to 2030



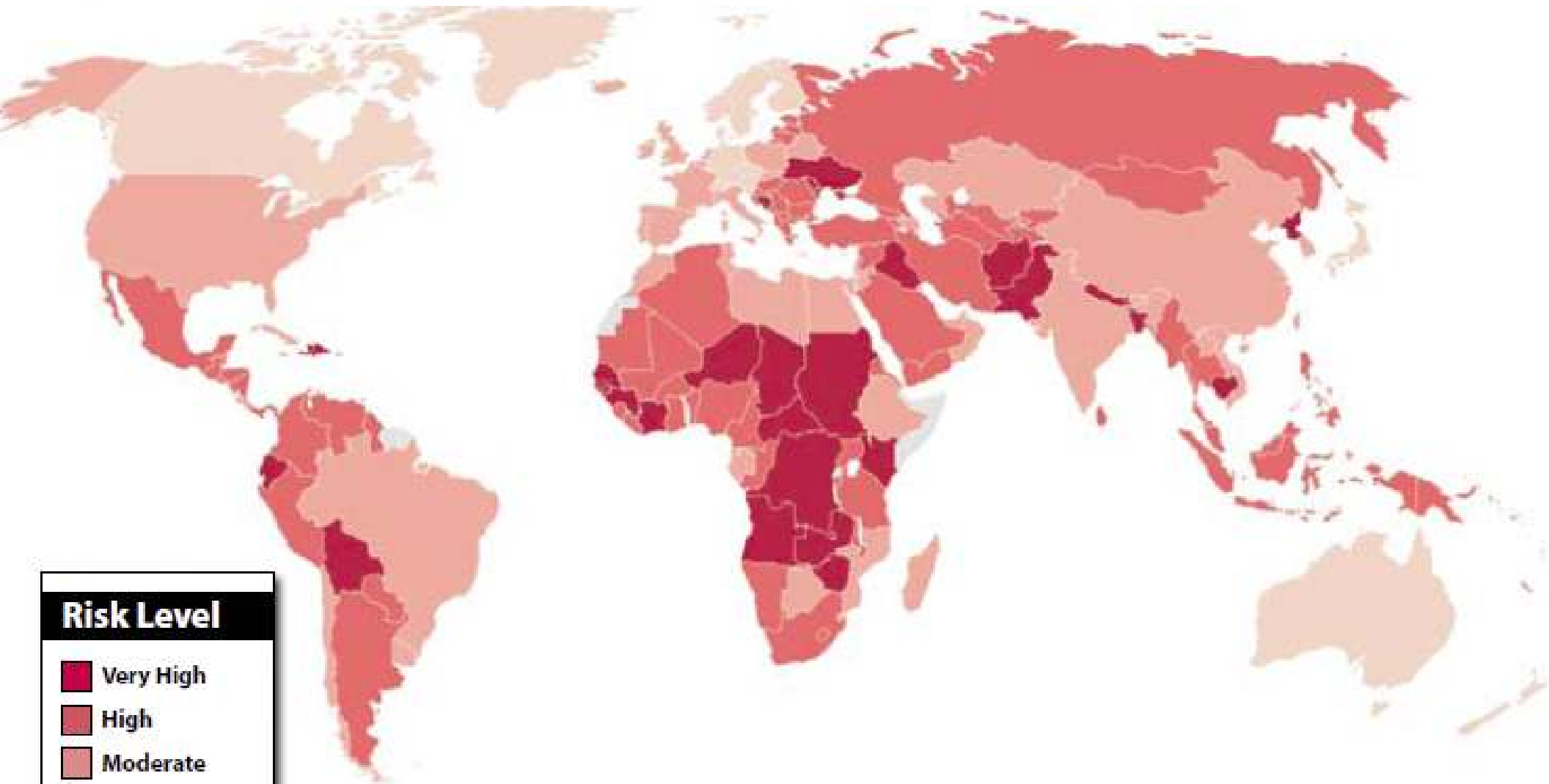
Nuclear Renaissance?

- Since 2007 there have been 16 applications filed in the USA to build nuclear plants with 24 units in total – all have been approved – 12 worth \$54 Billion unveiled in Climate Bill presented to Congress last week
- China building 8 with 20 more planned
- UK has 10 planned
- UAE building 4 plants worth \$40 Billion

Constraints on Moving into the Alternative Energy World



Political Instability Index



Risk Level

-  Very High
-  High
-  Moderate
-  Low
-  Not Rated