

Economic Assumptions

- federal and provincial governments reduce capital expenditures
- The outlook for major trading partners is weaker in the short term, improving medium to longer term
- Canadian output growth will average around 2 percent across the 2013–2021 period.



Economic Environment


- medium term, inflation and interest rates remain low, rising in the long term as growth strengthens.
- Canada-U.S. exchange rate strong in the short term, but falls toward its underlying value over the scenario period.
- The U.S. government reaches an agreement to avoid the fiscal cliff at the beginning of 2013.



Economic Environment

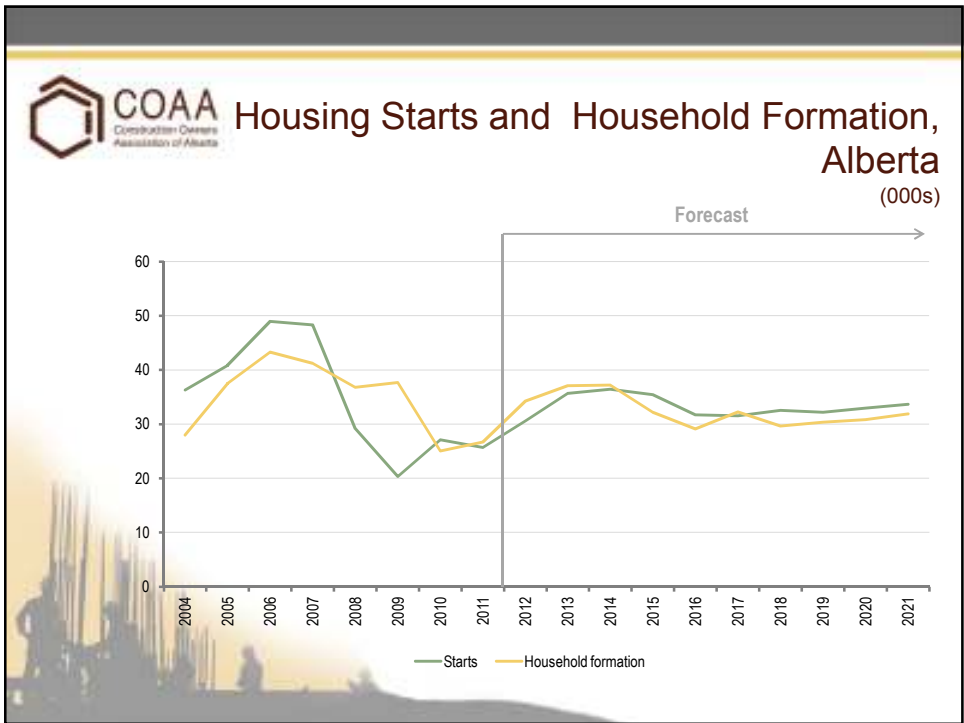
Commodity prices

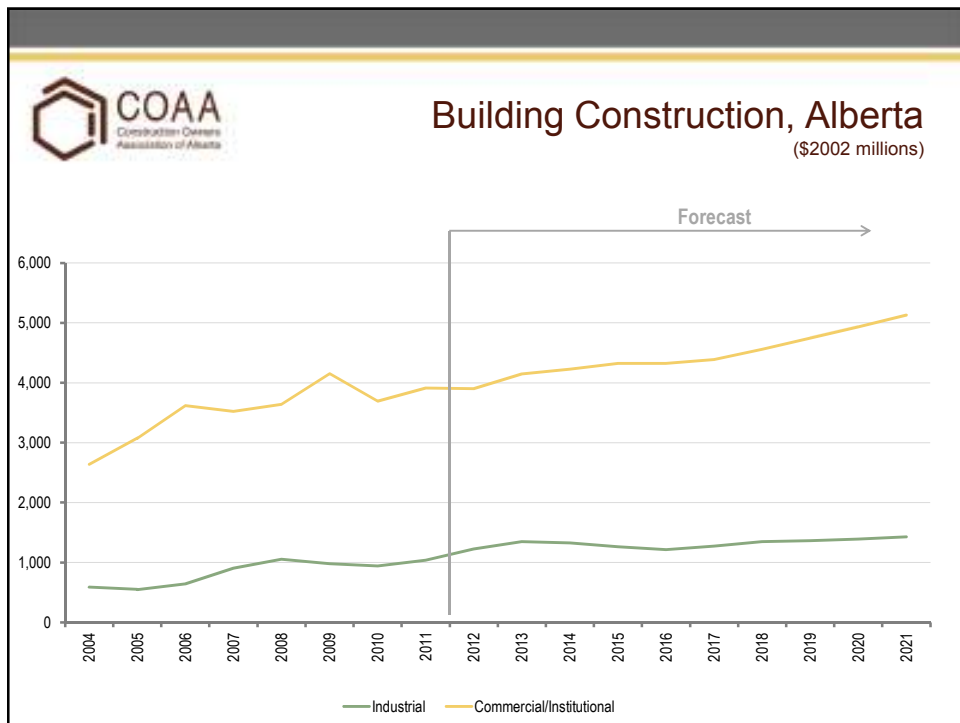
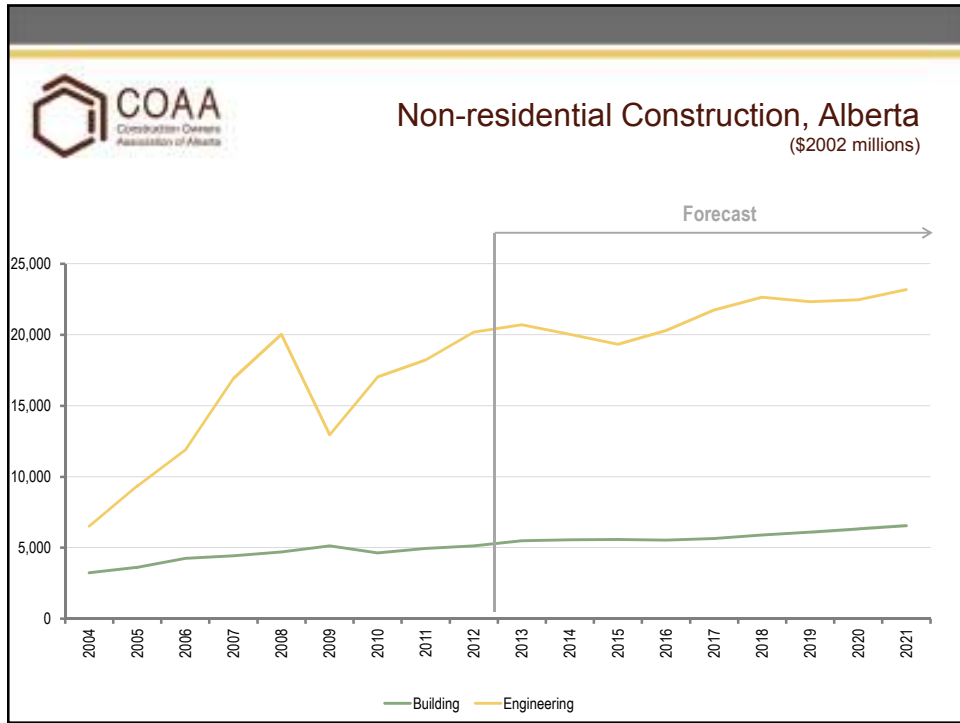
- Oil prices recovered in 2010 and into 2011, stabilize in 2012 and 2013 and then rise thereafter in line with stronger economic growth.
- Natural gas prices remain flat in the short term because of expected increases in shale gas and then start to strengthen over the medium to long term.
- Agricultural prices continue upward over the scenario period.
- Metals and mineral prices remain relatively flat in the short term and then trend upward over the remainder of the scenario period, reflecting the growth of the world economy driven to a large extent by China and Asia.

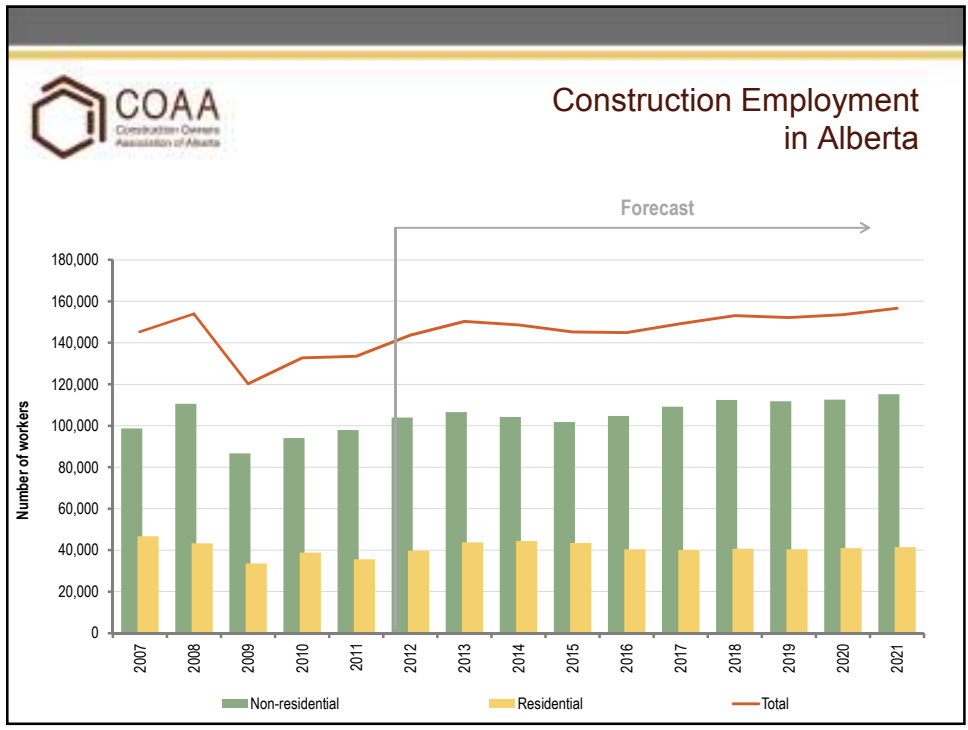
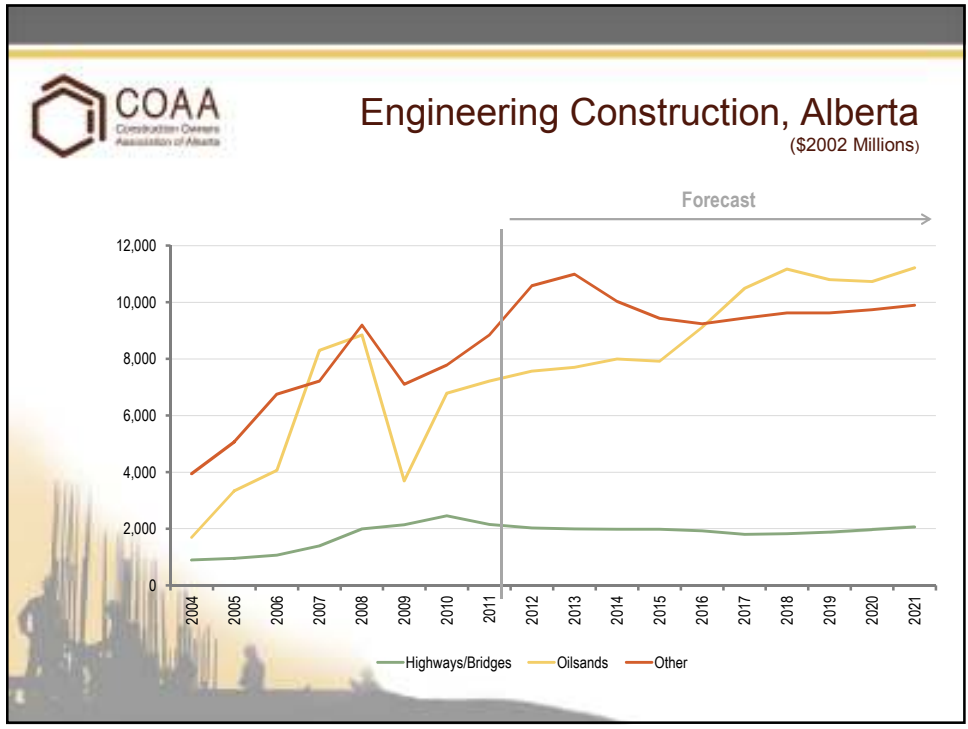


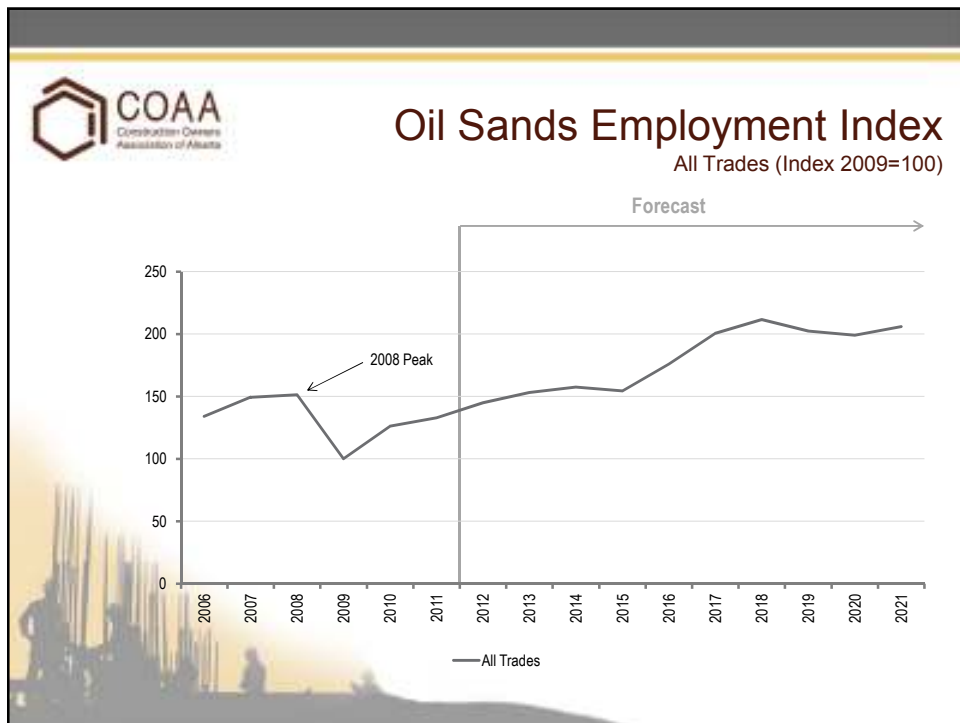
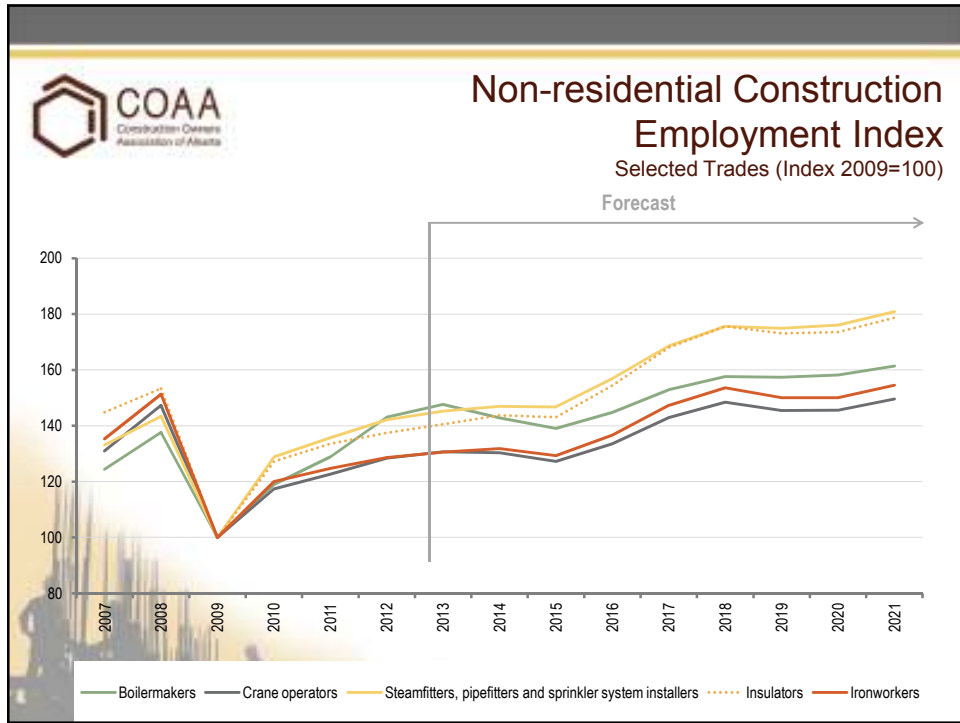
Investment Outlook for Alberta


- overall pace of construction slows to moderate year-to-year gains,
- sustaining capital and maintenance work represents growing and less volatile demand
- the next round of oil sands growth starting in 2016
- This cause an increase in supporting systems such as pipelines, electricity generation and transmission lines
- housing cycles smooth out modest peaks and troughs by historical standards







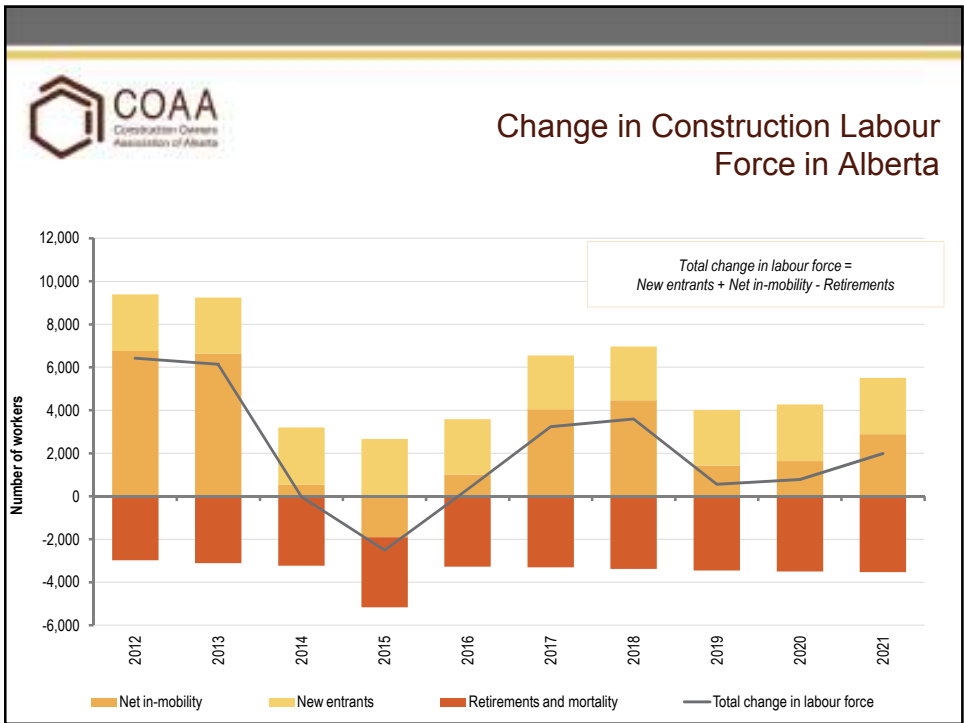




The Available Workforce

Supply-side adjustments


- total labour force rises by 14,000 workers from 2013 to 2021.
- The biggest annual gains are estimated at 6,100 in 2013.
- From 2013 to 2021, estimated retirements total 30,000.
- Estimated first-time new entrants into the construction workforce from Albertans aged 30 and younger total 23,300.
- Net in-mobility of 21,000 workers is needed to balance labour force requirements.





Labour Market Rankings

5	Qualified workers are not available in local or adjacent markets. Competition is intense.
4	Qualified workers are generally not available in local and adjacent markets. Recruiting may extend beyond traditional sources and practices.
3	Qualified workers in the local market may be limited by short-term increases in demand. Established patterns of recruiting are sufficient.
2	Qualified workers are available in local or adjacent markets.
1	Qualified workers are available in local markets. Excess supply is apparent. Workers may move to other markets.



Labour Market Rankings for Major Engineering Projects

Trades and occupations	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Boilermakers	5	4	3	3	4	4	4	3	3	3
Bricklayers	4	3	3	3	3	4	3	3	3	3
Carpenters	4	4	3	3	4	4	4	3	3	3
Concrete finishers	4	3	3	3	4	4	3	3	3	3
Construction estimators	4	4	3	3	4	4	4	3	3	4
Construction managers	4	3	3	3	4	4	4	3	3	3
Construction millwrights and industrial mechanics	4	4	3	3	4	4	3	3	3	3
Contractors and supervisors	4	3	3	3	4	4	4	3	3	3
Crane operators	4	4	3	3	4	4	4	3	3	3
Electricians (including industrial and power system)	5	4	3	3	4	4	4	3	3	3
Heavy equipment operators (except crane)	4	3	3	3	4	4	3	3	3	3
Heavy-duty equipment mechanics	3	3	3	3	3	4	4	3	3	3

COAA
Construction Owners
Association of Alberta

Labour Market Rankings for the Alberta Oil Sands

Trades and occupations	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Industrial instrument technicians and mechanics	4	4	3	3	4	4	4	3	3	3
Insulators	4	3	4	3	4	5	4	3	3	4
Ironworkers and structural metal fabricators and fitters	4	4	3	3	4	5	4	3	3	3
Painters and decorators	3	4	3	3	3	3	3	3	3	3
Plumbers	5	4	3	3	4	4	4	3	3	3
Sheet metal workers	4	4	3	3	4	5	4	3	3	3
Steamfitters, pipefitters and sprinkler system installers	4	4	3	3	4	5	4	3	3	4
Trades helpers and labourers	4	3	3	3	3	4	3	3	3	3
Truck drivers	4	4	3	3	4	4	4	3	3	4
Welders and related machine operators	4	4	3	3	4	5	4	3	3	3

