

The Essence of Calgary

Our Economy, People and Competitiveness

Calgary Real Estate Forum 2009

Adam Legge – VP + Chief Economist



The Economy

The Nature of Calgary's Economy

Calgary Gross Domestic Product		
Top 5 Industries		
Rank	Industry	2008 GDP (\$Billions)
1	Finance, Insurance and Real Estate	\$ 15.46
2	Mining and Oil and Gas Extraction	\$ 10.14
3	Construction	\$ 8.06
4	Trade	\$ 6.97
5	Professional, Scientific & Technical Services, Business Services	\$ 6.62

Source: City of Calgary

The Nature of Calgary's Economy

Calgary Employment		
Top 5 Industries		
Rank	Industry	2008 Employment (Thousands)
1	Professional, Scientific & Technical Services, Business Services	117.6
2	Trade	110.0
3	Construction	75.1
4	Health and Welfare Services	67.2
5	Mining and Oil and Gas Extraction	55.6

Source: City of Calgary

The Nature of Calgary's Economy

Calgary Business Establishments		
Top 5 Industries		
Rank	Industry	2008 Business Establishments
1	Professional, Scientific & Technical Services	11,387
2	Construction	6,830
3	Other Services	5,513
4	Retail Trade	4,755
5	Finance, Insurance and Real Estate	3,964

Source: City of Calgary

The Nature of Calgary's Economy

Common theme...

The Nature of Calgary's Economy

Professional, Technical & Scientific Services

Finance, Insurance & Real Estate

Mining and Oil and Gas Extraction

Construction

Trade

Top 5 in at least 2 of 3

The Nature of Calgary's Economy

Conclusion....?

The Nature of Calgary's Economy

The engine of Calgary's economy is oil and gas.

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Professional, Technical & Scientific Services – Engineering

Finance, Insurance & Real Estate – Capital markets, real estate

Mining and Oil and Gas Extraction – E+P

Construction – Commercial and residential

Trade – Business and consumer

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The majority of economic activity is direct oil and gas E+P, or associated with the support services and infrastructure needed by the oil and gas industry.

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What about other economic engines?

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Right now, if oil and gas is a V12,

The Nature of Calgary's Economy

Right now, if oil and gas is a V12,

Everything else is a turbo-charged in-line 4.

Financial Services

- Leading financial services centre in Canada
- Supporting:
 - Large head office base – huge capital requirements
 - Small business base
 - Growing wealth and asset accumulation
- Calgary FS employment growth 98-07: 45.6%

Information and Communication Technology

- Leading centre in wireless and geomatic technologies
- 2nd highest ICT employees per capita behind San Francisco
- Concentration of ICT talent within other sectors

Transportation and Logistics

- Leading pacific northwest distribution hub
- Intersection of CANAMEX and Trans-Canada highways
- Rail and air service
- Growing opportunity for distribution of energy products to export markets

Creative Industries

- Niche location for film activity
- Well kept secret of digital marketing expertise
- Growth opportunities in unique co-location Creative Hub concept

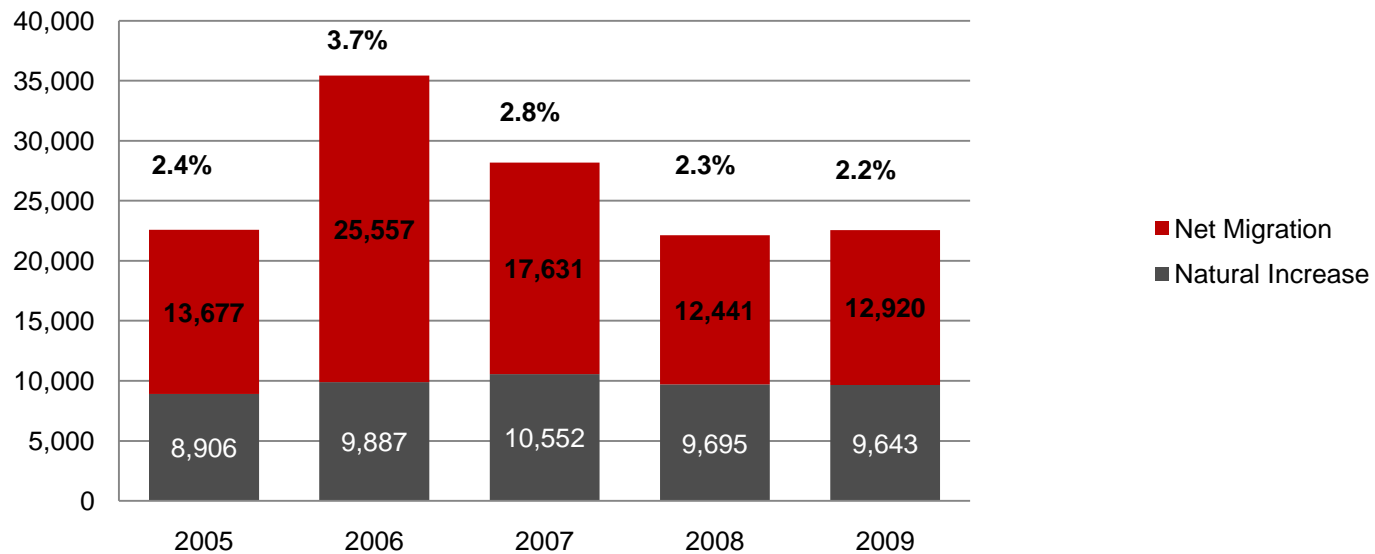
The People

Calgary Demographics

- Median age is 35.7 with 81.6% aged 15 and older; 47% of Calgarians are within core working age group of 25 - 54
- 23.6% of Calgarians are immigrants, and 1.1% of Calgary are non-permanent residents
- 22.2% of population is a visible minority with Chinese and South Asians leading
- Median income 2005 -- \$79,084 (all Census families)
- Average household size – 2.6 people
- Second highest level of educational attainment of population aged 25 – 64 of major Canadian cities

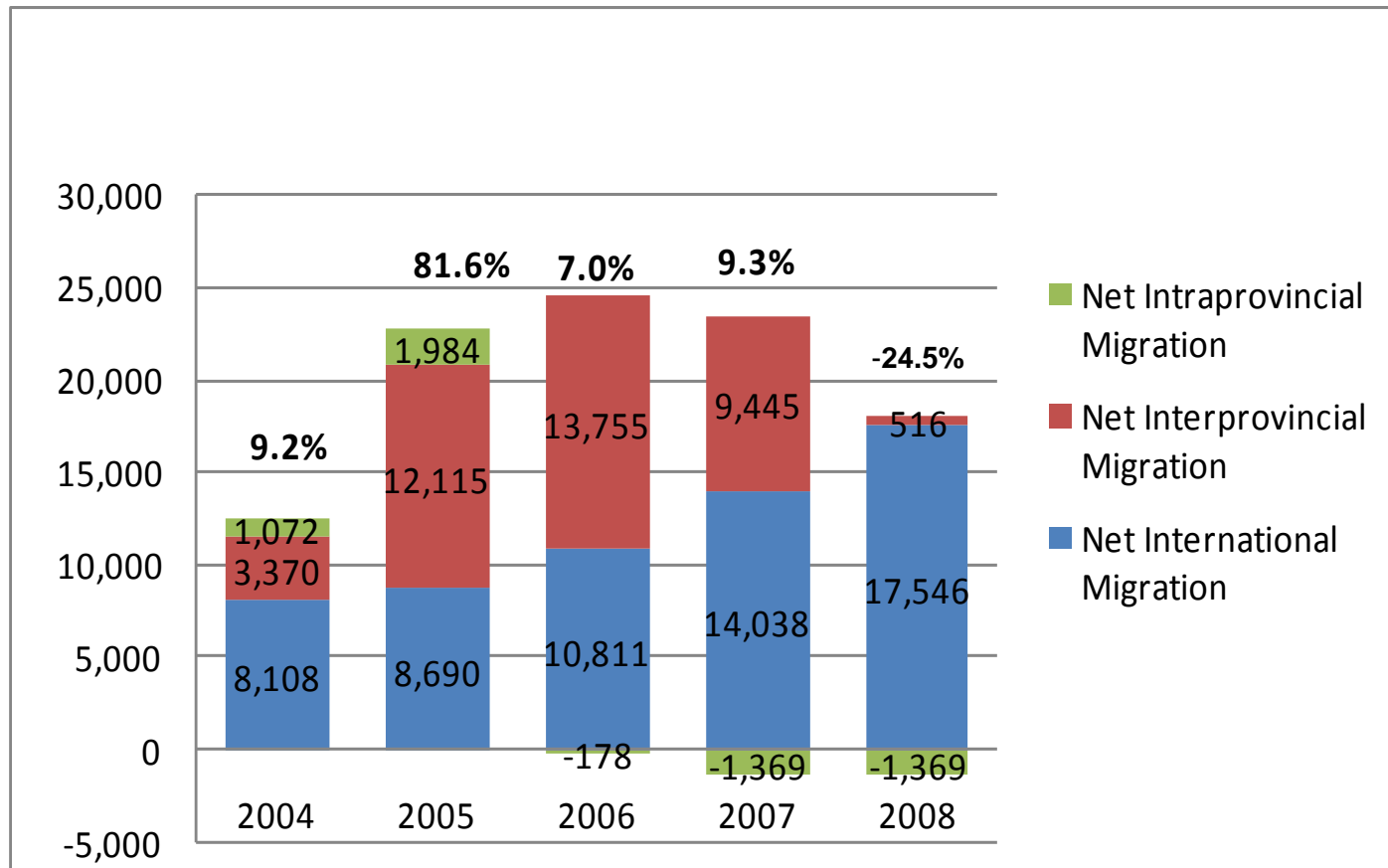
Calgary Population Growth 2005 - 2009

Calgary Population Growth 2005-2008



Source: Calgary Civic Census, 2009;
NOTE: City of Calgary Geography

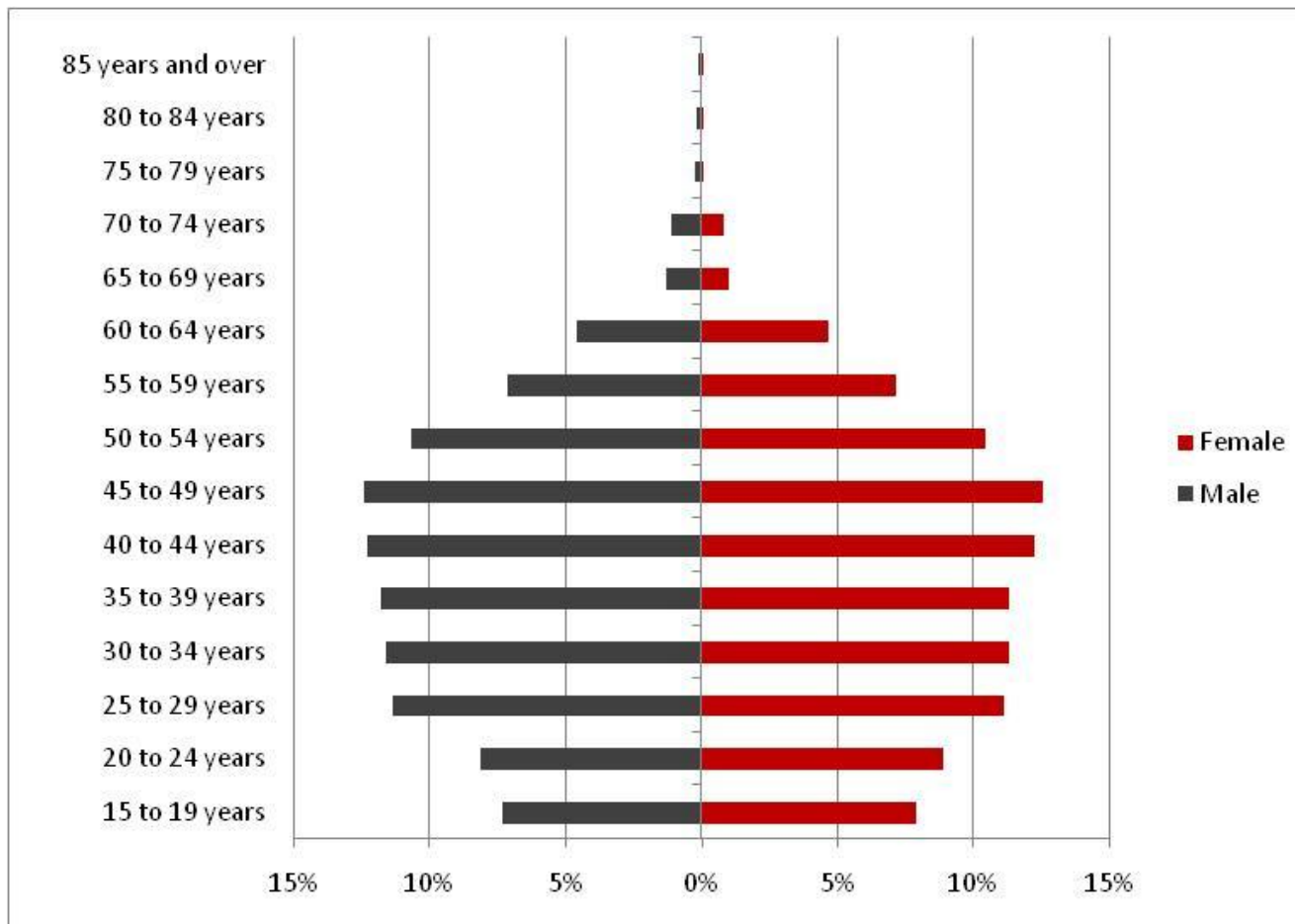
Calgary Immigration 2004 - 2008



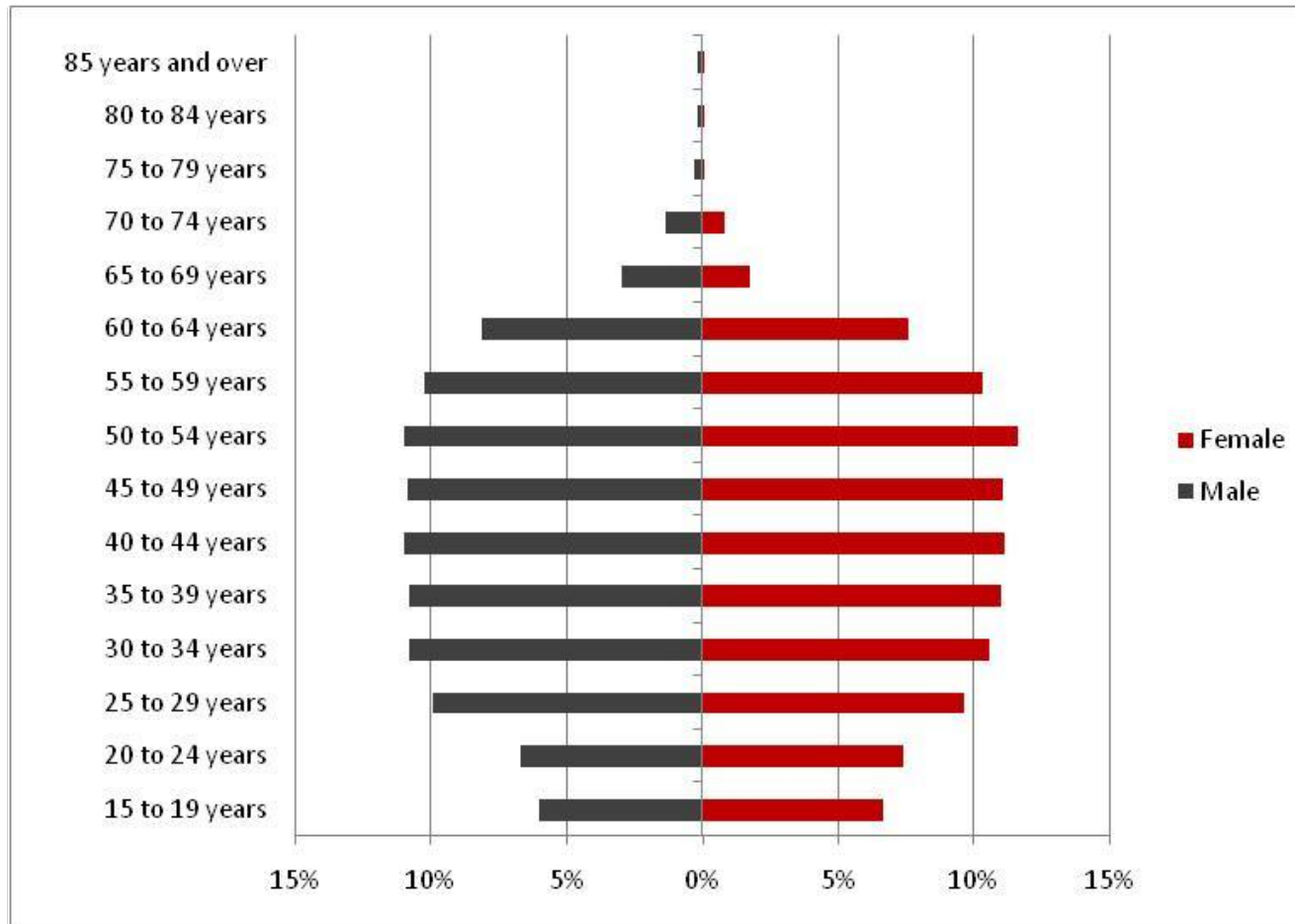
Calgary Demographics

Top Source Countries for Permanent Residents , Calgary CMA		
Source Country	PRs	Distribution
All	11,239	100.0%
India	1,383	12.3%
Philippines	1,349	12.0%
China	1,098	9.8%
Pakistan	932	8.3%
United Kingdom	698	6.2%
United States	475	4.2%
Korea	269	2.4%
Nigeria	260	2.3%
Colombia	249	2.2%
Vietnam	229	2.0%
Top 4 Countries	4,762	42.4%
Top 10 Countries	6,942	61.8%

Labour Force – Age Cohort Profile (2006)



Labour Force – Age Cohort Profile (2016)



What is the future of jobs in Calgary?

Highest growth occupations (total jobs) 2007 - 2017

1. Retail salespersons;
2. Retail trade managers;
3. Registered nurses;
4. Information systems analysts & consultants;
5. Financial auditors & accountants;
6. Petroleum engineers;
7. Elementary school & kindergarten teachers;
8. Geologists, geochemists & geophysicists;
9. Computer programmers & interactive media developers;
10. Sales representatives for wholesale trade

What is the future of jobs in Calgary?

Top Industries (by job growth) 2007 - 2017

1. Professional, scientific and technical services;
2. Health care and social assistance;
3. Retail trade;
4. Construction;
5. Manufacturing;
6. Accommodation and food services.
7. Transportation and warehousing
8. Wholesale trade;
9. Educational services; and,
10. Mining, and oil and gas extraction

Competitiveness

Competitiveness

- Strength of the energy sector
- Business climate and culture
- Nucleus of economic activity in Canada
- Dependent upon business strategy of company
 - People
 - Business drivers

Competitiveness - Scorecard

- Top Economic indicator performance (Source: Conference Board of Canada)
 - Employment growth 2002 – 2007
 - Disposable income growth 2002 – 2007
 - Unemployment rate 2007

Competitiveness - Scorecard

- Top Labour Attractiveness indicator performance (Source: Conference Board of Canada)
 - Proportion of population at or below Low Income Cut Off (poverty level) – 2006
 - Average population growth 2002 – 2007
 - Housing affordability 2007

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- Conclusion?

The Essence of Calgary

- Focus on our strength – energy
- Grow other emergent strengths – financial services, T+L, niche ICT, Creative Industries
- Continue to focus on people
 - Training
 - Wages
 - Quality of life

- www.calgaryeconomicdevelopment.com
- Calgary Scorecard on Prosperity
- CED 2010 Calgary Economic Outlook Report
- 2009 Calgary Business Survey
- Calgary Economic Development Strategy
- Labour Force Demand Forecast 2007-2017