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WEDNESDAY, APRIL 23, 2008

Spending rise disappoints

Business groups urge province to boost savings

GEOFFREY SCOTTON
CALGARY HERALD

Business leaders were dismayed with Alberta's budget plan to boost expenditures by more than 10 per cent with only a minuscule addition to the Heritage Fund — while the elimination of health-care premiums was seen as a positive in an otherwise lacklustre financial blueprint.

"We're disappointed, quite frankly, with the level of the spending increase," said Calgary Chamber of Commerce chairman Brian Hahn.

"We believed that — as the government had indicated — that 2007 was the catch-up



ALBERTA BUDGET 2008

year, and we had the expectation that spending increases would fall. They didn't."

"We're pretty disappointed," Danielle Smith, Canadian Federation of Independent Business director of provincial affairs for Alberta, said outside the legislature in Edmonton, moments after Tuesday's budget speech by Finance Minister Iris Evans.

Evans said the budget was aimed at balancing the demands of growth while meeting the government's priorities.

"We believe this is the right plan for today and for tomorrow," she told the legislature.

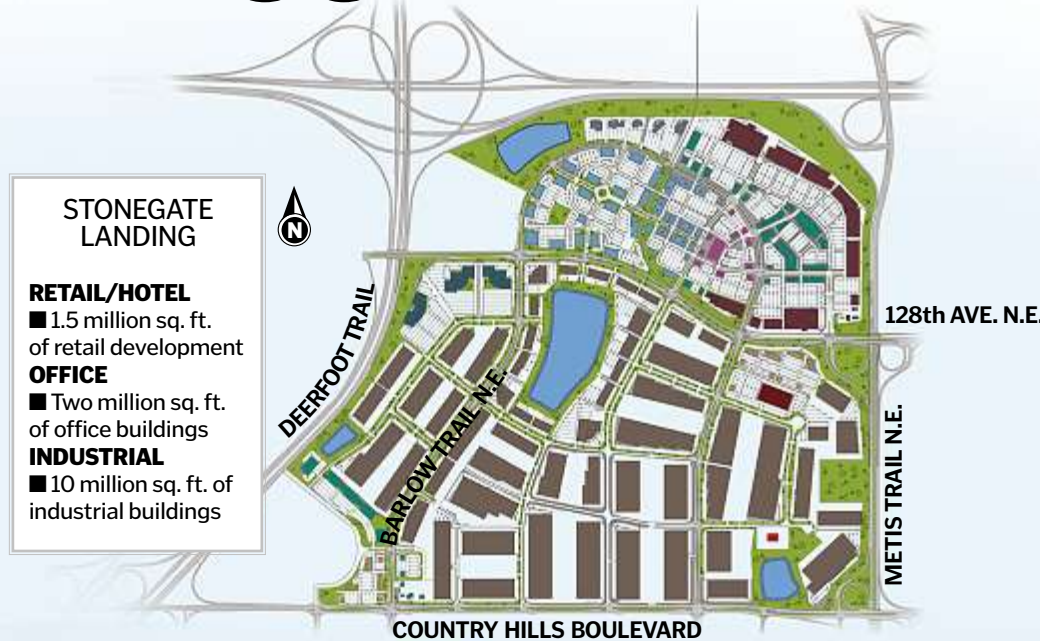
Although Smith lauded the acceleration of the elimination of health-care premiums, she slammed the apparent profligacy of the government's fiscal plan, which ups spending about 11 per cent from the 2007-2008 budget to \$37 billion and boosts capital spending by 22 per cent to a record \$8.7 billion.

Both increases exceed the combined rates of inflation and population growth in the province.

"It's such a missed opportunity when you look at the level of spending relative to the tax cuts — for every dollar in tax cuts, they add three dollars in new spending," said Smith.

SEE BUDGET, PAGE D5

\$3B project city's biggest ever



WAM Development Group partner Darren Durstling, left, and senior vice-president Tim Hogan plan to build the largest mixed-use development for Calgary on 445 hectares.

Development planned for northeast

MARIO TONEGUZZI
CALGARY HERALD

A massive \$3-billion mixed-use commercial development — the biggest in the city's history — is planned for northeast Calgary on 445 hectares of land.

The project will add more than 10 million square feet of industrial space, about two million square feet of offices and about 1.5 million square feet of retail, the Herald has learned.

The retail, office, industrial and hotel development will be the largest of its kind in Western Canada, said WAM Development Group and its partner AIMCo. StoneGate Landing will be bound by Deerfoot Trail to the west, Metis Trail to the east, the Stoney Trail ring road to the north and Country Hills Boulevard to the south.

Construction is scheduled to begin this spring with the first phase of occupancy expected

by late 2009. The entire site, north of the Calgary International Airport, is expected to be completed by 2016. The megaproject is being officially unveiled today in Calgary.

"(The project) speaks to a lot of very positive attributes about Calgary," said Tim Hogan, senior vice-president with WAM in Calgary. "As a distribution hub, Calgary has a geographic advantage that a lot of other cities don't have."

Calgary also has one of the busiest airports in the country and "it's about to significantly increase its size, and if you tend to look around at major cities and you look at the development around airports, we're kind of lagging the model in terms of the development that goes around airports," said Hogan.

On the west side of Deerfoot Trail and north of Country Hills Boulevard, WAM also has three industrial buildings under construction totalling 1.1 million square feet at the Stoney Industrial Centre. It's the first phase of the overall business park development, which includes StoneGate Landing. Those buildings will be finished and available for occupancy in June.

The StoneGate Landing site will feature:

- StoneGate Common: Occupying 1.5 million square feet of retail development. It will be an open-air, pedestrian-friendly shopping area with fashion and lifestyle outlets along with anchor stores and hotels. West of the retail space will be an entertainment district, which will host a large-format theatre and restaurants;

- StoneGate Corporate Centre: Low- and mid-rise buildings designed on a campus setting spanning over two million square feet of office space; and
- StoneGate Industrial: Featuring more than 10 million square feet of buildings in the light industrial park.

"It's an absolutely awesome development and it's world class, absolutely world class," said Christopher Ridabock, global real estate firm DTZ Barnick's CEO in Calgary.

"It's just in the right location because it's got the close proximity to the airport. As Calgary becomes more and more of a world-class destination, which it is every day, it's kind of the perfect place to be," he said.

SEE PROJECT, PAGE D6

MARGIN CALLS

Ebay sues rival Craigslist

INTERNET • Ebay Inc., the world's largest online auctioneer, sued Craigslist, a competitor in which it holds an ownership stake, in a dispute over whether the Internet bulletin board tried to blunt eBay's control.

Ebay alleged in the lawsuit the board of directors of Craigslist, the web's dominant classifieds listing service, took "unilateral actions" to dilute eBay's 28.4 per cent stake by more than 10 per cent, eBay said in a statement.

The suit, filed Tuesday under seal, asked a Delaware Chancery Court to rescind the unspecified actions to protect eBay's stockholders and preserve its stake in Craigslist.

The suit names as defendants Craigslist founder Craig Newmark, who runs the company in a famously open-minded style, and chief executive Jim Buckmaster. Newmark and Buckmaster are the only members of Craigslist's board of directors.

In a blog posting late Tuesday, Craigslist said it was "surprised and disappointed" by eBay's allegations, which "came to us out of the blue."

Macao slows casino growth

GAMBLING • Macao, the world's largest gaming hub, said Tuesday it would rein in the booming industry by halting the issue of new licenses and freezing land allocations for the construction of more casinos.

In past years, Macao, a special administrative region of China, has flung its doors open to Las Vegas gaming giants including Wynn Resorts Ltd. and the Las Vegas Sands Corp., which built the Venetian Macao, turning it into the world's largest gaming hub.

But Macao's chief executive, Edmund Ho, made the surprise announcement Tuesday that no land would be allocated for the building of new casinos in the tiny enclave.

Nor would the number of casino licenses be increased from the current three.

Amid mounting social tensions in the enclave and perceptions of endemic graft linked to the gaming boom, Ho said the new policies stemmed in part from the wishes of Beijing.

HERALD ENERGY



EnCana CEO Randy Eresman announces slide in profits
Page D4

Budget relies on sleight of hand



DEBORAH YEDLIN

As provincial budgets go, the one delivered Tuesday might be one for the record books — because of the unprecedented spending levels — but it falls far short of anything resembling a true vision for Alberta's future.

A key problem with the budget is its assumptions.

Oil prices might have closed at \$119.37 US, but the Alberta government is using \$78 US per barrel. The same is true for natural gas, which closed at \$9.84 on Tuesday.

Looking out a year, the average contract for crude oil in 2009 is \$111.38 US and \$9.43 per gigajoule for natural gas.

The government, which receives the bulk of its royalties from natural gas, used a \$6.75 per gigajoule price in its assumptions.

In both cases the prices used are well below the average of the firms canvassed for their views on the direction of commodity prices.

Once again, government officials are engaged in a fine game of sleight of hand; in six months the revenue numbers will outstrip projections because they used prices — especially those for oil — disconnected from reality. In the government's world, oil prices might fall \$40 from Tuesday's close and remain there for the remainder of 2008. It's highly unlikely; the average price for crude oil in the first quarter was \$97.82 while natural gas was \$7.51 per GJ.

If the energy sector was looking for any relief — whether in the form of tax cuts or initiatives aimed at sustainable development — it was sorely disappointed.

SEE YEDLIN, PAGE D5

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Corporate news timed to the second

CANWEST NEWS SERVICE

When satellite communication was still the rule, it wasn't uncommon for urgent news releases to languish in a queue waiting to be sent.

Times have changed. Today, the companies that distribute corporate news and information are able to time the delivery of hundreds of press releases to the exact second.

"In the old days, when we relied on satellite communication, companies would give us their news and it would be queued up to move in a sequential order," explained Neil Hershberg, senior vice-president of **Business Wire**, a wholly owned subsidiary company of **Berkshire Hathaway**, which is controlled by Warren Buffett.

"With today's technology, we have the capability of releasing hundreds of releases timed to the split-second on a global basis, so if you're an investor interested in Nortel, you're getting the news at the exact split-second in Sydney, Australia, as they're getting it on Wall Street.

"The 'old days,' Hershberg says dryly, "was prior to 2003, which is not exactly ancient history, but a long time ago where this technology is concerned. It's a whole different ball game today."

It is a tidal wave of information in a constant flow around the world, all fodder for whomever has a need for it.

Business Wire operates in more than 100 different languages and posts in 17 languages on its website. It files to Associated Press, Bloomberg, Dow Jones, Reuters, Agence France-Presse and the British Press Association.

"You name the major news wire or financial information platform, and we're on it," said Hershberg. "The purpose of many clients is to generate publicity and grab media attention. We're one of the early links on the food chain."

There have been suggestions that there is an information overload, but while it may be getting crowded on the information highway, the demand for news and information shows no sign of abating.



Neil Hershberg

"Calgary is a little bit late in having discovered how important its airport is, not only to Calgary, but to the rest of the world," Ridabock said.

The StoneGate Landing development is "absolutely" the biggest project in the city's history, he said.

Ridabock said the development is bigger than the 58-storey Bow Tower downtown being built for **EnCana Corp.**

"The difference is that it's staged, where EnCana is all at one whack," he said. "But that is a huge, huge investment in infra-

structure and in facility. There's no question about it."

Adjacent to StoneGate Landing will be a residential neighbourhood that will become home to more than 60,000 people over the next 10 years, said Darren Durstling, a partner with WAM, of another development in the area.

Construction of StoneGate will commence this spring with occupancy of StoneGate Common and StoneGate Industrial starting in late 2009. The projected \$3-billion development is expected to be completed by 2016, said Durstling. He said the southwest

corner of StoneGate Landing will host hotels and restaurants along with other retail.

The total industrial real estate construction could be between 40 to 50 buildings and the office component could include 10 to 20 buildings, said Hogan.

A future C-train route is planned to go through the site. There is also a possible arena slated for the site as well as a fire hall. And estimates are that 20,000-plus people will eventually be employed at StoneGate.

This is the biggest project ever of its scale in Calgary, said

Bruce Graham, president and CEO of Calgary Economic Development.

"The city has taken on some pretty large (projects) but I don't think anything of this magnitude," he said. "And when you consider the proximity to the airport and the Deerfoot Trail, it's in a class of its own."

The project is "one of the most vivid demonstrations of confidence in the industrial and commercial markets here in Calgary," Graham said.

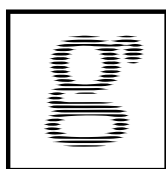
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FROM DI PROJECT: 'It's in a class of its own'

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Canwest Digital Media, a division of Canwest Publishing Inc., is seeking a creative, highly-motivated, results driven person who combines broad business sense, sound technical background and digital media expertise to fill the role of **Business Analyst**. The position requires someone with refined strategic planning, business development, project management and people skills.

Reporting to the Vice President, Local Digital Media, the successful applicant will work with senior leaders across the organization to develop strategic and operational plans, lead the implementation of large-scale digital projects, and analyze, interpret and report on operational performance.

Key Responsibilities:

- Work as part of the local digital media team to develop and document overall strategic objectives and specific business plans
- Translate business plans into action by acting as the main coordination point for multiple strategic projects
- Work closely with all stakeholders within a matrix structure to lead the development of detailed project plans, timelines, and communication strategies to achieve organizational objectives
- Actively manage multiple projects simultaneously across a variety of products and platforms
- Proactively identify and manage dependencies and risks
- Actively encourage open communication with all stakeholders through regular meetings

Qualifications:

- University degree with a focus on business or a related discipline
- A background in digital media is preferred
- Strong experience in strategic planning and project management – a PMP designation would be considered an asset
- Demonstrated analytical and organizational skills
- History of delivering results in unstructured/matrix/fast moving environments
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Canwest Digital Media, a division of Canwest Publishing Inc. is committed to diversity and equal opportunity for all people. Should you be interested in this opportunity please apply via www.working.com using "Canwest" as a key word search.

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