

**BUILDING ALASKA 2005
AND BEYOND**

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AND
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2004 Construction Spending

(in Millions)

Private

Oil and Gas	\$1,500
Mining	300
Other Basic industries	100
Residential	700
Commercial	400
Infrastructure	250
Total	\$3,250

2004 Construction Spending

(in Millions, continued)

Public

Defense	\$550
Highways	350
Other Transportation	300
Denali Commission	100
Other Federal	300
Alaska Railroad	65
State & Local	400

2004 Construction Spending

(In Millions)

Private	\$3,250
Public	2,065
Total	\$5,315

2005 and Beyond

What's Driving Spending

Federal Government

State and Local Governments

Private Sector

2005 and Beyond

Mega Projects

Gas Line

ANWR

2005 and Beyond

Mining

Pogo

Rock Creek

Donlin Creek

Pebble

2005 and Beyond

Other

- Transportation spending will increase
- Airport spending will remain constant
- Defense spending will start to decline
- School Construction will decline
- Commercial Construction and residential construction will remain constant

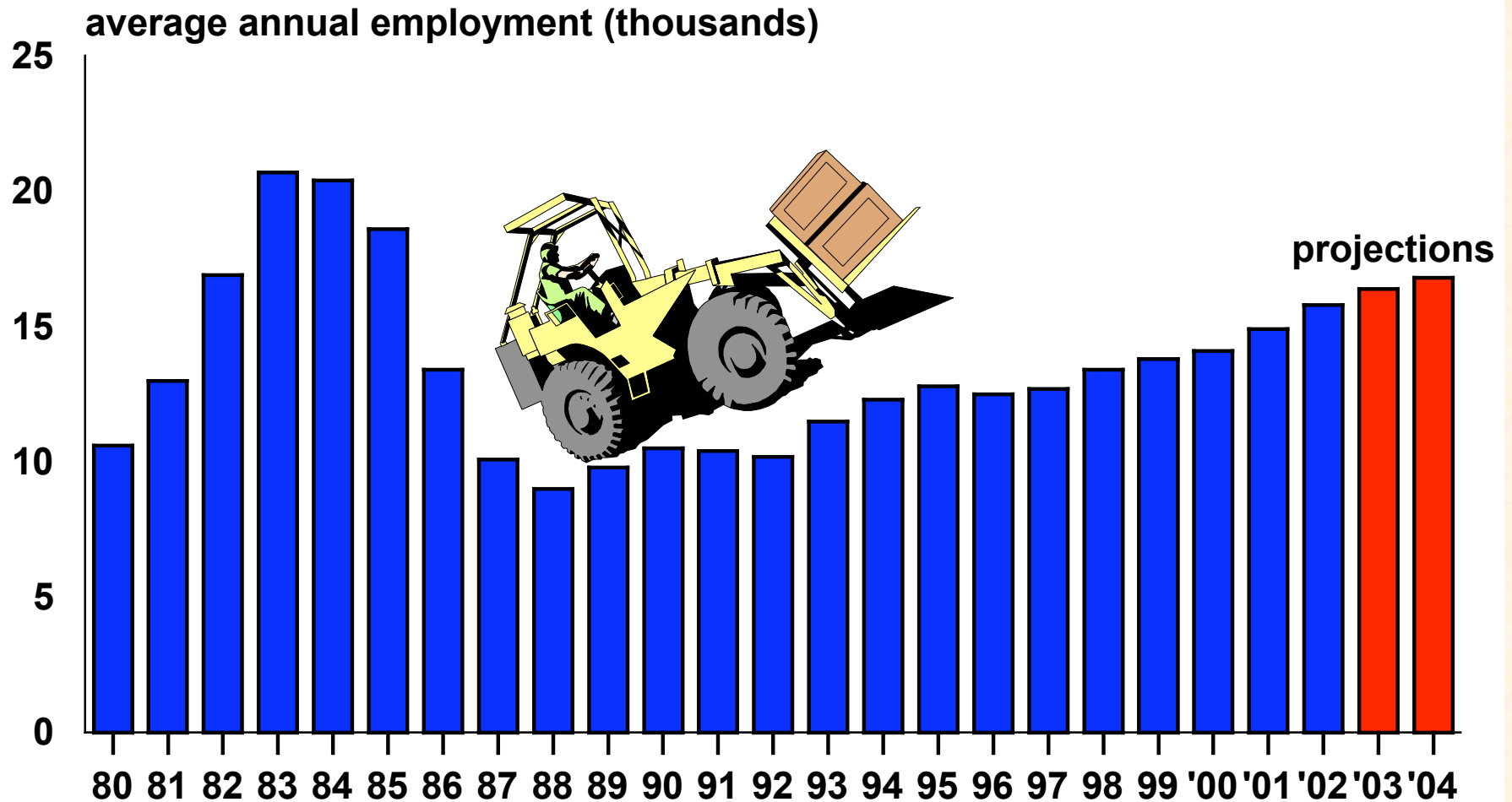
2005 and Beyond Issues

Qualified labor

Infrastructure

Government

Stability-yes that is what you can say to describe this industry over the past 12 years



Potential Labor Shortages

Craft	Current	Pipeline
Plumbers, Pipe fitters	868	450
Equipment Operators	774	2,100
Truck Drivers	293	1,700
Laborers	1,590	1,300

Potential Labor Shortages

Plumbers & Piper fitters	52%
Equipment Operators	271%
Truck Drivers	580%
Laborers	82%

Other Issues

Infrastructure

Roads

Electricity

Water and Sewer

Government

Accommodate, not Impede