

## Recession Not Over Yet: Job Cuts Continued in July

The pace of job cuts decelerated in July, signaling a stabilizing economy across Canada. The seasonally adjusted data show that from June to July 2009:

- Total employment increased slightly by 1,100 in the Calgary Economic Region (CER), but decreased by 3,700 in Alberta and 44,500 in Canada.
- In Canada, job losses were in both full-time (-29,100) and part-time jobs positions (-15,400). Full-time job losses in Alberta (-11,900) ranked second in Canada after Quebec (-38,100).

Since the start of current recession in October 2008, total employment in the CER has declined by 9,300 positions, with 16,500 full-time job cuts offset by 7,200 part-time job gains. Most of the job cuts were concentrated in Calgary's four industries that accounted for 43 per cent of total employment. From July 2008 to July 2009 in CER:

- Total employment dropped from 768,400 positions to 759,600 positions, with cuts in full-time jobs and gains in part-time jobs. The share of full-time jobs in total employment declined from 85 per cent a year ago to 83 per cent today. The shift of jobs from full-time to part-time reflected the cautiousness of businesses in hiring. While small busi-

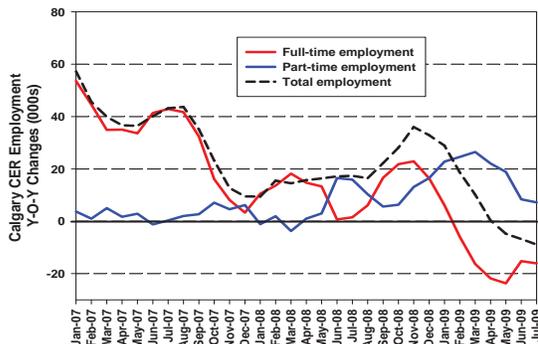
nesses benefited from the availability of workers, some Calgarians who lost their well paid full-time jobs (average wage \$27.1 per hour) had to compete for lower paying part-time jobs (average wage \$18.4 per hour). (See Chart 1)

- The job cuts continued in Trade (-15,400), Professional, scientific and technical service (-8,500) and Mining, oil and gas extraction (-9,300), as businesses cut positions to control costs and rising unemployment eroded consumer spending. However, the job market improved in Construction (+2,900), thanks to recently improved housing market conditions and government spending on infrastructure projects. (See Chart 2)
- The unemployment rate increased to 6.8 per cent in July 2009 from 3.2 per cent a year ago. Average wage inflation slowed to 4.9 per cent, compared to 6.7 per cent a year ago. More dramatically, wage inflation for part-time employees declined from 10.9 per cent in July 2008 to 1.8 per cent in July 2009.
- In May, there were 18,150 Calgarians receiving regular employment insurance benefits, a 340 per cent increase over a year. The most significant increases in beneficiaries were among young workers (e.g. 535% in ages under 20 and 445% in age cohort 20-24) compared to older workers (e.g. 210% in age cohort 55-64 and 221% in age cohort 45-54).

1The four industries are 1) Construction, 2) Trade, 3) Professional, Scientific and Technical Service, and 4) Health Care and Social Assistance..

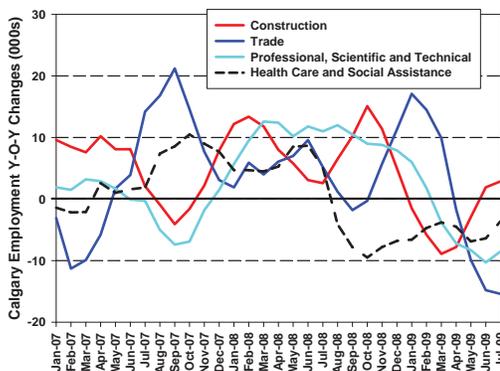
Next update: September 4, 2009

Chart 1. Calgary CER Total Employment Changes (Year-over-year, unadjusted for seasonality)



Source: Statistics Canada, Corporate Economics, August 2009

Chart 2. Calgary Total Employment Change by Industry (Year-over-year, thousands, unadjusted for seasonality)



Source: Statistics Canada, Corporate Economics, August 2009

### Labour Force Statistics

#### Economic Regions (Unadjusted 3-Month-Moving-Average)

Region	Description	Jul-09	Jun-09	Jul-08	Annual Change
Calgary	Working Age Population ('000)	1,049.7	1,046.6	1,020.4	29.3
	Labour Force ('000)	814.6	805.9	793.9	20.7
	Labour Force Participation Rate (%)	77.6	77.0	77.8	(0.2)
	Employment ('000)	759.6	754.0	768.4	(8.8)
	Employment Rate (%)	72.4	72.0	75.3	(2.9)
	Unemployment ('000)	55.0	51.9	25.5	29.5
	Unemployment Rate (%)	6.8	6.4	3.2	3.6
Edmonton	Working Age Population ('000)	939.4	936.7	917.3	22.1
	Labour Force ('000)	698.3	689.4	675.1	23.2
	Labour Force Participation Rate (%)	74.3	73.6	73.6	0.7
	Employment ('000)	646.7	642.1	649.3	(2.6)
	Employment Rate (%)	68.8	68.5	70.8	(2.0)
	Unemployment ('000)	51.5	47.3	25.8	25.7
Alberta	Working Age Population ('000)	2,863.1	2,853.9	2,793.9	69.2
	Labour Force ('000)	2,159.3	2,137.6	2,112.2	47.1
	Labour Force Participation Rate (%)	75.4	74.9	75.6	(0.2)
	Employment ('000)	2,010.7	1,997.2	2,039.4	(28.7)
	Employment Rate (%)	70.2	69.9	73.0	(2.8)
	Unemployment ('000)	148.7	140.4	72.9	75.8
	Unemployment Rate (%)	6.9	6.6	3.5	3.4

Statistics Canada: CANSIM, Table ID: 282-0054  
Source: Corporate Economics, Statistics Canada, August 2009

## Calgary's Monthly Market Review: July 2009

### Who We Are

Over the past ten years Corporate Economics has researched dozens of economic topics and developed reliable methods of forecasting and analysis. Monitoring economic trends allows us to develop unique insights on how external events are impacting the local economy and the Municipal Corporation. We provide services in four areas: forecasting, information provision, consulting and policy analysis.

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Many of our publications are available on the internet at [www.calgary.ca/economy](http://www.calgary.ca/economy).

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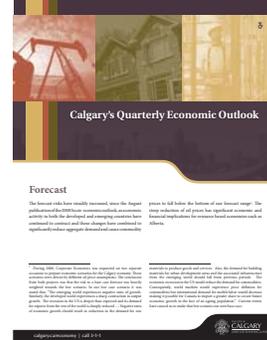
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Source: Statistics Canada

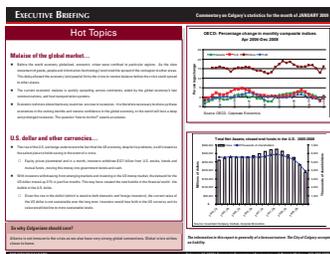
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