

Job gains across Canada followed the good news in GDP growth

November's job gains in Canada beat most optimistic expectations. The widespread good news in both private and public sectors suggested that the Canadian economy has emerged from recession. The seasonally adjusted data in November, compared to a month ago showed the following:

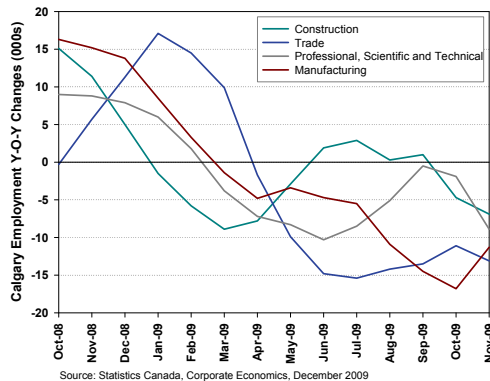
- Real gross domestic product (GDP) in Canada increased 0.1% in the third quarter and up 0.4% in September, as most major industrial sectors increased their production.
- Total employment declined slightly by 1,400 in the Calgary Economic Region (CER), increased by 12,800 in Alberta and 79,100 in Canada.
- Job gains in Canada were evenly spread between full-time (+38,600) and part-time (+40,400), and private (+56,900) and public (+54,300) sectors. Most of the jobs were added in the service sector (+73,000).
- Total job gains in Alberta ranked third in Canada after Ontario (+27,100) and Quebec (+21,400). However, most of them are part-time jobs (+12,600).

Calgary and Alberta are still the better places to be despite facing short-term challenges in the volatile job markets. The combination of structural changes in the Eastern Canadian industries and growing global demand for energy in the future would contribute to larger job creations in the region. The following year-over-year changes were recorded in the CER in November:

- Total employment dropped by 22,600 positions, with 26,400 losses in full-time and 3,800 gains in part-time. The unemployment rate more than doubled to 6.9 per cent.
- Most of the employment changes in the CER were concentrated in the four major industries that accounted for 43 per cent of local employment: compared to last year, job cuts were 13,100 in Trade, 11,300 in Manufacturing, 8,900 in Professional, Scientific, and Technical Services, and 6,900 in Construction. (See chart 1)
- In September, there were 18,830 Calgarians receiving regular employment insurance benefits, a 375 per cent increase over a year. Calgary is among the large Western centres with the fastest year-over-year growth rates in EI beneficiaries.
- The steep increase in the EI rolls coincided with year-over-year employment losses in the CER, representing the volatile nature of the region's resource based economy. However, over the past twenty years (See chart 2), the CER has on average created more jobs (3.1% annually) than the national average (1.4% annually). With the decline of the auto industry in the East and continuing growth in global energy demand in the future, the CER would still be the preferred location for people looking for jobs and higher living standards.
- Average wage inflation in November in the CMA was 3.1 per cent, including 11.6 per cent increase in part-time jobs and 2 per cent increase in full-time jobs.

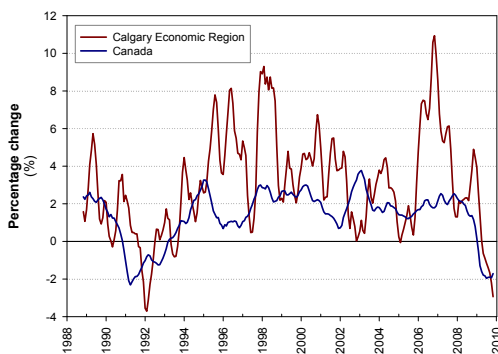
Next update: January 8, 2010

Chart 1. Calgary Total Employment Change by Industry
(Year-over-year, thousands, unadjusted for seasonality)



Source: Statistics Canada, Corporate Economics, December 2009

Chart 2. All Industries Employment Growth: Calgary vs. Canada
(Year-over-year percentage change, November 1988 - November 2009)



Source: Statistics Canada, Corporate Economics, December 2009

Labour Force Statistics

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

Region	Description	Nov-09	Oct-09	Nov-08	Annual Change
Calgary	Working Age Population ('000)	1,059.8	1,057.5	1,028.3	31.5
	Labour Force ('000)	802.7	806.8	798.4	4.3
	Labour Force Participation Rate (%)	75.7	76.3	77.6	(1.9)
	Employment ('000)	747.4	752.0	770.0	(22.6)
	Employment Rate (%)	70.5	71.1	74.9	(4.4)
	Unemployment ('000)	55.3	54.7	28.4	26.9
Edmonton	Unemployment Rate (%)	6.9	6.8	3.6	3.3
	Working Age Population ('000)	947.3	945.6	922.7	24.6
	Labour Force ('000)	683.1	686.5	672.7	10.4
	Labour Force Participation Rate (%)	72.1	72.6	72.9	(0.8)
	Employment ('000)	631.6	633.2	648.8	(17.2)
	Employment Rate (%)	66.7	67.0	70.3	(3.6)
Alberta	Unemployment ('000)	51.5	53.3	24.0	27.5
	Unemployment Rate (%)	7.5	7.8	3.6	3.9
	Working Age Population ('000)	2,886.9	2,881.8	2,812.8	74.1
	Labour Force ('000)	2,123.0	2,133.7	2,101.7	21.3
	Labour Force Participation Rate (%)	73.5	74.0	74.7	(1.2)
	Employment ('000)	1,975.7	1,982.7	2,026.9	(51.2)
Alberta	Employment Rate (%)	68.4	68.8	72.1	(3.7)
	Unemployment ('000)	147.3	151.0	74.8	72.5
	Unemployment Rate (%)	6.9	7.1	3.6	3.3

Statistics Canada: CANSIM, Table ID: 282-0054

Source: Corporate Economics, Statistics Canada, December 2009

Calgary's Monthly Market Review: November 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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Source: Statistics Canada

Monthly
Review of Economic Trends

Calgary's Monthly INFLATION REVIEW
February 2009

Inflation eased due to energy supply in a weak economy

2009 has so far continued to live up to Calgary's initial optimism. Temperature declines in the region of plummeting energy demand have reduced demand for power, and in turn, energy prices. Energy prices have declined, and this has led to a fall in the cost of energy. Energy prices have declined, and this has led to a fall in the cost of energy.

Category	2008	2009
Overall Inflation	4.2%	3.1%
Core Inflation	3.5%	2.5%
Energy	12.5%	8.5%
Food	2.5%	2.5%
Services	3.8%	3.1%

Quarterly
Short-term Economic Outlook

Calgary's Quarterly Economic Outlook

Forecast

The forecast calls for a mildly increased pace for the region's performance in the 2009-to-2010 economic outlook, as economic activity picks up. The forecast calls for a mildly increased pace for the region's performance in the 2009-to-2010 economic outlook, as economic activity picks up.

Executive Briefing
Analysis of Opportunities & Challenges

EXECUTIVE BRIEFING

Hot Topics

OECD Percentage change in monthly composite index for Q4 2008

U.S. dollar and other currencies

Currency	Value
U.S. Dollar	1.00
Canadian Dollar	0.99
British Pound	1.50
Euro	1.32

Annually
In-Depth Economic Analysis

VOLUME 1
Executive Summary of Calgary and Region Socio-Economic Outlook 2009-2019