

Calgary lagged behind in job creations

Job creations in the goods-producing sector lagged those in the service sector across Canada in January 2010. According to the seasonally adjusted data, from December 2009 to January 2010:

- Total employment decreased by 1,800 in the Calgary Economic Region (CER) and 7,300 in Alberta, compared to an increase of 43,000 in Canada.
- In Canada, new jobs were mostly created in part-time (+41,500) with gains in the service sector (+66,100) partially offset by losses in the goods-producing sector (-23,100). In Alberta, job disappeared mainly in the goods-producing sector (-7,600), and total employment losses in part-time jobs (-13,900) were partly offset by gains in full-time jobs (+6,300).

From the start of recent downturn, jobs in the CER disappeared first in the goods-producing sector and then in the service sector. While job cuts continued in the goods sector in recent months, total employment in the service sector has since recovered its losses and reached the highest seasonal levels on record (See Chart 1). According to the unadjusted 3-month-moving-average data, the following year-over-year changes were recorded in the CER in January 2010:

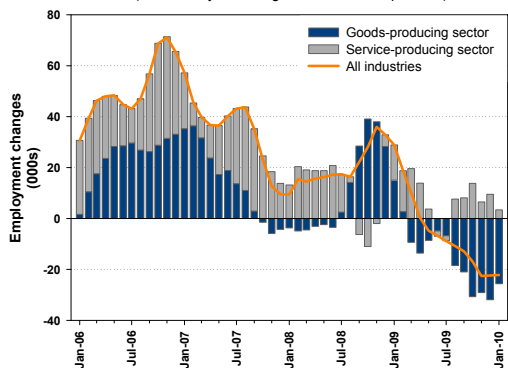
- Total employment dropped by 22,200 positions in the CER, with 25,600 losses in goods-producing sector and 3,400 gains in the service sector. The unemployment rate increased to 7.3 per cent, from 4.1 per cent last year.

Average wage inflation in the CMA was 0.8 per cent, compared to 3.2 per cent a year ago.

- Current unemployment rates in some age-cohorts were much higher than the regional average (7.3 per cent), due to cuts in certain industries and more people seeking employment (See Chart 2). For example, young people (age 15-24) with less work experience and skills typically work in the retail and construction industries where jobs disappeared quickly during downturns. The unemployment rates were even higher for them today (18.6 per cent for age 15-19 and 9.8 per cent for age 20-24) than a year ago (9.7 per cent for age 15-19 and 7.4 per cent for age 20-24). For people in age 60-64 cohort, although the total employment didn't change, the fact that more of them were looking for jobs resulted in the unemployment rate for this group jumping from zero a year ago to 11.3 per cent today. More elder workers looking for jobs may be explained by the added worker effect, where a member of the household loses his or her job and another member enters the workforce in order to supplement the family income.
- In November, 18,680 Calgarians received regular employment insurance benefits, a 303 per cent increase over a year.

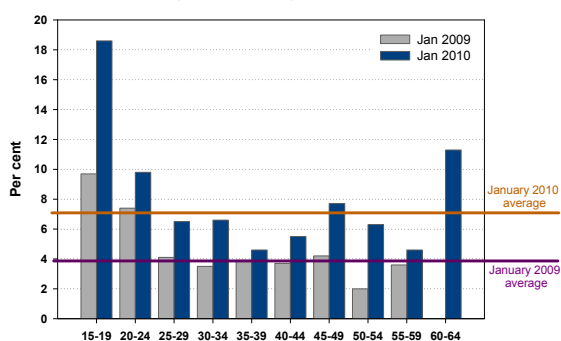
Next update: March 12, 2010

Chart 1. Calgary (CER): Employment change by sector
(Year-over-year changes, thousands of persons)



Source: Statistics Canada; Corporate Economics, February 2010

Chart 2. Calgary (CER): Unemployment rate by age cohort
(January 2009 vs. January 2010, per cent)



Source: Statistics Canada; Corporate Economics, February 2010

Labour Force Statistics

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

Region	Description	Jan-10	Dec-09	Jan-09	Annual Change
Calgary	Working Age Population ('000)	1,063.7	1,061.8	1,033.1	30.6
	Labour Force ('000)	798.1	801.4	795.2	2.9
	Labour Force Participation Rate (%)	75.0	75.5	77.0	(2.0)
	Employment ('000)	740.1	744.5	762.3	(22.2)
	Employment Rate (%)	69.6	70.1	73.8	(4.2)
	Unemployment ('000)	57.9	57.0	33.0	24.9
	Unemployment Rate (%)	7.3	7.1	4.1	3.2
Edmonton	Working Age Population ('000)	950.2	948.8	926.4	23.8
	Labour Force ('000)	686.9	686.7	669.7	17.2
	Labour Force Participation Rate (%)	72.3	72.4	72.3	0.0
	Employment ('000)	641.0	637.0	641.6	(0.6)
	Employment Rate (%)	67.5	67.1	69.3	(1.8)
	Unemployment ('000)	45.9	49.7	28.1	17.8
	Unemployment Rate (%)	6.7	7.2	4.2	2.5
Alberta	Working Age Population ('000)	2,895.4	2,891.3	2,823.9	71.5
	Labour Force ('000)	2,120.8	2,124.8	2,097.7	23.1
	Labour Force Participation Rate (%)	73.2	73.5	74.3	(1.1)
	Employment ('000)	1,977.3	1,979.0	2,010.1	(32.8)
	Employment Rate (%)	68.3	68.4	71.2	(2.9)
	Unemployment ('000)	143.6	145.7	87.5	56.1
	Unemployment Rate (%)	6.8	6.9	4.2	2.6

Statistics Canada: CANSIM, Table ID: 282-0054

Source: Corporate Economics, Statistics Canada, February 2010

Calgary's Monthly Market Review: January 2010

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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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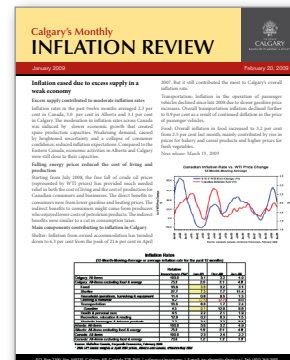
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Source: Statistics Canada

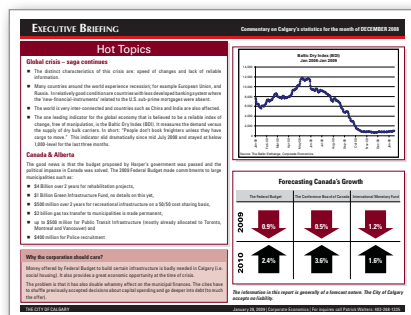
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