

Low natural gas prices dragged Calgary's job market

Job markets across Canada showed little changes in November, reflecting slower than expected growth in the third quarter as a result of lower exports and lower housing investments. Seasonally adjusted data for October 2010 to November 2010 showed the following:

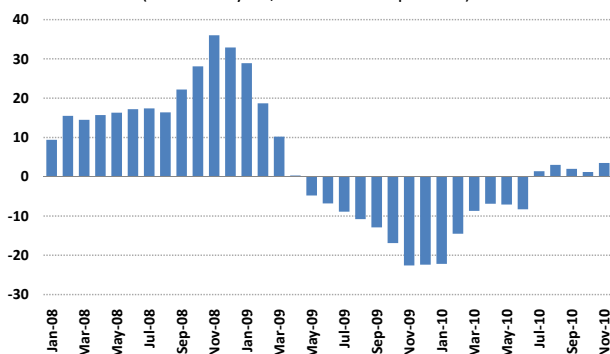
- Total employment was virtually unchanged in the Calgary Economic Region (CER) (+700), Alberta (-2,400) and Canada (+15,000).
- In Canada, the unemployment rate declined to 7.6 per cent in November, mainly due to the withdrawal of youths from the labour market (-40,000 youth labour force month-over-month). Job gains in part-time employment (+26,700) were partially off-set by losses in full-time (-11,500). Most new jobs were created in the services-producing industries (+36,200) except the Professional, Science and Technical Services (PSTS) industry (-22,900).
- The Alberta's unemployment rate edged down to 5.6 per cent, as the labour force declined more (-12,100) than the total employment.

Total employment in Calgary is slowly recovering from losses experienced between April 2009 and June 2010 (see Chart 1). Although firming crude oil prices brought more optimism to the investments in oil sands, prolonged low natural gas prices caused some shut-ins in the natural gas sector and consequently lay-offs in the PSTS, and Mining and Gas and Oil Extraction industries (See Chart 2). According to the unadjusted 3-month-moving-average data, the following year-over-year changes were recorded in the CER in November 2010:

- Total employment increased slightly (+3,500) in the CER, both in part-time (+3,000) and in full-time (+600). The biggest job gains were in the Trade (+12,600) and the largest job losses were in the Other Service (-9,200) and the PSTS (-4,000) industries.
- The unemployment rate declined to 6.1 per cent from 6.9 per cent last year. Average wage inflation was 0.5 per cent in November compared to 3.1 per cent a year ago.
- There were 12,280 Calgarians receiving regular employment insurance benefits in September 2010, down from 18,950 last September.

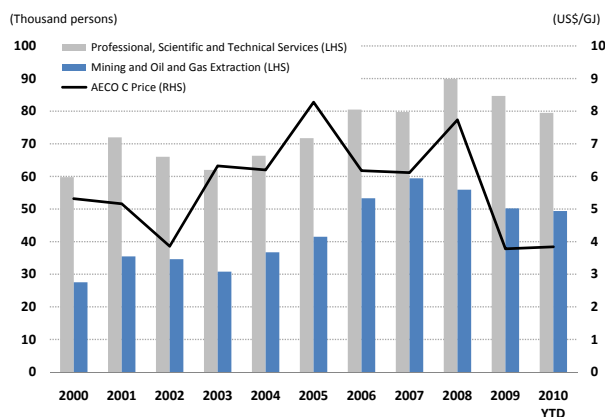
Next update: January 7, 2011

Chart 1. CER Total Employment Changes
(Year-over-year, thousands of persons)



Source: Statistics Canada, Corporate Economics, December 2010

Chart 2. Natural Gas Price vs. CER Employment by Industry



Source: Statistics Canada, Corporate Economics, December 2010

Labour Force Statistics

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

	Description	Nov-10	Oct-10	Nov-09	Annual Change
Calgary	Working Age Population ('000)	1,084.3	1,082.7	1,059.8	24.5
	Labour Force ('000)	799.5	808.5	802.7	(3.2)
	Labour Force Participation Rate (%)	73.7	74.7	75.7	(2.0)
	Employment ('000)	750.9	753.2	747.4	3.5
	Employment Rate (%)	69.3	69.6	70.5	(1.2)
	Unemployment ('000)	48.6	55.3	55.3	(6.7)
	Unemployment Rate (%)	6.1	6.8	6.9	(0.8)
Edmonton	Working Age Population ('000)	966.0	964.7	947.3	18.7
	Labour Force ('000)	685.3	686.1	683.1	2.2
	Labour Force Participation Rate (%)	70.9	71.1	72.1	(1.2)
	Employment ('000)	646.0	643.7	631.6	14.4
	Employment Rate (%)	66.9	66.7	66.7	0.2
	Unemployment ('000)	39.3	42.3	51.5	(12.2)
	Unemployment Rate (%)	5.7	6.2	7.5	(1.8)
Alberta	Working Age Population ('000)	2,943.4	2,939.7	2,886.9	56.5
	Labour Force ('000)	2,131.1	2,146.1	2,123.0	8.1
	Labour Force Participation Rate (%)	72.4	73.0	73.5	(1.1)
	Employment ('000)	2,008.7	2,011.8	1,975.7	33.0
	Employment Rate (%)	68.2	68.4	68.4	(0.2)
	Unemployment ('000)	122.3	134.4	147.3	(25.0)
	Unemployment Rate (%)	5.7	6.3	6.9	(1.2)

Statistics Canada: CANSIM, Table ID: 282-0054

Source: Corporate Economics, Statistics Canada, December 2010



Calgary's Monthly Market Review: November 2010

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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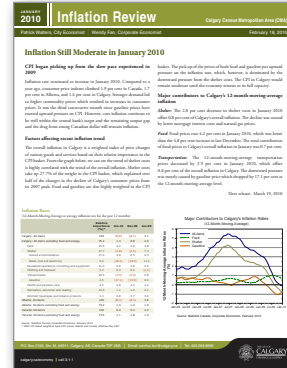
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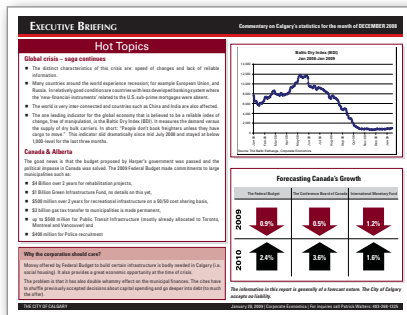
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Corporate Research Analyst: Estella Scruggs

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Source: Statistics Canada

