

Labour Market Review

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July 8, 2011



Recovery on track in the local labour market

Job markets across Canada made modest gains in June, amidst uncertainties in the US and Euro zone economies. The seasonally adjusted data for May 2011 to June 2011 (month-over-month) showed the following:

- Total employment increased in the Calgary Economic Region (CER) (+5,100), Alberta (+22,000) and Canada (+28,400).
- In Canada, 72,600 jobs were created in the employees class, including 50,700 in the public sector and 44,200 in the private sector. In the meantime, the number of self-employed fell by 44,000.
- In Alberta, new jobs were mainly added in full-time positions (+13,200) and the services-producing sector (+27,200). Job losses were mainly in the construction (-12,000) and public administration (-6,500) industries.

The labour market in the CER continued to recover in June 2011, and the total employment is still below its' previous peak in 2008. A full recovery is expected to take place in the rest of this year and the expansion should start next year, if current trend continues (chart 1). Among the major industries, Professional, Scientific and Technical Services led the creation of new jobs, which reflects the overall improvement in Alberta's energy sector. However, the total employment in the Mining, and Oil and Gas Extraction industry continued to decline, due to the

shrinking in conventional reserves (and thus the demand for services for the oil fields) and the prolonged weak natural gas prices is making drilling for conventional natural gas uneconomical.

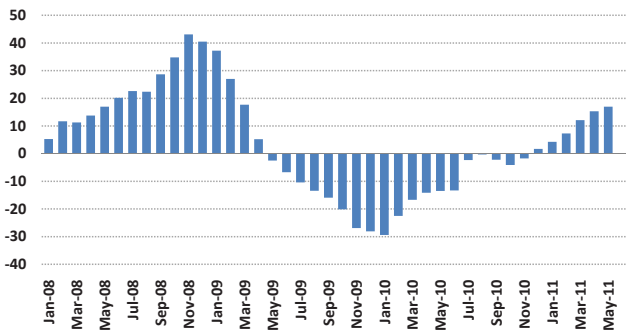
According to the unadjusted 3-month-moving-average data, the following year-over-year changes were recorded in the CER in June 2011:

- Total employment increased by 20,500 positions. The biggest gains were in the professional, scientific and technical services (+10,400), accommodation and food services (+10,400), and health care and social assistance (+7,500) industries (chart 2).
- The total number of unemployed fell to 46,800 persons, and the unemployment rate declined to 5.7 per cent.
- The average wage inflation rate was 1.3 per cent, compared to 0.7 per cent in last June.
- There were 12,060 Calgarians receiving regular employment insurance benefits in April 2011, down 31 per cent from 17,570 in April 2010.

Next update: August 5, 2011

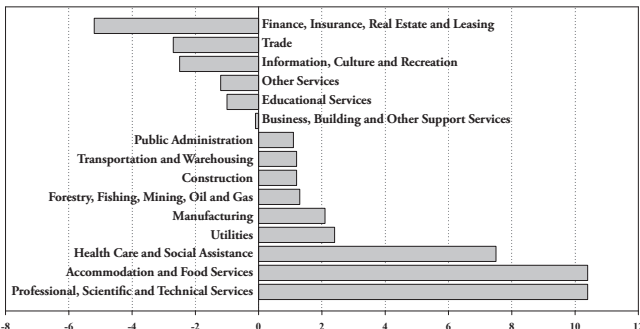
Note: On January 27, 2011, Statistics Canada released a standard revision to its Labour Force Survey estimates following the release of final population estimates from Census 2006, which would affect historical data and future estimates since then.

Chart 1. CER total employment changes (year-over-year, thousands of persons)



Source: Statistics Canada, Corporate Economics, July 2011

Chart 2. CER total employment change by industry (year-over-year, thousands of persons, in June 2011)



Source: Statistics Canada, Corporate Economics, July 2011

Labour Force Statistics

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

| | Description | Jun-11 | May-11 | Jun-10 | Annual Change |
|-----------------------|-------------------------------------|---------|---------|---------|---------------|
| Calgary | Working Age Population ('000) | 1,107.9 | 1,105.7 | 1,087.6 | 20.3 |
| | Labour Force ('000) | 820.8 | 809.1 | 813.3 | 7.5 |
| | Labour Force Participation Rate (%) | 74.1 | 73.2 | 74.8 | (0.7) |
| | Employment ('000) | 774.0 | 761.5 | 753.5 | 20.5 |
| | Employment Rate (%) | 69.9 | 68.9 | 69.3 | 0.6 |
| | Unemployment ('000) | 46.8 | 47.6 | 59.8 | (13.0) |
| | Unemployment Rate (%) | 5.7 | 5.9 | 7.4 | (1.7) |
| | Working Age Population ('000) | 998.1 | 996.4 | 983.3 | 14.8 |
| Edmonton | Labour Force ('000) | 726.9 | 720.3 | 710.3 | 16.6 |
| | Labour Force Participation Rate (%) | 72.8 | 72.3 | 72.2 | 0.6 |
| | Employment ('000) | 687.5 | 679.2 | 659.1 | 28.4 |
| | Employment Rate (%) | 68.9 | 68.2 | 67.0 | 1.9 |
| | Unemployment ('000) | 39.4 | 41.1 | 51.2 | (11.8) |
| | Unemployment Rate (%) | 5.4 | 5.7 | 7.2 | (1.8) |
| Alberta | Working Age Population ('000) | 2,999.7 | 2,994.7 | 2,956.4 | 43.3 |
| | Labour Force ('000) | 2,205.1 | 2,180.8 | 2,172.4 | 32.7 |
| | Labour Force Participation Rate (%) | 73.5 | 72.8 | 73.5 | 0.0 |
| | Employment ('000) | 2,083.6 | 2,056.2 | 2,020.9 | 62.7 |
| | Employment Rate (%) | 69.5 | 68.7 | 68.4 | 1.1 |
| | Unemployment ('000) | 121.5 | 124.6 | 151.5 | (30.0) |
| Unemployment Rate (%) | 5.5 | 5.7 | 7.0 | (1.5) | |

Statistics Canada: CANSIM, Table ID: 282-0054

Source: Corporate Economics, Statistics Canada, July 2011

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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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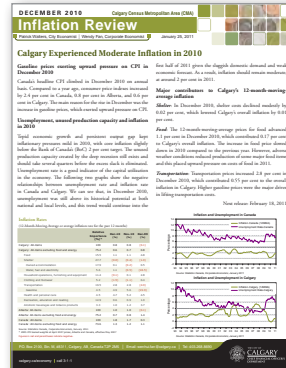
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Many of our publications are available on the internet at www.calgary.ca/economy.

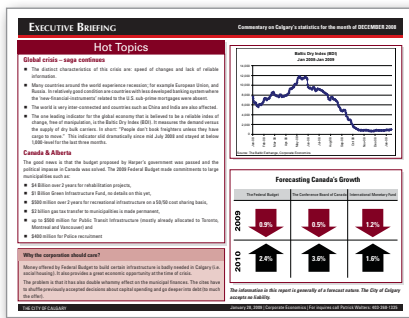
Monthly
Energy Markets and
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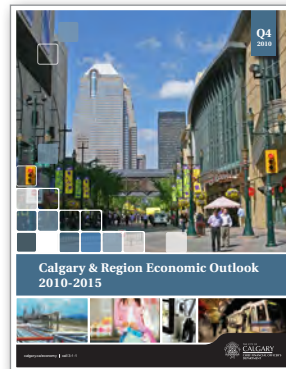
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Corporate Research Analyst: Estella Scruggs

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Source: Statistics Canada