

# Labour Market Review

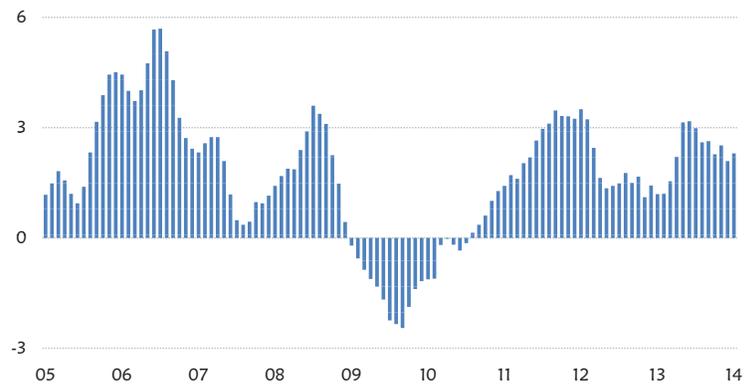
Patrick Walters, City Economist | Estella Scruggs, Corporate Research Analyst

June 6, 2014

The unemployment rate and the number of unemployed remain worse than pre-recession levels. The May 2014 unemployment rate was estimated at 5.4 per cent, up from 5.3 per cent the previous month but up from 4.9 per cent in May 2013. In the twelve month period between May 2013 and May 2014, the increase in the unemployment rate was as a result of employment growing (27,600) more slowly than the labour force (34,400). The labour force was estimated at 894,100 in May 2014. The labour force has increased 3.6 per cent from a 12-month-moving-average of 853,700 in May 2013 to 884,800 in May 2014. Prior to the last recession, the 12-month-moving-average unemployment rate fluctuated between 3 and 4 percent with about 25,000 unemployed persons. The CER is yet to fully recover with the 12-month-moving-average unemployment rate stable at 4.9 percent for more than a year and about 42,000 unemployed persons each month.

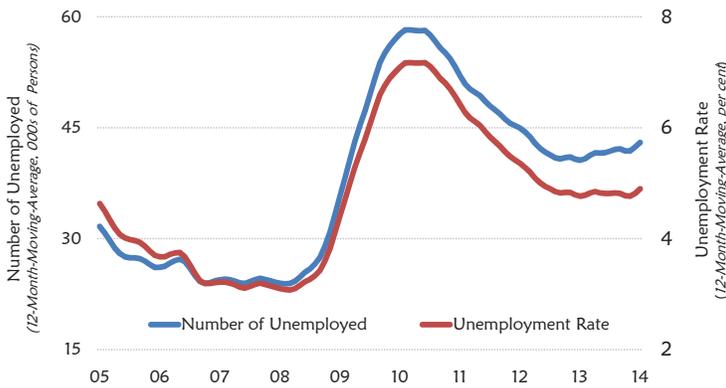
growth between December 2010 and January 2012, followed by slower growth especially in the second half of 2012 through to the first half of 2013. More recently, there was accelerated job growth in the second half of 2013 which has started to wane in the first half of 2014.

**Chart 2. Growth in employed**  
(12-Month-Moving-Average, 000s of Persons)



Sources: Statistics Canada, Corporate Economics, June 2014

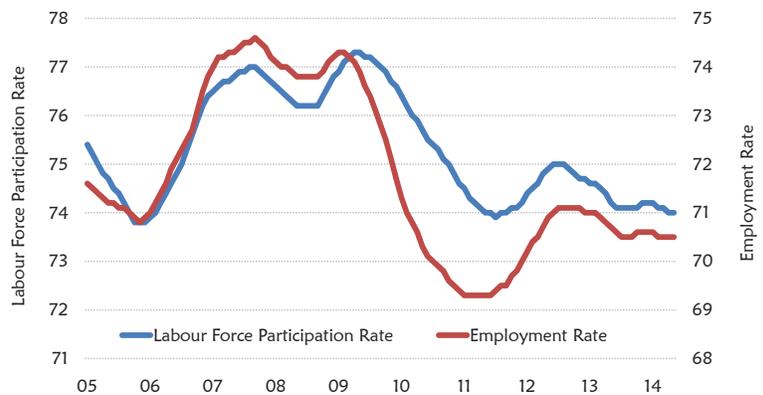
**Chart 1. Number of unemployed and unemployment rate**  
(May 2005 to May 2014)



Sources: Statistics Canada, Corporate Economics, June 2014

Prior to the last recession, the 12-month-moving-average for the labour force participation and employment rates fluctuated around 77 per cent and 74 per cent respectively. Both indicators are still below their pre-recession peaks.

**Chart 3. Labour force participation rate and employment rate**  
(per cent)



Sources: Statistics Canada, Corporate Economics, June 2014

After accelerated job growth in the second half of 2013, deceleration in job growth has been a feature of the first half of 2014. Total employment in the CER was estimated at 845,400 in May 2014 up from 817,800 in May 2013. The working age population was estimated at 1,215,000 in May 2014, up from 1,168,600 in May 2013. Consequently, the employment rate has fallen from 70.0 per cent in May 2013 to 69.6 per cent in May 2014. The 12-month-moving-average number of employed persons estimated at 841,800 was up 3.5 per cent from 813,200 at the same time in 2013 – higher than 1.0 per cent for Canada and 3.3 per cent for Alberta. Full-time employment was estimated at 703,700 and part-time employment at 141,800. Full-time employment increased 14,400 and part-time employment by 13,300 year-over-year. Immediately following the recession there was accelerated job

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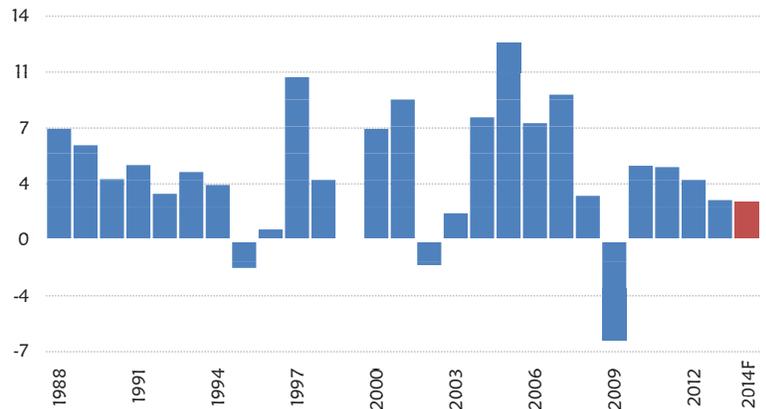
Patrick Walters, *City Economist* | Estella Scruggs, *Corporate Research Analyst*

June 6, 2014

**Wages are on track to grow more slowly in 2014 easing cost pressures on employers.** The average annual wages and salaries per employee has been increasing more slowly in recent years and is forecasted (by the Conference Board of Canada) to increase by an even slower rate of 2.4 per cent in 2014. Data from the first half of 2014 has been less promising for wage growth. The average weekly wage rate of \$1,093 is down from \$1,099 in April 2014 and from \$1,107 in May 2013. Monthly estimates of the average weekly wage rates in 2014 have been lower than the \$1,101 average for all of 2013.

*Next update: July 11, 2014*

**Chart 4. Growth wages and salaries per Calgary employee**  
(per cent)



Sources: Statistics Canada, Corporate Economics, June 2014

## Who We Are

Corporate Economics provides services in four areas: forecasting, information provision, policy analysis and consulting. We also monitor the current economic trends which allows us to develop unique insights on how external events are impacting the local economy and the Municipal government. We are experienced at researching different economic topics and have developed reliable methods of forecasting and analysis.

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Sources: Statistics Canada, Corporate Economics.