

Labour Market Review

Ivy Zhang, Senior Corporate Economist | Patrick Walters, City Economist

July 8, 2016

Highlights: June's Labour Force Survey for the Calgary Economic Region (CER) and Calgary Census Metropolitan Area (CCMA) shows the following:

- In June, total employment in the CER increased by (+3,500) persons, partially offset by cuts in part-time positions (-2,200). Year-over-year, the region's total employment declined by 35,500 persons, mainly due to cuts in 33,300 full-time jobs.
- The unemployment rate was 8.5 per cent in the CER, compared to 8.4 per cent in May and 6.1 per cent in June 2015. The supplementary unemployment rate for those unemployed one year or more continued to increase in Alberta, in contrast to trends elsewhere in Canada (Chart 1).
- The average weekly wage rate in the Calgary CMA increased by \$29 year-over-year, from \$1,125 last June to \$1,154 this June. Among major industries, Construction (+\$136), Mining, oil and gas extraction (+\$102), and Health care and Services (+\$86) saw the biggest gains in wage increase. However, the total wage bills decreased (-\$32 million) in the region due to continued job cuts (Table 1).
- The number of people receiving regular employment insurance (EI) benefits in the Calgary CMA increased to 22,030 in April 2016, from 21,820 in March 2016 and 13,840 persons the same time last year (Chart 2).

Since summer 2015, the supplementary unemployment rate for those unemployed one year or more in the CER has increased steadily, this is in sharp contrast to the trends in other provinces in Canada (Chart 1). People who were laid off from Alberta's oil patch and support industries are experiencing difficulties in finding employment in a low energy price – low investment environment, while the labour markets in Ontario and BC are benefiting from renewed economic growth in the U.S.

Meanwhile, the growth of EI beneficiaries in the Calgary CMA has decelerated (Chart 2). It may be a sign of bottoming out of the downturn, if the pattern in 2009 recession holds. Eight months after employment peaked in November 2008, the number of Calgarians receiving EI benefits also peaked in July 2009. Since then the EI beneficiaries declined steadily and the total employment resumed growth in fifteen months. However, this time the deceleration of EI beneficiaries in the region could be driven by those long-term unemployed running out of EI benefit durations.

Chart 1. Supplementary Unemployment Rate: Unemployed One Year or More
(12 month moving average, per cent)

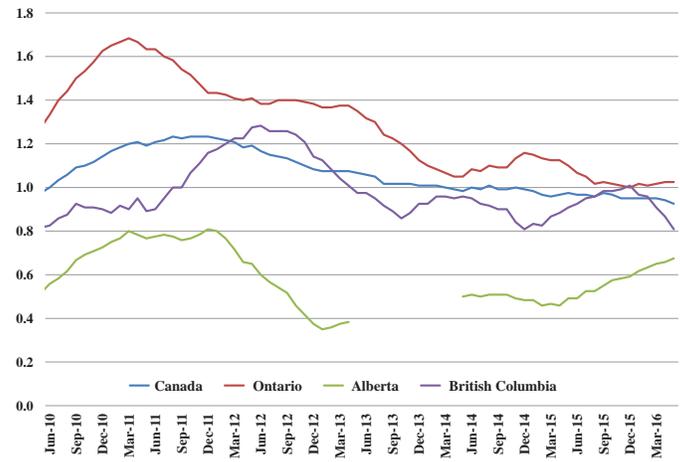
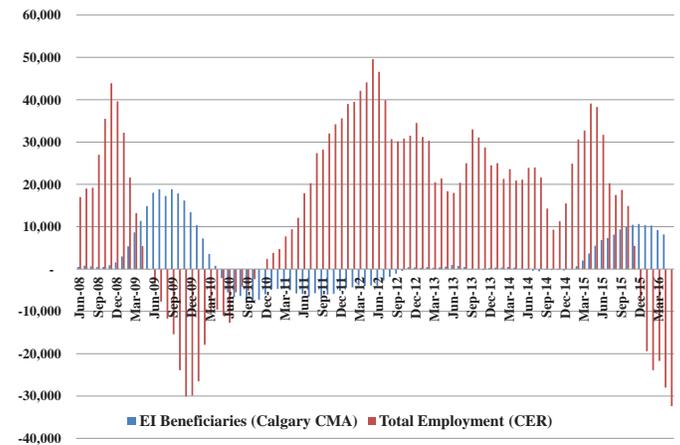


Chart 2. Change of Total Employment and EI Beneficiaries
(year-over-year change, person)



Sources: Statistics Canada, Corporate Economics, July, 2016

Table 1 on next page →

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Table 1. Calgary CMA Wage by Industry

Industry	Total employment ('000 persons)			Average weekly earning (\$)			Total weekly bills (\$million)		
	Jun-2016	Jun-2015	Change	Jun-2016	Jun-2015	Change	Jun-2016	Jun-2015	Change
Mining, quarrying, and oil and gas extraction	48.0	53.7	(5.7)	2,030	1,894	136	97	102	(4)
Utilities	7.4	8.8	(1.4)	1,926	1,490	436	14	13	1
Construction	56.0	57.4	(1.4)	1,367	1,264	102	77	73	4
Manufacturing	38.9	43.3	(4.4)	1,174	1,187	(13)	46	51	(6)
Wholesale Trade	23.1	29.3	(6.2)	1,379	1,247	133	32	37	(5)
Retail Trade	82.0	77.9	4.1	690	735	(45)	57	57	(1)
Transportation and Warehousing	40.2	52.6	(12.4)	1,117	1,219	(102)	45	64	(19)
Information and Cultural Industries	10.1	11.4	(1.3)	1,280	1,025	256	13	12	1
Finance and Insurance	29.7	24.3	5.4	1,154	1,190	(37)	34	29	5
Real Estate Rental and Leasing	5.5	9.7	(4.2)	1,207	886	321	7	9	(2)
Professional Scientific and Technical Services	61.7	61.5	0.2	1,509	1,579	(71)	93	97	(4)
Administrative and Support	23.1	19.9	3.2	875	767	107	20	15	5
Educational Services	51.3	45.1	6.2	1,210	1,154	56	62	52	10
Health Care and Social Assistance	77.1	87.1	(10.0)	1,083	997	86	84	87	(3)
Arts Entertainment and Recreation	17.1	18.0	(0.9)	641	714	(73)	11	13	(2)
Accommodation and Food Services	47.2	57.3	(10.1)	483	507	(25)	23	29	(6)
Other Services(except Public Admin)	27.1	31.6	(4.5)	854	920	(65)	23	29	(6)
Public Administration	22.6	24.8	(2.2)	1,542	1,425	117	35	35	(0)
All Industries	668.9	714.7	(45.8)	1,154	1,125	29	772	804	(32)

Sources: Statistics Canada, Corporate Economics, July 2016
 Note: lack of data for Agriculture

Next update: August 5, 2016

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1 Data used in this report for the CER and CCMA is 3-month-moving-average, not seasonally adjusted.

2 In addition to the official unemployment rate, Statistics Canada also provides supplementary unemployment measures which shed further light on the degree of labour market slack and the extent of hardship associated with joblessness.

Sources: Statistics Canada, Corporate Economics.