

Labour Market Review

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Calgary's Labour Market Still One of the Most Active in Canada

Highlights: Statistics Canada's January Labour Force Survey¹ for the Calgary Economic Region (CER) and Calgary Census Metropolitan Area (CCMA) shows the following:

- Total employment in the CER was virtually unchanged (-1,300) from a month ago, and increased by 20,100 from a year ago. Year-over-year, the job growth was concentrated in part-time (+14,900) positions and in service-producing industries (+33,900).

- In January 2017, the unemployment rate was 9.5 per cent in the CER, compared to 8.5 per cent in Alberta and 6.6 per cent in Canada. The average weekly wage rate in the Calgary CMA was \$1,133, up by 0.8 per cent from January 2016; the total weekly wage bills for the CMA increased by \$26 millions.

- In November 2016, the number of employment insurance (EI) recipients in the CMA was 32,470 persons, up by 59 per cent from November 2015.

The economic downturn in Calgary has seen massive job cuts in major industries over the past two years. Among the hardest hit industries were Construction, Mining and Oil and Gas Extraction (MOGE), and Professional, Scientific and Technical Services (PSTS). All three industries lost jobs in 2015. However, in 2016 those industries with the exception of MOGE gained back the lost jobs (Chart 1). This is a sign of recovery in the region.

Despite the high unemployment rate, the CER still has one of the most active labour markets in Canada. It has a higher labour participation rate² (74.6 per cent) and employment rate³ (67.4 per cent) than the national averages of 65.4 per cent and 61.2 per cent, respectively. Because of its high employment growth, the CER has surpassed Montréal and Hamilton-Niagara Peninsula over the past fifteen years and became the fourth largest employment centre in Canada (Chart 2). The CER now ranks behind Toronto, Vancouver (Lower Mainland-Southwest) and Montreal as the fourth largest job market in Canada.

The recently released 2016 federal census showed Calgary (1,239,220) became the third largest municipalities in Canada with more than a million people behind Toronto (2.7 million) and Montreal (1.7 million) in 2016. Calgary's rapid population growth is linked directly to a healthy job market which acts as a strong attractor for migrants.

Chart 1 Annual Employment Change by Industry

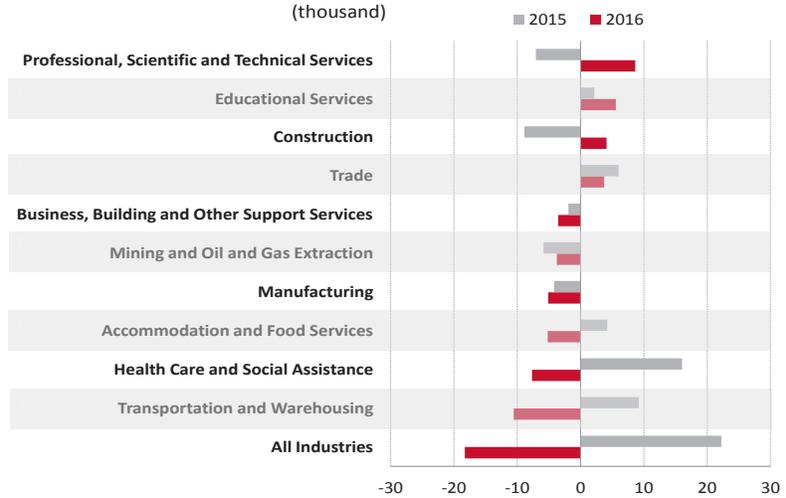
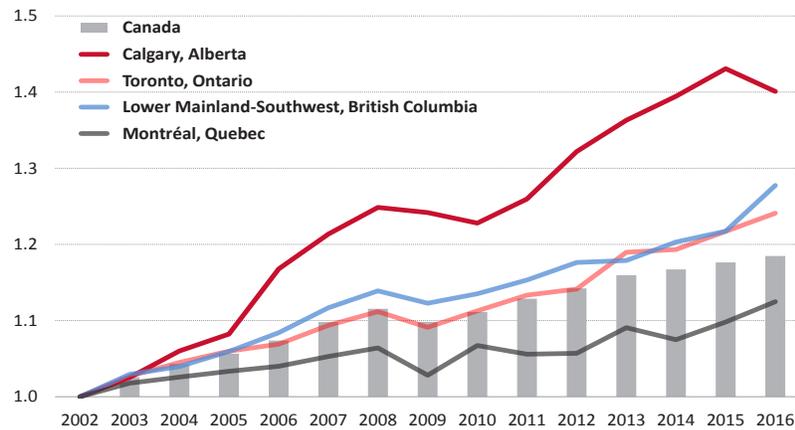


Chart 2 Total Employment Growth in Top Four Economic Regions (Index 2002=1)



Sources: Statistics Canada, Corporate Economics, February 2017

Table 1 Labour Force Statistics

(Seasonally unadjusted 3-month moving average)

	Description	Jan-17	Dec-16	Jan-16	Annual Change
CALGARY ECONOMIC REGION	Working Age Population ('000)	1,297.1	1,296.1	1,279.6	17.5
	Labour Force ('000)	963.5	966.3	921.5	42.0
	Labour Force Participation Rate (%)	74.3	74.6	72.0	2.3
	Employment ('000)	871.8	873.1	851.7	20.1
	Employment Rate (%)	67.2	67.4	66.6	0.6
	Unemployment ('000)	91.7	93.2	69.8	21.9
	Unemployment Rate (%)	9.5	9.6	7.6	1.9

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	Description	Jan-17	Dec-16	Jan-16	Annual Change
Alberta	Working Age Population ('000)	3,409.8	3,408.7	3,379.2	30.6
	Labour Force ('000)	2,461.5	2,463.8	2,439.5	22.0
	Labour Force Participation Rate (%)	72.2	72.3	72.2	0.0
	Employment ('000)	2,251.5	2,264.9	2,269.8	(18.3)
	Employment Rate (%)	66.0	66.4	67.2	(1.2)
	Unemployment ('000)	210.1	198.9	169.7	40.4
	Unemployment Rate (%)	8.5	8.1	7.0	1.5

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Table 2 Calgary CMA Wage by Industry

Industry	Total employment ('000 persons)			Average weekly earning (\$)			Total weekly bills (\$million)		
	Jan-17	Jan-16	Change (y/y)	Jan-17	Jan-16	Change (y/y)	Jan-17	Jan-16	Change (y/y)
Mining, quarrying, and oil and gas extraction	46.2	47.3	(1.1)	1,963.1	1,816.5	146.6	90.7	85.9	4.8
Utilities	9.3	8.5	0.8	1,808.5	1,823.4	(14.9)	16.8	15.5	1.3
Construction	42.4	53.9	(11.5)	1,277.1	1,302.3	(25.1)	54.1	70.2	(16.0)
Manufacturing	39.3	38.4	0.9	1,150.2	1,172.8	(22.6)	45.2	45.0	0.2
Wholesale Trade	26.4	23.8	2.6	1,340.3	1,284.1	56.2	35.4	30.6	4.8
Retail Trade	86.4	75.5	10.9	635.9	657.5	(21.6)	54.9	49.6	5.3
Transportation and Warehousing	48.1	40.9	7.2	1,324.3	1,073.9	250.4	63.7	43.9	19.8
Information and Cultural Industries	11.5	12.9	(1.4)	1,249.6	972.9	276.6	14.4	12.6	1.8
Finance and Insurance	20.0	25.9	(5.9)	1,291.7	1,352.9	(61.2)	25.8	35.0	(9.2)
Real Estate Rental and Leasing	10.4	10.5	(0.1)	1,112.4	1,351.4	(238.9)	11.6	14.2	(2.6)
Professional Scientific and Technical Services	66.3	63.1	3.2	1,483.5	1,608.1	(124.6)	98.4	101.5	(3.1)
Administrative and Support	20.1	19.6	0.5	978.1	839.7	138.4	19.7	16.5	3.2
Educational Services	48.1	48.8	(0.7)	1,160.9	1,069.5	91.4	55.8	52.2	3.6
Health Care and Social Assistance	81.8	78.0	3.8	1,048.7	1,058.6	(9.8)	85.8	82.6	3.2
Arts Entertainment and Recreation	16.9	17.4	(0.5)	576.7	654.7	(78.0)	9.7	11.4	(1.6)
Accommodation and Food Services	48.0	49.0	(1.0)	501.4	482.2	19.3	24.1	23.6	0.4
Other Services(except Public Admin)	36.2	24.0	12.2	783.0	875.8	(92.8)	28.3	21.0	7.3
Public Administration	23.6	25.2	(1.6)	1,588.6	1,352.4	236.1	37.5	34.1	3.4
All Industries	682.3	664.5	17.8	1,133.8	1,124.5	9.3	773.6	747.2	26.3

Sources: Statistics Canada, Corporate Economics, February 2017

Note: lack of data for Agriculture

Next update: March 10, 2017

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

² Participation rate is the total labour force (employed+ unemployed but actively looking for a job) as a percentage of the working age population (15+).

³ The employment rate is the number of persons employed as a percentage of the total population aged 15 and over.