

Labour Market Review

September 2024

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Highlights

September 2024

Total Employment **September 2024** from August 2024 from September 2023
 Calgary Economic Region
 (Seasonally unadjusted 3-month-moving-average)
1,004,100 ▼2,900 ▲20,700

Unemployment Rates

	Sept. 2024	Sept. 2023
Canada	6.5%	5.6%
Alberta	7.5%	5.5%
Calgary Census Metropolitan Area*	7.4%	5.9%
Calgary Economic Region*	7.2%	6.0%

*3-month-moving-average

Average Wage Rates

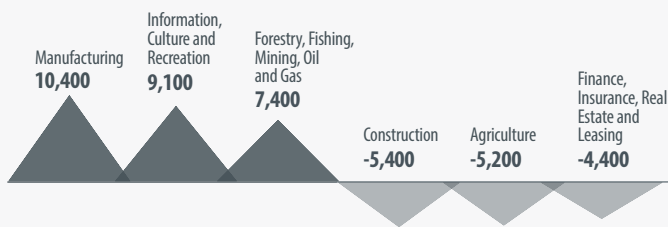
Calgary Census Metropolitan Area
 September 2024, year-over-year change
Hourly ▲5.4% **Weekly ▲5.9%**

Employment Insurance

Calgary Census Metropolitan Area
July 2024
16,710
 recipients

Most Job Gains and Job Losses by Industry

September 2024, year-over-year change



Calgary recorded a 7.2 per cent unemployment rate in September.

The Calgary Economic Region (CER) three-month moving average unemployment rate¹ for September 2024 rose to 7.2 per cent, marking a substantial rise of 1.2 percentage points compared to the same period last year (September 2023). The labour force² in the CER expanded by 3.5 per cent in September 2024 year-over-year (y-o-y), while employment saw a much slower growth rate of 2.1 per cent. The participation rate, a vital indicator of the labour force, fell by 1.0 percentage point y-o-y to 71.0 per cent in September 2024.

Full-time jobs continue to slump while job seekers are being forced to accept part-time work.

Employers have cut back on hiring as they contend with higher interest rates and a generally tougher business environment. Calgary's (CER) labour market added a modest 20,700 jobs for September 2024. However, most of these job positions were primarily concentrated in part-time work. Full-time positions grew by 1.0 per cent y-o-y (7,900 jobs), while part-time positions grew by 8 per cent (12,900 jobs). Employment driven by part-time jobs further indicates weaknesses in the labour market, as many part-time workers work involuntarily. In other words, these part-time workers have only accepted part-time work due to the challenges of securing a full-time job and are still active in the job market.

Industries that primarily hire part-time workers drove modest job growth. The services-producing sector grew by 11,500 y-o-y, led by Information, Culture and Recreation (+9,100) and Health Care and Social Assistance (+4,500). This marks a 1.5 per cent y-o-y job growth rate for the services industry for September 2024. Within the goods-producing industry, the oil and gas industry has seen a steady improvement in job growth.

More demanding labour market conditions have disproportionately affected younger cohorts and new graduates.

Chart 9 shows the unemployment rates by age cohort for the CER. Unemployment rates among younger cohorts and new graduates within the

age group of 20-24 have risen significantly relative to other age groups. More specifically, the unemployment rate among young people within this age group has risen significantly from 7.0 per cent in September 2023 to 12 per cent in September 2024. One of the reasons for this trend is younger cohorts are more vulnerable to economic slowdowns due to fewer years of work experience. In addition, a significant proportion of the population growth spike is occurring among younger cohorts.

Edmonton and Toronto have the highest unemployment rates among major cities in Canada.

The Edmonton Census Metropolitan Area (CMA) and Toronto CMA currently have the highest unemployment rates among major cities in Canada, both recording unemployment rates above 8 per cent in September 2024 (refer to chart 2). The Calgary CMA seasonally-adjusted unemployment fell for the third consecutive month, from 7.5 per cent in August 2024 to 7.4 per cent in September 2024.

The slight ease in the Calgary CMA unemployment rate does not mean all is well, as a downward trend in participation rates has primarily driven this trend. The Calgary CMA's participation rates fell for the fourth consecutive month, from 72.8 per cent in May 2024, to 70.8 in September 2024.

Alberta is investing millions of dollars to address labour market imbalances.

The Government of Alberta is investing approximately \$1.2 million over the next three years to address skills mismatches and help employers and labour force participants succeed in the labour market. This investment is being used to fund the new Alberta Centre for Labour Market Research. The centre will operate out of the University of Alberta. It will look to understand labour market trends, guide policymakers, and provide insights and recommendations valuable to Albertans. The centre forms part of the Alberta at Work initiative, designed to enhance the latest labour market trends and knowledge available to Albertans. The initiative is a long-term provincial program totalling over \$700 million towards helping Albertans develop new skills and grow their careers.

The federal government has announced stricter regulations on study permits and the postgraduate worker program.

The Government of Canada has announced plans to reduce the size of its temporary worker programs and place more priority on programs that help address worker shortages in targeted industries. One of these plans is to reduce the number of international study permits issued from 485,000 in 2024 to 437,000 in 2025, marking a 10 per cent reduction.

In addition, the automatic issue of open work permits to spouses of undergraduate students has also been put on hold. For graduate students, eligibility for spousal work permits only applies to programs more than 16 months in duration and requires the provision of a Provincial Attestation Letter. Also, post-graduate work permit (PGWP) applicants must pass the Canadian Language Benchmark. This policy is expected to decrease the number of permits issued by 175,000.

Wage growth in Calgary has outpaced living cost growth over the past few months.

Statistics Canada's recently released Consumer Price Index (CPI) data showed inflation for August 2024 fell month-over-month (m-o-m) to 2.3 per cent. At the national level, inflation saw a fall from 2.5 per cent in July 2024 to 2.0 per cent in August 2024. This marks a significant milestone as the Bank of Canada hit its 2.0 per cent inflation target after months of interest rate hikes to tame inflationary pressures. Since June, the central bank has cut its benchmark interest rate three times, softening economic pressures.

The real average hourly wage for the Calgary CMA rose from \$21.2 in August 2023 to \$22.5 in August 2024, marking a 5.9 per cent y-o-y growth. This trend will continue as higher unemployment and per-capita GDP declines reinforce lower inflationary expectations.

¹ All statistics referenced are seasonally unadjusted unless stated otherwise.

² All growth or changes referenced are year-over-year (y-o-y) unless stated otherwise.

Chart 1: CER Aggregate Labour Market Summary
Year-Over-Year Comparisons (000's)

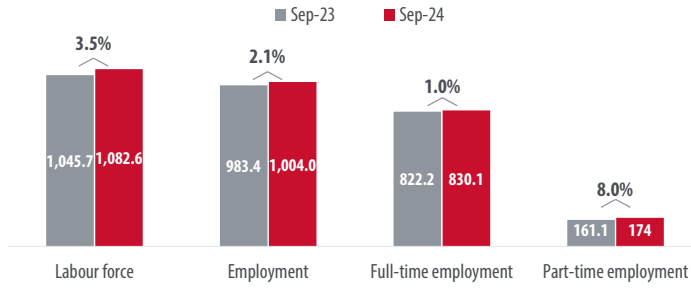


Chart 6: Calgary CMA wages have stayed flat over the past three months

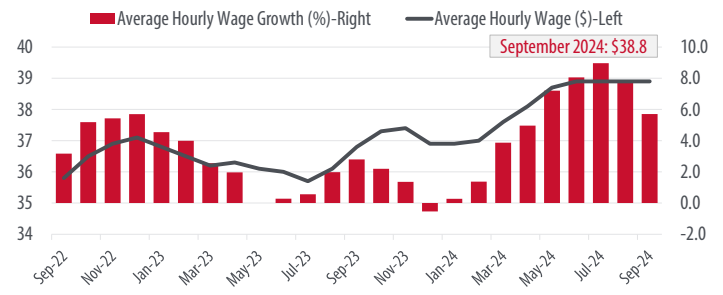


Chart 2: Calgary's unemployment rate fell month-over-month

Seasonally-Adjusted Unemployment Rate Comparison Between Major CMAs in Canada (%)

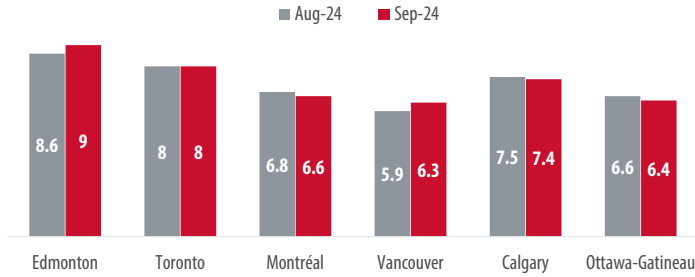


Chart 7: Calgary's wage growth is outpacing living cost growth

Inflation and Average Hourly Wage Y-o-Y Growth for the Calgary CMA (%)

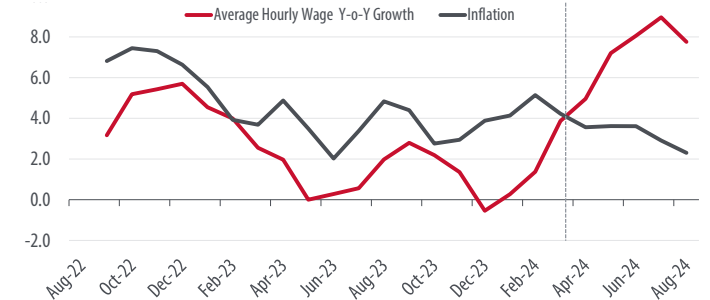


Chart 3: Growth in the CER's goods and services sector has been modest

CER Employment indexed to September 2023

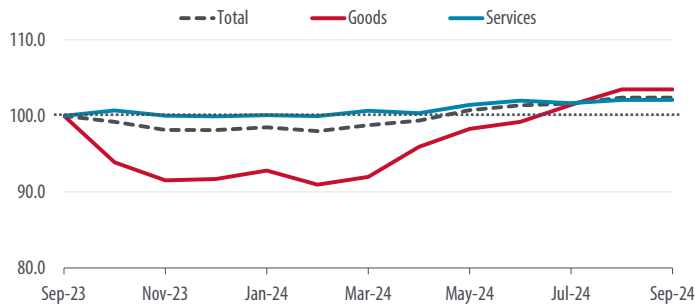


Chart 8: Employment among younger cohorts has seen an upward trend

CER Employment by Age Cohort Indexed to September 2023

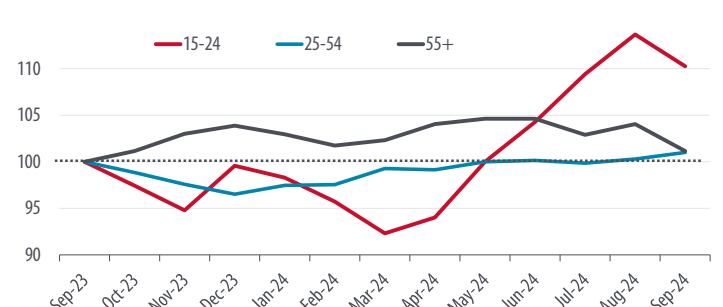


Chart 4: Employment in Manufacturing and Oil and Gas is up compared to last year

Year-Over-Year Changes In CER Employment By Industry September 2024 (000's)

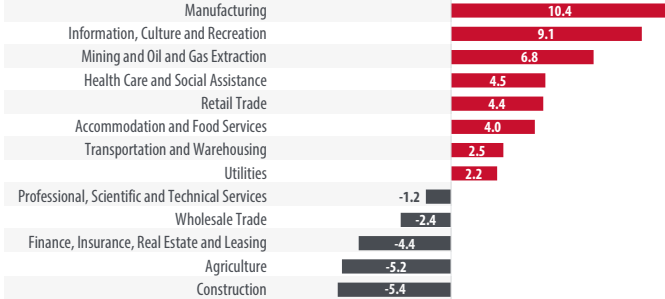


Chart 9: Younger cohorts and new graduates are being disproportionately affected by labour market challenges

(Unemployment Rate by Age-Cohorts)

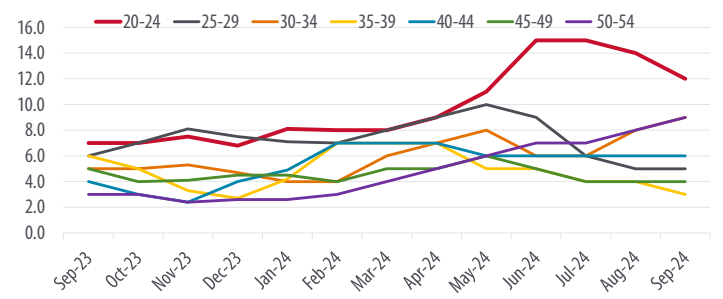


Chart 5: Average hourly wages in Calgary have stayed flat over the last three months

Average Hourly Wages By Census Metropolitan Area (CMA) Indexed To September 2023

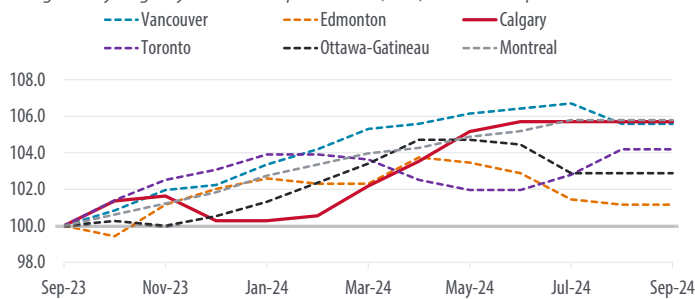


Chart 10: Underemployment across the province is still up compared to last year

Involuntary Part-Time Employment (000's)-Alberta



Table 1. Labour Force Statistics
(Seasonally unadjusted 3-month-moving-average)

CALGARY ECONOMIC REGION	Description	Sep-24	Aug-24	Sep-23	Annual Change
	Working Age Population ('000)	1,529.4	1,522.3	1,454.4	75.0
Labour Force ('000)	1,082.6	1,087.7	1,045.7	36.9	
Labour Force Participation Rate (%)	70.8	71.5	71.9	(1.1)	
Employment ('000)	1,004.1	1,007.0	983.4	20.7	
Employment Rate (%)	65.7	66.1	67.6	(1.9)	
Unemployment ('000)	78.4	80.7	62.3	16.1	
Unemployment Rate (%)	7.2	7.4	6.0	1.2	

ALBERTA	Description	Sep-24	Aug-24	Sep-23	Annual Change
	Working Age Population ('000)	3,959.0	3,942.0	3,780.0	179.0
Labour Force ('000)	2,755.2	2,762.6	2,647.3	107.9	
Labour Force Participation Rate (%)	69.6	70.1	70.0	(0.4)	
Employment ('000)	2,551.3	2,560.4	2,490.7	60.6	
Employment Rate (%)	64.4	65.0	65.9	(1.5)	
Unemployment ('000)	203.9	202.2	156.6	47.3	
Unemployment Rate (%)	7.4	7.3	5.9	1.5	

Sources: Statistics Canada, Corporate Economics, October 11, 2024

Table 2. Calgary CMA Wage by Industry

Industry	Total employees*** ('000 people)			Average weekly earning (\$)			Total weekly wage bill (\$million)			Total hours worked (hours)		
	Sep-24	Sep-23	Change (y/y)	Sep-24	Sep-23	Change (y/y)	Sep-24	Sep-23	Change (y/y)	Sep-24	Sep-23	Change (y/y)
Mining, Quarrying, and Oil and Gas Extraction	47.4	39.9	7.5	2,941.1	2,446.7	494.4	139.4	97.6	41.8	40.9	42.4	(1.5)
Utilities	8.7	6.6	2.1	2,114.8	1,974.0	140.8	18.4	13.0	5.4	38.5	41.0	(2.5)
Construction	74.8	73.9	0.9	1,648.9	1,588.0	60.9	123.3	117.4	6.0	41.7	42.2	(0.5)
Manufacturing	51.6	42.6	9.0	1,324.2	1,394.6	(70.4)	68.3	59.4	8.9	39.2	40.2	(1.0)
Wholesale Trade	29.2	25.5	3.7	1,553.7	1,574.2	(20.5)	45.4	40.1	5.2	39.6	38.2	1.4
Retail Trade	89.4	84.8	4.6	856.9	849.6	7.3	76.6	72.0	4.6	34.3	33.3	1.0
Transportation and Warehousing	53.5	52.5	1.0	1,514.6	1,380.5	134.1	81.0	72.5	8.6	37.8	37.3	0.5
Information and Cultural Industries	11.6	14.8	(3.2)	1,464.5	1,225.6	238.9	17.0	18.1	(1.2)	38.9	36.8	2.1
Finance and Insurance	28.5	35.9	(7.4)	1,885.8	1,985.7	(99.9)	53.7	71.3	(17.5)	38.6	38.6	0.0
Real Estate Rental and Leasing	12.4	11.0	1.4	1,811.1	1,367.7	443.4	22.5	15.0	7.4	35.8	38.6	(2.8)
Professional Scientific and Technical Services	101.9	96.4	5.5	1,970.6	1,863.0	107.6	200.8	179.6	21.2	39.4	39.1	0.4
Administrative and Support	24.1	28.1	(4.0)	1,195.8	1,051.1	144.7	28.8	29.5	(0.7)	39.7	38.4	1.4
Educational Services	51.2	45.6	5.6	1,364.7	1,298.1	66.6	69.9	59.2	10.7	35.5	33.9	1.6
Health Care and Social Assistance	109.4	101.6	7.8	1,288.6	1,122.8	165.8	141.0	114.1	26.9	35.0	33.4	1.6
Arts Entertainment and Recreation	26.3	17.0	9.3	744.4	717.5	26.9	19.6	12.2	7.4	31.3	27.5	3.8
Accommodation and Food Services	55.3	53.1	2.2	630.2	617.6	12.6	34.9	32.8	2.1	29.4	30.9	(1.4)
Other Services (except Public Admin)	20.7	27.6	(6.9)	977.5	1,161.4	(183.9)	20.2	32.1	(11.8)	35.3	37.6	(2.3)
Public Administration	23.8	30.5	(6.7)	1,681.8	1,708.9	(27.1)	40.0	52.1	(12.1)	36.6	38.5	(1.9)
All Industries	822.9	790.6	32.3	1,462.3	1,380.2	82.1	1,203.3	1,091.2	112.1	37.7	37.5	0.2

*** Excluding self-employed *Note: lack of data for Agriculture*
Sources: Statistics Canada, Corporate Economics, October 11, 2024

Next update: November 8, 2024

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