

## Weaker Economic Growth Constrained Labour Market

The Canadian job market after experiencing strong performances by adding 394,000 new jobs in recent months, appears to have entered a much slower phase. The anaemic growth in the US job market and consumer spending constrained further improvements in the Canadian economy and job market. Seasonally adjusted data show that from June 2010 to July 2010:

- Total employment increased by 9,300 in the Calgary Economic Region (CER), 8,800 in Alberta, and was relatively unchanged in Canada (-9,300).
- In Canada, job losses were in full-time (-139,000) and service-producing sector (-51,300), while gains were in part-time (+129,700) and the goods-producing sector (+42,000). Manufacturing added 28,500 jobs, the largest gain of the industry in two years.
- In Alberta, job losses in full-time (-13,000) were more than offset by gains in part-time (+21,700).

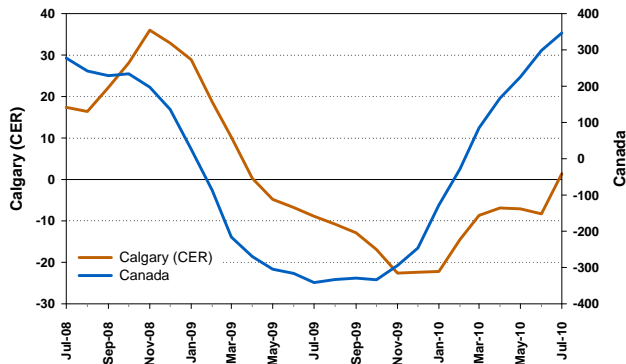
Employment changes in Calgary continue to lag changes in the rest of Canada (See Chart 1). Calgary labour market gained y-o-y 1,400 jobs in July. This brings to an end fourteen months of consecutive job losses. Although the local market recovered some jobs lost during the recession, people are still feeling the pain of unemployment. Among those who were

hit hardest were people in the 15-19, 20-24 and 60-64 age groups (See Chart 2). According to the unadjusted 3-month-moving-average data, the following year-over-year changes were recorded in the CER in July 2010:

- Total employment increased by 1,400 positions in the CER. Unemployment rate declined to 6.8 per cent. Average wage inflation in the CMA was 0.9 per cent, compared to 4.9 per cent a year ago.
- Compared to two years ago, the unemployment rates in July 2010 doubled for all age groups (age 15+), tripled for the 20-24 and 50-54 age groups, and went from negligible to 4 to 8 per cent for the 30-34, 45-49 and 55-64 age groups.
- The labour force participation rate for all age groups (ages 15+) declined 1.9 percentage points from July 2008 to July 2010 due to discouraged job seekers dropping out of labour force. However, higher participation rates were observed in the 20-24 (+2.9%) and 60-64 (+6.7%) age groups over the same period. People in these age groups may have fewer options because of the lack of alternatives to labour incomes.
- There were 15,900 Calgarians receiving regular employment insurance benefits in May 2010, down 13.7 per cent from 18,420 a year ago.

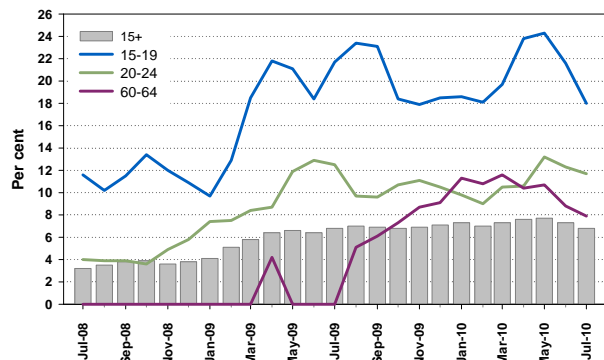
Next update: September 10, 2010

Chart 1. Employment Growth: Calgary (CER) vs. Canada  
(Year-over-year, July 2008 - July 2010, thousands of persons)



Source: Statistics Canada, Corporate Economics, August 2010

Chart 2. Calgary Unemployment Rate by Age  
(July 2008 - July 2010, per cent)



Source: Statistics Canada, Corporate Economics, August 2010

### Labour Force Statistics

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

Region	Description	Jul-10	Jun-10	Jul-09	Annual Change
Calgary	Working Age Population ('000)	1,076.0	1,073.7	1,049.6	26.4
	Labour Force ('000)	816.9	804.7	814.6	2.3
	Labour Force Participation Rate (%)	75.9	74.9	77.6	(1.7)
	Employment ('000)	761.0	745.6	759.6	1.4
	Employment Rate (%)	70.7	69.4	72.4	(1.7)
	Unemployment ('000)	55.9	59.0	55.0	0.9
	Unemployment Rate (%)	6.8	7.3	6.8	0.0
Edmonton	Working Age Population ('000)	959.4	957.7	939.4	20.0
	Labour Force ('000)	693.0	692.8	698.3	(5.3)
	Labour Force Participation Rate (%)	72.2	72.3	74.3	(2.1)
	Employment ('000)	644.0	642.8	646.7	(2.7)
	Employment Rate (%)	67.1	67.1	68.8	(1.7)
	Unemployment ('000)	49.0	49.9	51.5	(2.5)
	Unemployment Rate (%)	7.1	7.2	7.4	(0.3)
Alberta	Working Age Population ('000)	2,923.7	2,918.2	2,863.1	60.6
	Labour Force ('000)	2,166.0	2,148.8	2,159.3	6.7
	Labour Force Participation Rate (%)	74.1	73.6	75.4	(1.3)
	Employment ('000)	2,024.1	2,000.3	2,010.7	13.4
	Employment Rate (%)	69.2	68.5	70.2	(1.0)
	Unemployment ('000)	141.9	148.5	148.7	(6.8)
	Unemployment Rate (%)	6.6	6.9	6.9	(0.3)

Statistics Canada: CANSIM, Table ID: 282-0054

Source: Corporate Economics, Statistics Canada, August 2010

## Calgary's Monthly Market Review: July 2010

### 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.

For more information, please contact:

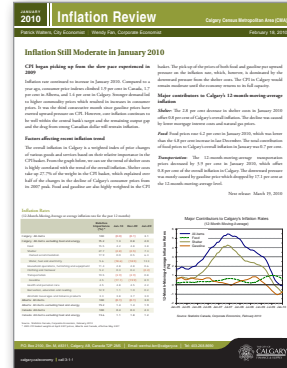
Ivy Zhang  
403.268.2005 or ivy.zhang@calgary.ca

Many of our publications are available on the internet at [www.calgary.ca/economy](http://www.calgary.ca/economy).

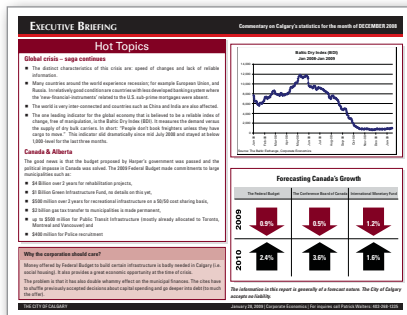
Monthly  
Energy Markets and  
the Economy



Monthly  
Review of Economic Trends



Commentary  
Executive Briefing



Quarterly  
Calgary's Quarterly Economic  
Outlook



Corporate Research Analyst: Estella Scuggs

The City of Calgary provides this information in good faith. However, the aforementioned organization makes no representation, warranty or condition, statutory express or implied, takes no responsibility for any errors and omissions which may contained herein and accepts no liability for any loss arising from any use or reliance on this report.

Source: Statistics Canada