

Labour Market Review

Patrick Walters, City Economist | Ivy Zhang, Corporate Economist

April 8, 2011



Improving labour market on high oil prices

Calgary's Labour market has finally joined the rest of Alberta and Canada in the jobs recovery, after contracting in 2009 and 2010 (Chart 1). Firming crude oil prices in 2009 and 2010 have built the foundation for the new optimism in the local economy. Statistics Canada estimates that investment in Canada's non-conventional oil extraction sector should rise by 27.8 per cent in 2011 to \$14.3 billion. The majority of this spending is expected to take place in Alberta. The recent nuclear crisis caused by earthquake and tsunami in Japan, and crude oil supply disruptions in the Middle East due to the political unrests should combine to make Alberta a more attractive destination for foreign direct investment in energy resources.

Entering 2011, the goods-producing sector stabilized, while the service-producing sector started to hire more people, especially in the professional, scientific and technical services (PSTS) industries (Chart 2).

The seasonally adjusted data for February 2011 to March 2011 showed the following:

- Total employment increased in the Calgary Economic Region (CER) (+4,500), and was unchanged in Alberta (-3,200) and Canada (-1,500).
- In Canada, gains in the full-time positions (+90,600) were offset by

losses in the part-time positions (-92,100). New jobs were mostly added in the construction (+24,000) and accommodation and food services (+36,200) industries. The unemployment rate slightly edged down 0.1 per cent to 7.8 per cent, due to less people looking for jobs.

- In Alberta, new jobs were added in the goods-producing sector (+6,800) and were lost in the services-producing sector (-10,000). The unemployment rate was unchanged at 5.7 per cent.

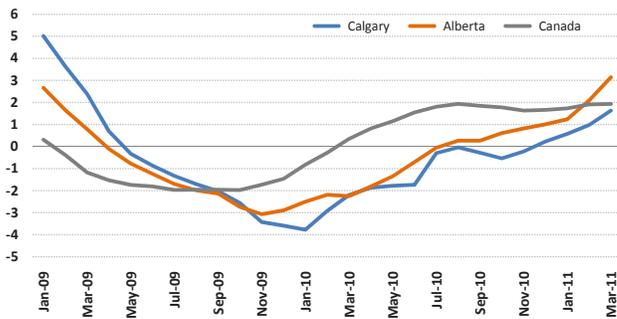
According to the unadjusted 3-month-moving-average data, the following year-over-year changes were recorded in the CER in March 2011:

- Total employment increased by 12,100, with the biggest gains in the PSTS industries (+14,300). The unemployment rate declined to 6.1 per cent from 7.4 per cent a year ago. The hourly average wage declined slightly (-0.2 per cent) to \$26.33, compared to a year ago.
- There were 14,590 Calgarians receiving regular employment insurance benefits in January 2011, down 30 per cent from 20,790 in January 2010.

Next update: May 6, 2011

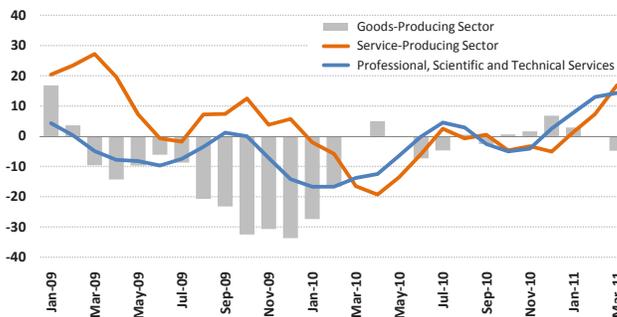
Note: On January 27, 2011, Statistics Canada released a standard revision to its Labour Force Survey estimates following the release of final population estimates from Census 2006, which would affect historical data and future estimates since then.

Chart 1. Employment changes: Calgary, Alberta, Canada (year-over-year, per cent)



Source: Statistics Canada, Corporate Economics, April 2011

Chart 2. CER employment changes (year-over-year, thousands of persons)



Source: Statistics Canada, Corporate Economics, April 2011

Labour Force Statistics

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

	Description	Mar-11	Feb-11	Mar-10	Annual Change
Calgary	Working Age Population ('000)	1,102.2	1,100.5	1,081.5	20.7
	Labour Force ('000)	804.9	803.7	802.6	2.3
	Labour Force Participation Rate (%)	73.0	73.0	74.2	(1.2)
	Employment ('000)	755.7	754.6	743.6	12.1
	Employment Rate (%)	68.6	68.6	68.8	(0.2)
	Unemployment ('000)	49.2	49.0	59.0	(9.8)
	Unemployment Rate (%)	6.1	6.1	7.4	(1.3)
Edmonton	Working Age Population ('000)	993.7	992.5	978.8	14.9
	Labour Force ('000)	721.1	718.6	691.6	29.5
	Labour Force Participation Rate (%)	72.6	72.4	70.7	1.9
	Employment ('000)	677.6	677.5	640.6	37.0
	Employment Rate (%)	68.2	68.3	65.4	2.8
	Unemployment ('000)	43.5	41.0	50.9	(7.4)
	Unemployment Rate (%)	6.0	5.7	7.4	(1.4)
Alberta	Working Age Population ('000)	2,986.9	2,983.4	2,943.0	43.9
	Labour Force ('000)	2,170.2	2,160.6	2,131.9	38.3
	Labour Force Participation Rate (%)	72.7	72.4	72.4	0.3
	Employment ('000)	2,042.3	2,037.7	1,980.2	62.1
	Employment Rate (%)	68.4	68.3	67.3	1.1
	Unemployment ('000)	127.9	122.9	151.6	(23.7)
	Unemployment Rate (%)	5.9	5.7	7.1	(1.2)

Statistics Canada: CANSIM, Table ID: 282-0054

Source: Corporate Economics, Statistics Canada, April 2011

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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.

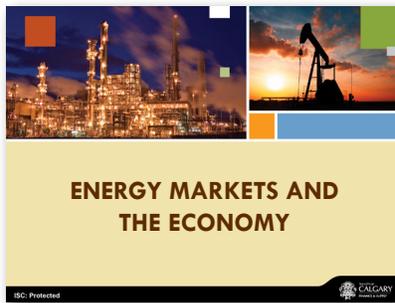
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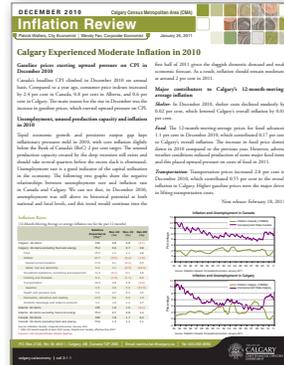
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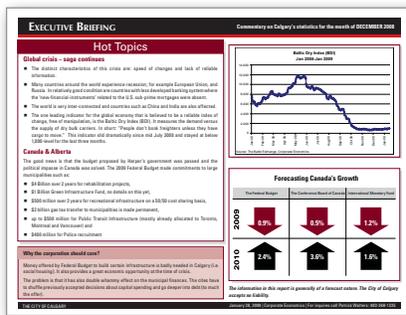
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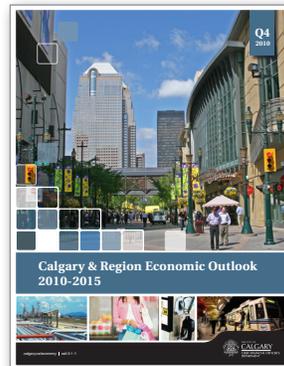
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Corporate Research Analyst: Estella Scruggs

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Source: Statistics Canada