

Labour Market Review

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Highlights: The March 2016 Labour Force Survey data¹ for the Calgary Economic Region (CER) shows the following:

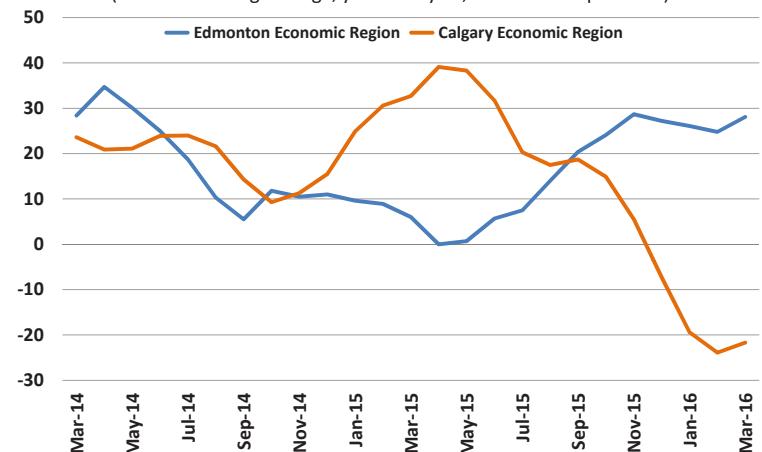
- From February to March 2016, total employment was little changed (+300), gains in full-time (+3,600) were offset by losses in part-time (-3,300). Year-over-year, total employment decreased by 21,700, mainly in the Transportation and Warehousing (-22,500), Manufacturing (-12,500), Business, Building and Other Support Services (-6,300) and Mining (-6,000) industries. This was in sharp contrast to Edmonton, where the local economy was also hit hard by low oil prices but jobs related to oil-sands productions were more stable (Chart 1).
- Calgary's unemployment rate was 8.8 per cent, higher than the 7.2 per cent in Edmonton, 8.0 per cent in Alberta and 7.6 per cent in Canada. While youths (aged 15-24) unemployment rate in the CER was lower than the comparable rate for Canada (Chart 2).
- Calgary's hourly wage inflation² was 2.7 per cent, down from 5 per cent the same time last year. Wage cuts in major industries were seen in Educational Services (-9.5 per cent), Transportation (-4.9 per cent) and Public Administration (-3.6 per cent), while raises were found in Health Care and Social Assistance (+7.7 per cent), Mining (+7.9 per cent) and Wholesale Trade (+7.3 per cent).

Historically, Calgary and Edmonton shared the same labour market fluctuations through business cycles. For example, in the 2008 recession both regions saw declines in total employment for the similar period of time. In this down turn, however, while Calgary suffered mass job losses for several months, Edmonton still had positive job growth (Chart 1). This is partly explained by the fact that government jobs are more concentrated in Edmonton. While Calgary appears to have suffered jobs losses in the design and construction area as new production capacity was not being added to Alberta's energy sector.

Youths (aged 15-24) in the CER's labour force has in the past enjoyed better job opportunities than young people in the rest of Canada, however in this downturn they were inevitably hit by

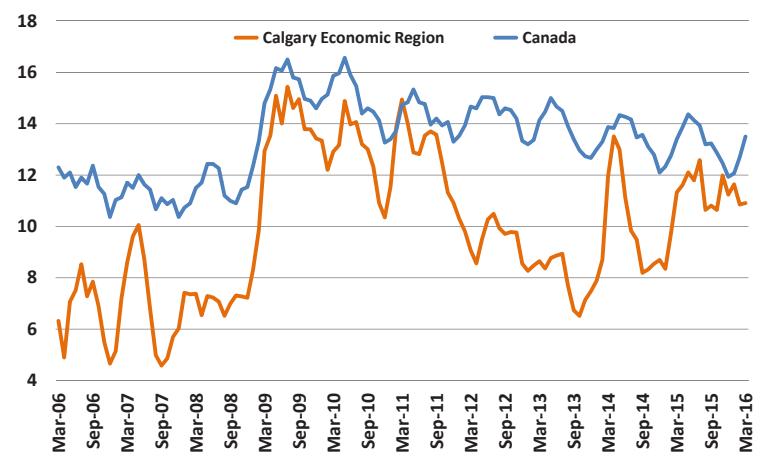
the disappearing of new jobs (Chart 2). Compared to other age cohorts who have established either career or family ties to the region, this group of people (especially aged 20-24) are highly mobile. They will go to other places with new opportunities, either for higher education or for jobs.

Chart 1: Calgary vs. Edmonton: Change of total employment
(3-month-moving-average, year-over-year, thousands of positions)



Sources: Statistics Canada, Corporate Economics, April 2016

Chart 2: CER vs. Canada: Unemployment rates for youths (aged 15-24)
(3-month-moving-average, per cent)



Sources: Statistics Canada, Corporate Economics, April 2016

Next update: May 6, 2016

Labour Force Statistics

(Seasonally unadjusted 3-month-moving-average)

Description	Mar-16	Feb-16	Mar-15	Annual Change
Working Age Population ('000)	1,283.1	1,281.2	1,254.0	29.1
Labour Force ('000)	929.6	925.9	920.3	9.3
Labour Force Participation Rate (%)	72.4	72.3	73.4	(1.0)
Employment ('000)	847.8	847.5	869.5	(21.7)
Employment Rate (%)	66.1	66.1	69.3	(3.2)
Unemployment ('000)	81.8	78.4	50.8	31.0
Unemployment Rate (%)	8.8	8.5	5.5	3.3

Sources: Statistics Canada, Corporate Economics, April 2016

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Description	Mar-16	Feb-16	Mar-15	Annual Change
Working Age Population ('000)	3,385.6	3,382.1	3,327.8	57.8
Labour Force ('000)	2,448.6	2,444.3	2,408.0	40.6
Labour Force Participation Rate (%)	72.3	72.3	72.4	(0.1)
Employment ('000)	2,253.7	2,257.7	2,274.7	(21.0)
Employment Rate (%)	66.6	66.8	68.4	(1.8)
Unemployment ('000)	194.9	186.6	133.3	61.6
Unemployment Rate (%)	8.0	7.6	5.5	2.5

Alberta



THE CITY OF
CALGARY
CHIEF FINANCIAL OFFICER'S
DEPARTMENT

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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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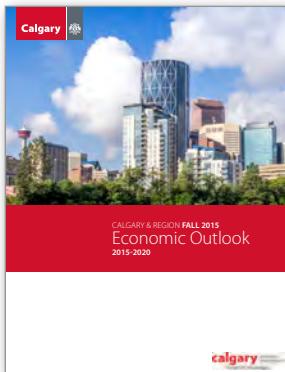
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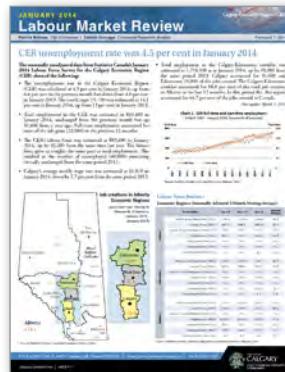
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- ▶ A Case of Fiscal Imbalance: The Calgary Experience
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1 Seasonally unadjusted 3-month-moving-average

2 Wage rate data is for the Calgary Metropolitan Area (CMA). Wage inflation is per cent change year-over-year.

Sources: Statistics Canada, Corporate Economics.