

Labour Market Review

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December 2, 2016

Calgary into Recovery Mode

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

- Month-over-month, total employment in the CER increased by 2,400 positions, with gains in part-time jobs (+9,600) partially offsetting losses in full-time jobs (-7,200). Year-over-year, total employment increased slightly by 1,200 positions with gains in the service-producing sector (+5,300) being offset by losses in the goods-producing sector (-4,000). The unemployment rate in the CER was 9.9 per cent, compared to 7.8 per cent in Alberta and 6.3 per cent in Canada (Table 1).
- The November average weekly wage rate in the Calgary CMA was \$1,127, down 0.1 per cent year-over-year, and the total wage bills for the region increased by \$3.9 millions (Table 2). In September, the number of employment insurance (EI) recipients in the CMA was 29,910 persons, up by 59 per cent from a year ago.

The approval of two pipelines by the Federal Government finally brought positive news to Calgary. It's time for reflections for both labour market participants and employers as they plan for their next career moves or investment decisions. While some long-term unemployed are moving away from their professions, companies have to retain their core workers for business continuity.

Compared to the 36,300 job losses incurred in the entire nineteen-months of the great recession (April 2009 to October 2010), this recession saw a larger number of job cuts (37,800) in a shorter time span (thirteen months from May 2015 to June 2016). Among those who lost their jobs in the 2009 recession, most of them were in the age cohorts of 15-54, while in this downturn more than half of them were people aged 55 and older (Chart 1).

This shift in pattern may be explained by baby boomers (those who were born between 1946 and 1964 and now aged 52-70) entering their pre- or full-retirement ages and deciding to leave the labour market permanently. However, in this downturn a much higher jump in the unemployment rate for those 55 years and older might indicate that many baby boomers suffered involuntarily unemployment (Chart 2). Employers may have opted to reduce labour costs by replacing experienced employees with younger workers who are paid less.

Chart 1 Total Employment Change by Age Cohort (Year-over-year, Nov. 2008 - Nov. 2016, thousand)

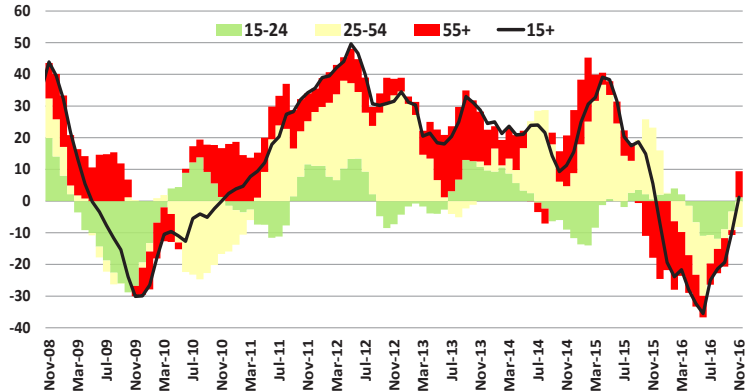
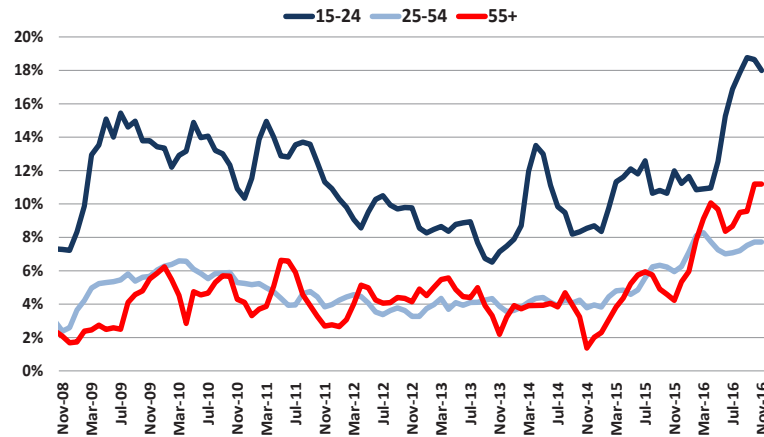


Chart 2 Unemployment Rate by Age Cohort (Nov. 2008 - Nov. 2016, per cent)



Sources: Statistics Canada, Corporate Economics, December, 2016

Table 1 Labour Force Statistics

(Seasonally unadjusted 3-month moving average)

	Description	Nov-16	Oct-16	Nov-15	Annual Change
CALGARY ECONOMIC REGION	Working Age Population ('000)	1,295.4	1,294.5	1,276.1	19.3
	Labour Force ('000)	963.6	961.8	929.1	34.5
	Labour Force Participation Rate (%)	74.4	74.3	72.8	1.6
	Employment ('000)	868.5	866.1	867.3	1.2
	Employment Rate (%)	67.0	66.9	68.0	(1.0)
	Unemployment ('000)	95.0	95.7	61.8	33.2
	Unemployment Rate (%)	9.9	10.0	6.7	3.2

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	Description	Nov-16	Oct-16	Nov-15	Annual Change
Alberta	Working Age Population ('000)	3,407.9	3,406.8	3,373.4	34.5
	Labour Force ('000)	2,467.7	2,477.3	2,457.5	10.2
	Labour Force Participation Rate (%)	72.4	72.7	72.8	(0.4)
	Employment ('000)	2,274.2	2,277.9	2,306.7	(32.5)
	Employment Rate (%)	66.7	66.9	68.4	(1.7)
	Unemployment ('000)	193.6	199.3	150.8	42.8
	Unemployment Rate (%)	7.8	8.0	6.1	1.7

Sources: Statistics Canada, Corporate Economics, December, 2016



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Table 2 Calgary CMA Wage by Industry

Industry	Total employment ('000 persons)			Average weekly earning (\$)			Total weekly bills (\$million)		
	Nov-16	Nov-15	Change (y/y)	Nov-16	Nov-15	Change (y/y)	Nov-16	Nov-15	Change (y/y)
Mining, quarrying, and oil and gas extraction	51.8	49.2	2.6	1,885.3	1,828.2	57.1	97.7	89.9	7.7
Utilities	8.8	9.7	(0.9)	1,575.9	2,055.0	(479.1)	13.9	19.9	(6.1)
Construction	47.1	56.6	(9.5)	1,328.2	1,344.2	(16.0)	62.6	76.1	(13.5)
Manufacturing	39.7	38.9	0.8	1,112.7	1,026.1	86.6	44.2	39.9	4.3
Wholesale Trade	25.5	24.8	0.7	1,229.3	1,320.4	(91.0)	31.3	32.7	(1.4)
Retail Trade	87.0	77.9	9.1	681.8	631.7	50.0	59.3	49.2	10.1
Transportation and Warehousing	45.5	45.5	0.0	1,157.7	1,176.9	(19.2)	52.7	53.5	(0.9)
Information and Cultural Industries	11.0	12.4	(1.4)	1,286.1	950.9	335.2	14.1	11.8	2.4
Finance and Insurance	22.5	28.9	(6.4)	1,307.2	1,295.8	11.4	29.4	37.4	(8.0)
Real Estate Rental and Leasing	8.9	11.5	(2.6)	1,287.3	1,102.9	184.4	11.5	12.7	(1.2)
Professional Scientific and Technical Services	61.8	58.5	3.3	1,536.3	1,618.6	(82.3)	94.9	94.7	0.3
Administrative and Support	22.4	20.8	1.6	955.6	856.9	98.7	21.4	17.8	3.6
Educational Services	50.9	46.8	4.1	1,186.1	1,095.4	90.7	60.4	51.3	9.1
Health Care and Social Assistance	76.0	80.5	(4.5)	1,057.9	1,040.1	17.8	80.4	83.7	(3.3)
Arts Entertainment and Recreation	15.9	17.5	(1.6)	535.9	717.9	(182.0)	8.5	12.6	(4.0)
Accommodation and Food Services	48.7	48.6	0.1	482.2	498.3	(16.0)	23.5	24.2	(0.7)
Other Services(except Public Admin)	33.8	24.3	9.5	801.8	942.6	(140.8)	27.1	22.9	4.2
Public Administration	19.3	20.9	(1.6)	1,552.6	1,419.3	133.3	30.0	29.7	0.3
All Industries	679.2	675.1	4.1	1,127.2	1,128.2	(1.0)	765.6	761.7	3.9

Sources: Statistics Canada, Corporate Economics, December 2016

Note: lack of data for Agriculture

Next update: January 6, 2017

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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 Total job loss numbers are seasonally adjusted.

Sources: Statistics Canada, Corporate Economics