

Labour Market Review

March 2024

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Highlights

March 2024

Total Employment

Calgary Economic Region
(Seasonally unadjusted 3-month-moving-average)



March 2024 from Feb 2024 from Mar 2023
971,200 ▲7,600 ▲54,900

Unemployment Rates

Seasonally adjusted
Seasonally unadjusted

| | Mar 2024 | Mar 2023 |
|--------------------------------------|----------|----------|
| Canada | 6.1% | 5.1% |
| Alberta | 6.3% | 5.7% |
| Calgary Census Metropolitan Area* | 6.5% | 6.5% |
| Calgary Economic Region* | 7.0% | 7.0% |

* 3-month-moving-average

Average Wage Rates

Calgary Census Metropolitan Area
Mar 2024, year-over-year change

Hourly ▲3.9% Weekly ▲3.9%

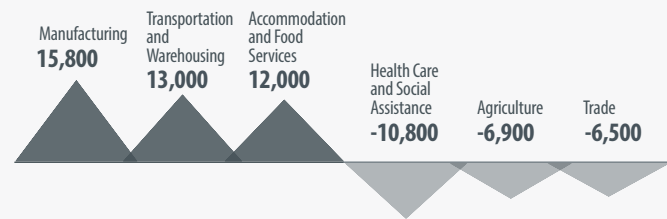
Employment Insurance

Calgary Census Metropolitan Area

January 2024 **17,190**
recipients

Most Job Gains and Job Losses by Industry

Mar 2024, year-over-year change



The unemployment rate in the Calgary Economy Region (CER) hits 7 per cent.

The Calgary Economic Region's (CER) three-month moving average unemployment rate¹ hit 7.0 per cent for the month of March 2024, roughly the same rate recorded around the same time last year (March 2023). The CER's labour force grew² by 6.0 per cent in March 2024 year-over-year (y-o-y), while employment increased at a similar rate (6.0 per cent). Alberta's (6.2 per cent) and Canada's (5.9 per cent) seasonally-adjusted unemployment rates rose by 0.0 and 0.1 percentage points y-o-y, respectively. The participation rate, which measures the percentage of working-age people in the labour force, rose by 0.1 percentage points y-o-y to 70.0 per cent in March 2024.

Hiring in Calgary remains strong but not enough to absorb the increasing population and reduce unemployment.

The rise in unemployment has dwarfed better-than-expected hiring in Calgary, which cannot keep pace with population growth. The Calgary Census Metropolitan Area's (CMA) seasonally-adjusted unemployment rate increased for the third straight month, rising to 6.5 per cent in March 2024 (refer to chart 2) as solid population growth and a weaker economy continue to tighten the competition for job openings. The Calgary CMA unemployment rate ranked only lower than Toronto CMA (7.5 per cent). The Toronto CMA currently has the highest unemployment rate across major Canadian cities for the month of March 2024. Edmonton and Vancouver CMA saw a fall in unemployment rates for the month of March 2024.

Employment in the health care and social assistance sector is not showing any consistent signs of recovery.

The CER added 54,900 positions between March 2023 and March 2024, with full-time employment up 27,900 and part-time employment up 27,000 y-o-y. By industry, the goods-producing sector gained 20,100 jobs y-o-y, led by Manufacturing (+15,800) and Construction (+7,700). The services-producing sector grew by 34,900 y-o-y, led by Accommodation and Food Services (+12,000), Transportation and Warehousing (+13,000) and Finance, Insurance, Real Estate and Leasing (+10,000).

Employment in Health Care and Social Assistance has fallen significantly this year. The number of jobs within the industry fell for the month of March 2024, recording a 9 per cent decline y-o-y and a loss of approximately 11,000 jobs in the same period.

Job vacancies continue to fall as existing openings get filled and businesses curb payroll expansion.

Job vacancy rates measure the percentage of labour demand (sum of job openings and employed persons) that has yet to be filled. Calgary's job vacancy rate continues to fall as population growth is helping employers fill vacant positions. The CER seasonally-adjusted job vacancy rate fell for the sixth consecutive quarter, recording a 3.4 per cent growth rate to end 2023. A total of 36,760 job openings were available to end 2023. This number fell significantly to 29,100 by the end of 2023, representing a 26 per cent decline and the lowest number seen since 2021. In addition, the tough business climate, and the reluctance of businesses to boost their payrolls is another contributing factor to the slowdown in job vacancy rates.

Chart 10 ranks Alberta's industries by labour market tightness as of Q4 2023, measured using the ratio of job vacancies to unemployment within each industry. The Accommodation and Food Services industry is still showing signs of tightness. However, it has significantly improved, as approximately 4000 openings were filled in Q4 2023. In the same period, 3000 job openings within the construction industry were filled.

The Health Care and Social Assistance industry remains tight. The combination of elevated job vacancies, healthcare workers leaving the labour force, and foreign healthcare workers' difficulty in practicing in Canada makes hiring in the industry challenging.

The 2024 Alberta Budget is implementing measures to address critical labour shortages.

The provincial budget continues to help fill labour shortages and meet long-term labour demand needs. The province launched the Alberta is Calling Attraction Bonus program, which provides eligible workers who move to Alberta with a \$5000 refundable tax credit. Eligibility for this program includes working full-time in a specified occupation, having filed taxes in Alberta for 2024, and having lived in the province for at least 12 months. This initiative is expected to start this month and provide workers \$10 million in benefits.

In addition, the 2024 Alberta Budget includes funding increases valued at \$102 million over the next three years for 3,200 apprenticeship classroom seats in high-demand occupations and curriculum updates. Other investments to expand driver training, healthcare, aviation, and energy programs are also underway.

Finally, the 2024 Budget allocated \$62.4 million over the next three years to expand physician education and establish rural health training centres to address the shortages of health professionals in rural areas.

Cost of living continues to outpace wage growth in the Calgary CMA compared to the rest of Canada.

Statistics Canada's recently released Consumer Price Index (CPI) data showed an uptick in Calgary's inflation for the fourth consecutive month. For the Calgary CMA, inflation jumped from 4.1 per cent in January 2024 to 5.1 per cent in February 2024. This contrasts with the falling trend in inflation at the national level, from 2.9 per cent in January 2024 to 2.8 per cent in February 2024. Rising rental costs and an uptick in utility costs have been the driver of Calgary's rising living costs.

Rising living costs and slow wage growth have resulted in falling real wages. Chart 7 shows inflation accelerated significantly between October 2023 and February 2024, while average hourly wage growth dropped within the same period, contributing to the fall in real wages. The real average hourly wage for the Calgary CMA declined from \$22.6 in February 2023 to \$21.8 in February 2024, marking a 3.6 percent y-o-y decline.

¹All statistics referenced are seasonally unadjusted unless stated otherwise.

²All 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)

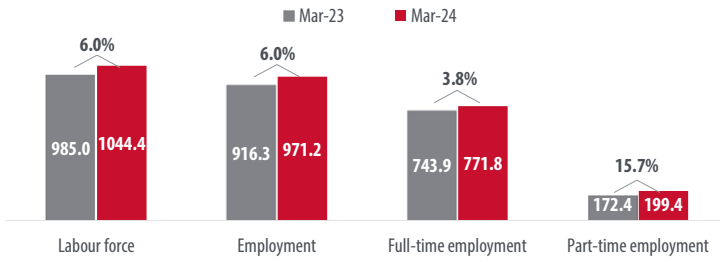


Chart 2: Unemployment rates in Calgary rose for the third consecutive month

Seasonally-Adjusted Unemployment Rate Comparison Between Major CMA's In Canada (%)

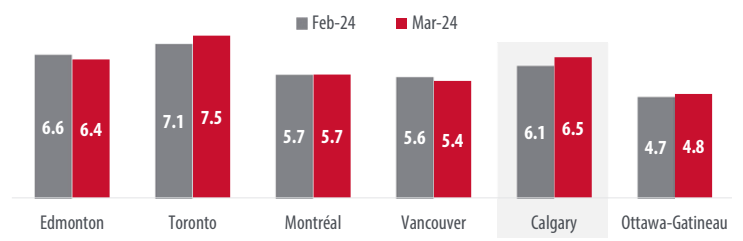


Chart 3: The CER's goods sector remains a stable source of growth

CER Employment Indexed to March 2023

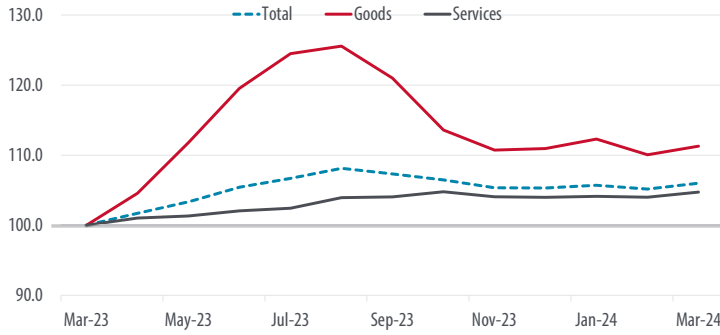


Chart 4: Employment in health services continues to remain low

Year-Over-Year Changes in CER Employment by Industry March 2024 (000's)

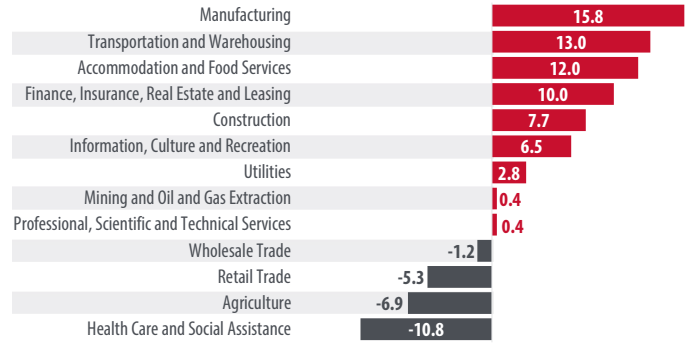


Chart 5: Wage growth in Calgary accelerates but growth still remains below the national average

Average Hourly Wages by Census Metropolitan Area (CMA) Indexed to March 2023

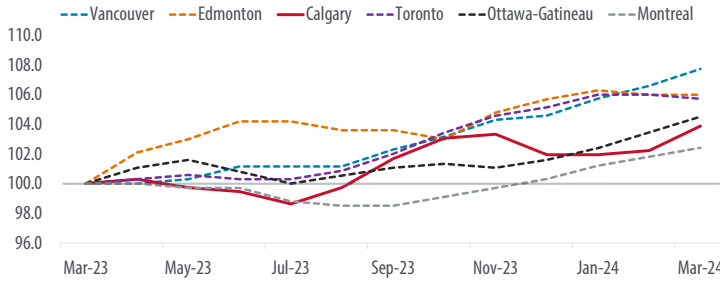


Chart 6: Calgary CMA wages have seen a slight pickup in growth

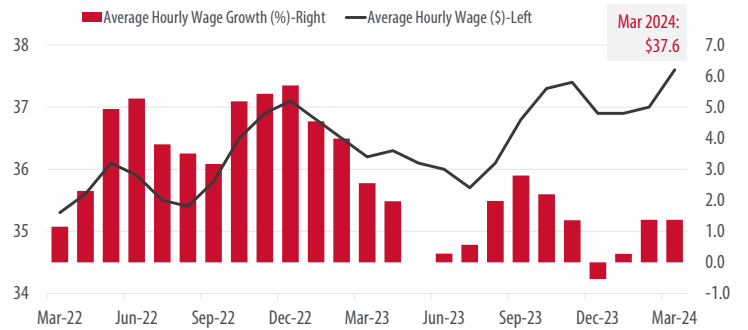


Chart 7: Calgary's cost of living growth is still outpacing wage growth as inflation soars

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

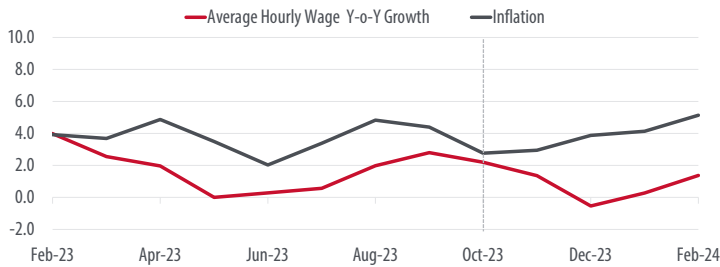


Chart 8: Youth Employment is up compared to last year

CER Employment by Age Cohort Indexed to March 2023

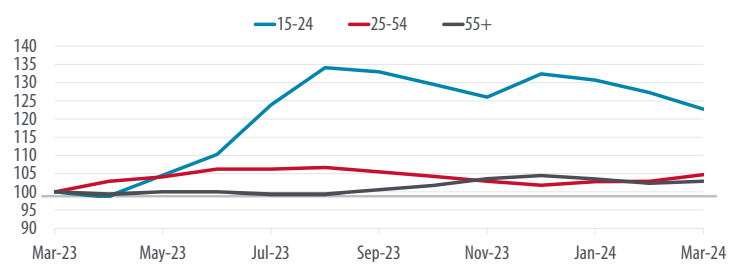


Chart 9: Job vacancy rates are on the decline

Calgary Economic Region (CER) seasonally-adjusted job vacancy rates (%)

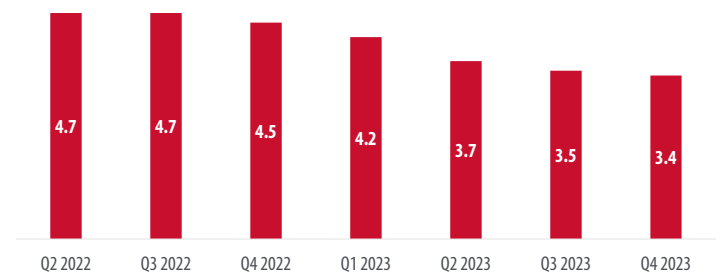


Chart 10: Hiring challenges remain elevated within the Health Care industry

Labour Market Tightness Ranking In Alberta by Industry Q4 2023 (Using the Job Vacancies-To-Unemployment Ratio)

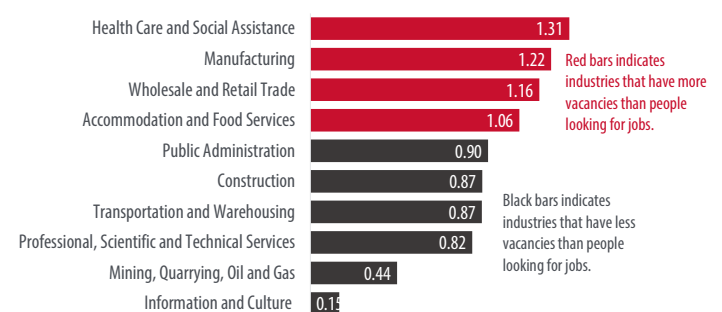


Table 1. Labour Force Statistics
(Seasonally unadjusted 3-month-moving-average)

| CALGARY ECONOMIC REGION | Description | Mar-24 | Feb-24 | Mar-23 | Annual Change |
|-------------------------------------|-------------------------------|---------|---------|---------|---------------|
| | Working Age Population ('000) | 1,489.9 | 1,483.9 | 1,417.4 | 72.5 |
| Labour Force ('000) | 1,044.4 | 1,028.1 | 985.0 | 59.4 | |
| Labour Force Participation Rate (%) | 70.1 | 69.3 | 69.5 | 0.6 | |
| Employment ('000) | 971.2 | 963.6 | 916.3 | 54.9 | |
| Employment Rate (%) | 65.2 | 64.9 | 64.6 | 0.6 | |
| Unemployment ('000) | 73.2 | 64.5 | 68.7 | 4.5 | |
| Unemployment Rate (%) | 7.0 | 6.3 | 7.0 | 0.0 | |

| ALBERTA | Description | Mar-24 | Feb-24 | Mar-23 | Annual Change |
|-------------------------------------|-------------------------------|---------|---------|---------|---------------|
| | Working Age Population ('000) | 3,864.6 | 3,850.2 | 3,690.2 | 174.4 |
| Labour Force ('000) | 2,673.8 | 2,656.6 | 2,564.4 | 109.4 | |
| Labour Force Participation Rate (%) | 69.2 | 69.0 | 69.5 | (0.3) | |
| Employment ('000) | 2,494.1 | 2,485.0 | 2,402.0 | 92.1 | |
| Employment Rate (%) | 64.5 | 64.5 | 65.1 | (0.6) | |
| Unemployment ('000) | 179.7 | 171.6 | 162.4 | 17.3 | |
| Unemployment Rate (%) | 6.7 | 6.5 | 6.3 | 0.4 | |

Sources: Statistics Canada, Corporate Economics, April 5, 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) | | |
|--|----------------------------------|--------------|--------------|-----------------------------|----------------|--------------|------------------------------------|--------------|--------------|----------------------------|-------------|--------------|
| | Mar-24 | Mar-23 | Change (y/y) | Mar-24 | Mar-23 | Change (y/y) | Mar-24 | Mar-23 | Change (y/y) | Mar-24 | Mar-23 | Change (y/y) |
| Mining, Quarrying, and Oil and Gas Extraction | 42.2 | 43.6 | (1.4) | 2,373.8 | 2,448.0 | (74.2) | 100.2 | 106.7 | (6.6) | 42.3 | 40.8 | 1.5 |
| Utilities | 9.4 | 7.5 | 1.9 | 2,222.8 | 2,254.9 | (32.1) | 20.9 | 16.9 | 4.0 | 39.8 | 39.8 | 0.1 |
| Construction | 59.4 | 56.9 | 2.5 | 1,814.2 | 1,465.9 | 348.3 | 107.8 | 83.4 | 24.4 | 40.0 | 38.8 | 1.3 |
| Manufacturing | 46.2 | 30.2 | 16.0 | 1,393.7 | 1,419.0 | (25.3) | 64.4 | 42.9 | 21.5 | 39.8 | 38.9 | 0.9 |
| Wholesale Trade | 26.9 | 30.6 | (3.7) | 1,425.1 | 1,348.1 | 77.0 | 38.3 | 41.3 | (2.9) | 39.7 | 39.7 | 0.0 |
| Retail Trade | 81.7 | 79.8 | 1.9 | 672.9 | 766.5 | (93.6) | 55.0 | 61.2 | (6.2) | 31.4 | 32.9 | (1.5) |
| Transportation and Warehousing | 58.1 | 49.0 | 9.1 | 1,275.3 | 1,277.0 | (1.7) | 74.1 | 62.6 | 11.5 | 37.4 | 38.3 | (0.9) |
| Information and Cultural Industries | 13.1 | 8.8 | 4.3 | 1,202.0 | 1,424.7 | (222.7) | 15.7 | 12.5 | 3.2 | 34.1 | 39.6 | (5.4) |
| Finance and Insurance | 40.6 | 26.9 | 13.7 | 1,806.0 | 1,600.6 | 205.4 | 73.3 | 43.1 | 30.3 | 39.9 | 38.1 | 1.8 |
| Real Estate Rental and Leasing | 11.7 | 21.1 | (9.4) | 1,574.6 | 1,259.3 | 315.3 | 18.4 | 26.6 | (8.1) | 37.0 | 40.1 | (3.1) |
| Professional Scientific and Technical Services | 99.2 | 85.9 | 13.3 | 2,047.1 | 1,765.2 | 281.9 | 203.1 | 151.6 | 51.4 | 38.7 | 38.3 | 0.4 |
| Administrative and Support | 29.0 | 22.1 | 6.9 | 1,057.0 | 1,021.8 | 35.2 | 30.7 | 22.6 | 8.1 | 37.9 | 34.9 | 3.0 |
| Educational Services | 54.6 | 56.1 | (1.5) | 1,263.3 | 1,367.5 | (104.2) | 69.0 | 76.7 | (7.7) | 31.7 | 34.3 | (2.5) |
| Health Care and Social Assistance | 89.5 | 97.4 | (7.9) | 1,185.1 | 1,138.4 | 46.7 | 106.1 | 110.9 | (4.8) | 34.9 | 34.5 | 0.4 |
| Arts Entertainment and Recreation | 21.2 | 17.2 | 4.0 | 611.1 | 791.5 | (180.4) | 13.0 | 13.6 | (0.7) | 25.1 | 31.7 | (6.5) |
| Accommodation and Food Services | 47.1 | 37.4 | 9.7 | 614.8 | 564.9 | 49.9 | 29.0 | 21.1 | 7.8 | 28.7 | 28.4 | 0.3 |
| Other Services (except Public Admin) | 32.7 | 25.0 | 7.7 | 1,043.7 | 1,067.1 | (23.4) | 34.1 | 26.7 | 7.5 | 37.1 | 35.9 | 1.2 |
| Public Administration | 30.0 | 28.6 | 1.4 | 1,708.2 | 1,779.7 | (71.5) | 51.2 | 50.9 | 0.3 | 36.7 | 37.9 | (1.2) |
| All Industries | 793.3 | 725.6 | 67.7 | 1,392.2 | 1,340.5 | 51.7 | 1,104.4 | 972.7 | 131.8 | 37.0 | 37.0 | (0.0) |

*** Excluding self-employed *Note: lack of data for Agriculture*
Sources: Statistics Canada, Corporate Economics, April 5, 2024

Next update: May 10, 2024

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