

Current Economic Analysis

Patrick Walters, City Economist | Estella Scruggs, Corporate Research Analyst

April 21, 2011



- In March 2011, Calgary's 12-month-moving-average inflation rate increased slightly to 0.9 per cent from 0.8 per cent in February. Nationally, the inflation rate also increased slightly to 2.0 per cent from 1.9 per cent last month.
- The unemployment rate in Calgary remained unchanged at 6.1 per cent in March 2011, but down from 7.4 per cent in the previous year. Nationally, the unemployment rate was 8.1 per cent, up from 7.7 per cent in February 2011 but down from 8.7 per cent in March 2010.
- Total employment in the Calgary Economic Region (CER) was 755,700 in March 2011, an increase of 12,100 from 743,600 in March 2010.
- In March 2011, the average hourly wage in Calgary declined slightly to \$26.33 (-0.2 per cent) compared to a year ago. In Alberta, the average hourly wage increased to \$25.23 (1.2 per cent) compared to last March.
- Between February 2010 and February 2011, the number of Calgarians receiving regular employment insurance fell by 30.2 per cent (-6,050) to 14,010. For Alberta, the number of recipients fell by 22.5 per cent (-12,540) to 43,070. February marked the 11th consecutive month of year-over-year decline for both Calgary and Alberta.
- In March 2011, the average price of oil (WTI) was USD\$102.98/bbl, up 14.8 per cent from February 2011. The average price of natural gas was \$3.52/GJ, up 3.7 per cent from last month.
- The Canadian prime business loan rate remained unchanged at 3 per cent in March 2011.
- The Canadian consumer confidence index fell sharply in March by 5.6 points to 83.7 from 89.3 last month.
- In February 2011, Alberta retail sales were estimated at \$5.2 billion (seasonally adjusted), a 1.5 per cent increase over the previous month and a 5.7 per cent increase year-over-year.
- Alberta wholesale merchants' sales were estimated at \$5.5 billion (seasonally adjusted) in February 2011, down 1.2 per cent from January but up 11.4 per cent from February 2010.
- Alberta manufacturing sales were estimated at \$5.5 billion (seasonally adjusted) in February 2011, up 1.4 per cent from January 2011 and 14.2 per cent from February 2010.
- The number of personal bankruptcies in Alberta was 578 in January 2011, up 11.4 per cent from the previous month but down 15.5 per cent from January 2010.
- The number of business bankruptcies in Alberta was 30 in January 2011, down 31.8 per cent from December 2010 but up 11.1 per cent from January 2010.
- In March 2011, total housing starts in Calgary (CMA) reached 403 units, down from 627 units in February and from 904 units last March.
- Calgary housing sales in March 2011 was 2,273 units, up 18.6 per cent from 1,917 units in February but down 7.1 per cent from 2,446 units a year ago.
- March MLS average price for Calgary was \$410,940, up 0.4 per cent from last month's average price of \$409,318 but down 2.3 per cent from \$420,693 a year ago.

Next release: May 31, 2011

Note: In January 2011, Statistics Canada applied a standard revision to its Labour Force Survey estimates following the release of final population estimates from Census 2006. As a result, the data that are related to employment have been revised accordingly.

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Sources: Statistics Canada, CMHC, CREB, MLS, Bank of Canada, Conference Board of Canada, GLJ Energy Publications, The City of Calgary, Office of the Superintendent of Bankruptcy and others.

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City of Calgary Monthly Economic Indicators	2008	2009	2010	2010												2011		
				Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	
General Indicators																		
Inflation (12 month moving average)																		
Calgary Census Metropolitan Area (CMA)	3.2%	-0.1%	0.8%	-0.2%	-0.2%	-0.1%	0.0%	0.2%	0.4%	0.6%	0.8%	0.9%	0.8%	0.8%	0.8%	0.8%	0.9%	
Canada	2.4%	0.3%	1.8%	0.4%	0.4%	0.5%	0.6%	0.7%	1.0%	1.2%	1.4%	1.6%	1.7%	1.8%	1.8%	1.9%	2.0%	
Unemployment Rate																		
Calgary Economic Region (C.E.R.)	3.3%	6.3%	7.0%	7.1%	7.4%	7.6%	7.7%	7.4%	6.9%	6.9%	6.9%	6.9%	6.1%	5.9%	5.9%	6.1%	6.1%	
Canada	6.1%	8.1%	8.1%	8.4%	8.7%	8.6%	8.5%	8.1%	8.0%	8.2%	8.2%	8.2%	7.8%	7.3%	7.1%	7.4%	7.7%	
C.E.R. Employment (Person - 000s)	768	765	755	747	744	741	745	754	769	772	767	760	757	757	754	755	756	
Employment insurance Alberta - # of recipients (seasonally adjusted)	17,702	56,556	49,848	55,610	52,630	50,540	49,260	48,680	47,370	45,900	48,020	47,210	47,120	46,130	44,350	43,070		
Year-over-year % change	5.7%	217.3%	-0.2%	62.7%	19.6%	-0.8%	-13.0%	-22.6%	-24.0%	-20.9%	-33.1%	-35.4%	-34.6%	-31.2%	-24.9%	-22.5%		
Employment insurance Calgary - # of recipients (unadjusted)	4,903	17,747	15,645	20,060	19,240	17,570	15,900	14,630	15,180	15,700	12,280	11,600	11,810	12,990	14,590	14,010		
Year-over-year % change	9.7%	261.9%	-11.8%	63.0%	18.3%	-2.0%	-13.7%	-24.1%	-29.3%	-29.1%	-35.2%	-37.2%	-36.9%	-34.0%	-29.8%	-30.2%		
City of Calgary Population Estimate (000s) [†]	1,043 [#]	1,065 [#]	1,072 [#]	1,071	1,071	1,072	1,073	1,075	1,077	1,079	1,081	1,082	1,083	1,085	1,086	1,088	1,090	
West Texas Intermediate (\$US/barrel)	99.64	61.78	79.52	76.45	81.31	84.58	74.12	75.40	76.38	76.68	75.55	81.97	84.14	89.23	89.62	89.74	102.98	
Alberta Natural Gas (Cdn\$/GJ)	7.73	3.78	3.80	4.95	3.84	3.57	3.64	3.89	3.49	3.22	3.37	3.13	3.50	3.69	3.80	3.39	3.52	
Canadian real GDP y-o-y % Change - (Chained 2002 dollar)	0.6%	-2.6%	3.3%	2.0%	3.1%	3.4%	3.8%	4.0%	3.8%	4.2%	3.5%	3.6%	3.2%	3.3%	3.3%			
Canadian real GDP m-o-m % Change - (Chained 2002 dollar)	NA	NA	NA	0.2%	0.5%	0.0%	0.1%	0.3%	0.0%	0.3%	-0.1%	0.3%	0.4%	0.5%	0.5%			
Prime lending rate - Bank of Canada (%)	4.73%	2.40%	2.60%	2.25%	2.25%	2.25%	2.25%	2.50%	2.75%	2.75%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	
Consumer Indicators																		
Hourly earnings - Alberta (\$) Year-over-year % change	5.6%	4.4%	1.3%	1.8%	2.5%	1.7%	1.7%	0.2%	2.8%	0.7%	0.7%	0.2%	0.2%	2.1%	0.8%	3.5%	1.2%	
Hourly earnings - Calgary (\$) Year-over-year % change	5.8%	3.7%	1.0%	0.8%	1.8%	1.9%	2.2%	0.7%	1.0%	0.3%	0.8%	0.3%	0.6%	1.0%	0.3%	0.6%	-0.2%	
Retail sales - Alberta (\$ billions)	61.1	56.0	59.6	4.9	5.0	4.9	4.9	4.9	4.9	5.0	5.0	5.1	5.2	5.2	5.2	5.2		
Consumer confidence - Canada	77.7	71.4	84.7	88.3	92.5	84.8	89.3	83.6	80.0	79.4	78.1	79.7	83.6	81.0	88.1	89.3	83.7	
Housing starts - Calgary CMA	11,438	6,318	9,262	743	904	909	862	685	1,166	858	796	784	555	486	518	627	403	
# of personal bankruptcies - Alberta	6,066	9,986	8,150	637	776	744	672	778	626	615	732	700	667	519	578			
Calgary Housing (# of units sold) MLS	23,137	24,880	20,996	1,913	2,446	2,382	2,133	1,824	1,612	1,562	1,606	1,442	1,427	1,251	1,292	1,917	2,273	
Household sales/listing ratio - Calgary	41.77	61.13	47.97	47.22	45.01	43.98	41.42	38.14	44.83	45.70	41.47	46.16	57.33	84.24	36.28	47.97	51.95	
Current month average house price - Calgary Metro (\$000)	412.9	394.8	409.6	399.7	420.7	405.9	433.0	433.2	416.1	395.9	410.7	403.7	411.2	389.9	402.3	409.3	410.9	
Year-over-year % change of Calgary City MLS average prices	-2.9%	-4.4%	3.7%	5.4%	10.9%	7.8%	9.8%	7.6%	5.3%	-0.5%	-0.4%	-1.5%	-0.9%	-3.0%	1.7%	2.4%	-2.3%	
Business Indicators																		
Wholesale sales - Alberta - seasonally adjusted (\$billions)	68.7	59.0	62.9	5.0	5.0	5.1	5.0	5.1	5.2	5.3	5.5	5.5	5.6	5.6	5.6	5.5		
Manufacturing sales - Alberta - seasonally adjusted (\$billions)	70.4	54.5	60.0	4.8	5.1	4.9	5.0	4.8	4.8	5.0	5.1	5.2	5.2	5.4	5.4	5.5		
# of new businesses	**	**	**	64 ⁺⁺	72	166	218	365	236	269	374	571	553	649	NA	19 ⁺⁺	224	
# of business closures - Calgary	**	**	**	275	305	185	136	229	162	211	174	141	198	197	NA	476 ⁺⁺	271	
# of business bankruptcies - Alberta	447	405	378	30	48	37	35	23	27	30	34	24	19	44	30			

** Tracking of these indicators commenced in late 2008. Some comparative historical data has not been obtained ++ February figures are YTD to February 28 of the year # Taken from April Civic Census † Revised monthly data based on April 2010 Civic Census Revised Data