

Job creation lagged behind economic recovery in Alberta

Several indicators in August show more signs of a global economic recovery, which is great news for Canada as a small open economy. However, improvements in job markets have always lagged GDP growth in the recovery phase of the business cycle. This was evidenced by continued job losses in Alberta. The seasonally adjusted data in August, compared to a month ago showed the following:

- Total employment was unchanged in the Calgary Economic Region (CER), decreased by 6,700 in Alberta and increased by 27,100 in Canada.
- In Canada, job losses full-time (-3,500) were more than offset by part-time job gains (+30,600). Total job losses in Alberta (-6,700) ranked the first in Canada with full-time job cuts (-11,300) partially offset by part-time job gains (+4,700).

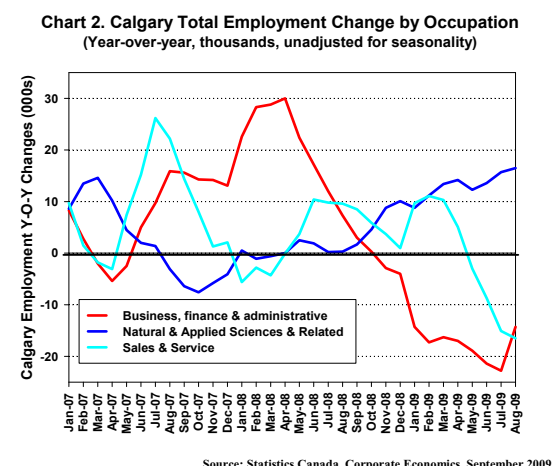
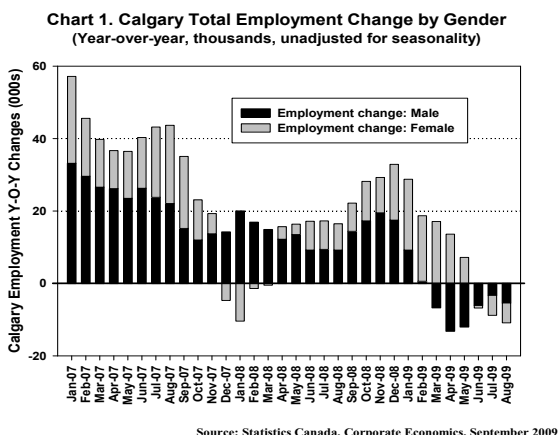
Driven by losses in investment and housing market activities in this downturn, most of the job cuts in the CER were concentrated in its two major occupations that accounted for 41 per cent of total employment. From August 2008 to August 2009 in the CER:

- The unemployment rate doubled to 7.0 per cent in August 2009 from 3.5 per cent a year ago. Average wage inflation slowed to 5.7 per cent, compared to 5.9 per cent a year ago.

- In June, there were 19,020 Calgarians receiving regular employment insurance benefits, a 380 per cent increase over a year. The most significant increases in beneficiaries were among unemployed males (483 per cent year-over-year) compared to unemployed females (253 per cent year-over-year).
- Total employment dropped from 771,500 persons to 760,600 persons, with cuts in full-time jobs (-19,400) and gains in part-time jobs (+8,600). More female workers (-5,500) lost their jobs than their male counterparts (-5,400), a contrast to the situations in previous months. (See Chart 1)
- Job cuts continued to be concentrated in Calgary's two major occupations that account for 22 per cent and 19 per cent total employment, respectively: Business, Finance & Administrative¹ (-14,300) and Sales & Service² (-16,500). However, job gains in Natural & Applied Sciences & Related³ occupations (+16,500) held steady since the low point in summer 2007, thanks to increased private investments in R&D and government spending on technologies. (See Chart 2)

1 Occupations in this broad occupational category are primarily concerned with providing financial and business services, administrative and regulatory services and clerical support services.
 2 Occupations in this broad occupational category are primarily concerned with selling goods and services and providing personal, protective, household, tourism and hospitality services.
 3 Occupations in this broad occupational category are primarily concerned with conducting theoretical and applied research and providing technical support in natural and applied sciences.

Next update: October 9, 2009



Labour Force Statistics

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

Region	Description	Aug-09	Jul-09	Aug-08	Annual Change
Calgary	Working Age Population ('000)	1,052.5	1,049.7	1,022.3	30.2
	Labour Force ('000)	817.7	814.6	799.3	18.4
	Labour Force Participation Rate (%)	77.7	77.6	78.2	(0.5)
	Employment ('000)	760.6	759.6	771.5	(10.9)
	Employment Rate (%)	72.3	72.4	75.5	(3.2)
	Unemployment ('000)	57.1	55.0	27.8	29.3
	Unemployment Rate (%)	7.0	6.8	3.5	3.5
Edmonton	Working Age Population ('000)	941.6	939.4	918.3	23.3
	Labour Force ('000)	699.3	698.3	673.8	25.5
	Labour Force Participation Rate (%)	74.3	74.3	73.4	0.9
	Employment ('000)	646.2	646.7	649.8	(3.6)
	Employment Rate (%)	68.6	68.8	70.8	(2.2)
	Unemployment ('000)	53.0	51.5	24.1	28.9
	Unemployment Rate (%)	7.6	7.4	3.6	4.0
Alberta	Working Age Population ('000)	2,870.0	2,863.1	2,799.6	70.4
	Labour Force ('000)	2,164.3	2,159.3	2,117.9	46.4
	Labour Force Participation Rate (%)	75.4	75.4	75.7	(0.3)
	Employment ('000)	2,010.6	2,010.7	2,042.7	(32.1)
	Employment Rate (%)	70.1	70.2	73.0	(2.9)
	Unemployment ('000)	153.8	148.7	75.2	78.6
	Unemployment Rate (%)	7.1	6.9	3.6	3.5

Statistics Canada: CANSIM, Table ID: 282-0054
 Source: Corporate Economics, Statistics Canada, September 2009

Calgary's Monthly Market Review: August 2009

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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Source: Statistics Canada

Monthly
Review of Economic Trends



Calgary's Monthly INFLATION REVIEW
February 2010

Inflation eased due to excess supply in a weak economy

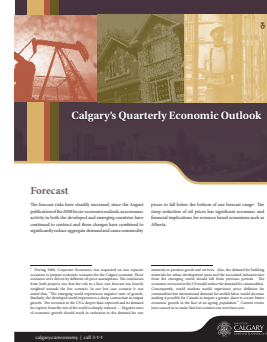
Household consumption expenditure (HCE) rose 0.2 per cent in January, for the year to date up 2.2 per cent and slightly below the 2.5 per cent target set by the Bank of Canada. The annual rate of increase in HCE has been below the 2.5 per cent target for 12 consecutive months. This is due to a combination of factors, including a weak economy and a high level of inventory.

Core Inflation is up 1.2 per cent year-over-year and 3.2 per cent over the 12-month period ending in January. This is due to a combination of factors, including a weak economy and a high level of inventory.

Calgary's inflation rate is 1.1 per cent year-over-year and 3.1 per cent over the 12-month period ending in January. This is due to a combination of factors, including a weak economy and a high level of inventory.

Category	Year-over-year	12-month
Total Inflation	1.1%	3.1%
Core Inflation	1.2%	3.2%
Calgary Inflation	1.1%	3.1%

Quarterly
Short-term Economic Outlook



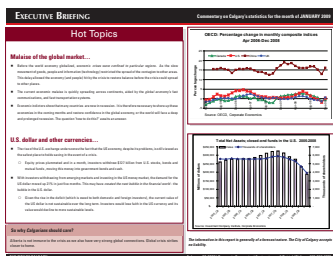
Calgary's Quarterly Economic Outlook

Forecast

The forecast calls for a modest recovery in the Calgary economy in 2010. The recovery is expected to be gradual and uneven, with some sectors showing stronger growth than others. The forecast is based on a number of assumptions, including a continued recovery in the U.S. economy and a stable oil price.

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Executive Briefing
Analysis of Opportunities & Challenges



EXECUTIVE BRIEFING
Commentary on Calgary's Outlook for the month of January 2010

Hot Topics

Market of the global market...

- The U.S. economy remains weak and a recovery is still uncertain. This has led to a decline in demand for oil and other commodities.
- The oil price remains volatile, with a recent decline from over \$100 per barrel to around \$70 per barrel.
- The Canadian economy is also weak, with a decline in demand for goods and services.
- The Calgary economy is also weak, with a decline in demand for goods and services.

U.S. dollar and other currencies...

- The U.S. dollar has weakened against other major currencies, including the Canadian dollar.
- This has led to a decline in the value of the Canadian dollar and the Calgary dollar.
- This has also led to a decline in the value of other currencies, including the U.S. dollar.

Should Calgary invest now?

Yes. The Calgary economy is still weak and a recovery is still uncertain. This is a good time to invest in the Calgary economy.

Bi-Annually
In-Depth Economic Analysis



EXECUTIVE SUMMARY
of Calgary and Region
Socio-Economic Outlook 2008-2011