

Stabilized job market in December ended 2009 with hopes

Following a large increase in November, December employment was unchanged in Canada but increased in Alberta. The seasonally adjusted data showed that from November to December

- Total employment increased by 13,900 in Alberta, but decreased slightly by 1,800 in the Calgary Economic Region (CER) and 2,600 in Canada.
- Job gains in Alberta ranked first in the country, followed by Quebec (+8,000) and Saskatchewan (+2,300). Job gains in Alberta were mostly in full-time positions (+10,100), and were concentrated in Service-producing industries such as Accommodation and food services (+11,400), Trade (+9,900) and Health care and social assistance (+7,300).

According to the unadjusted 3-month-moving-average data, the following year-over-year changes were recorded in the CER in December 2009:

- Total employment dropped by 22,400 positions, with 24,900 losses in full-time and 2,500 gains in part-time. The unemployment rate more than doubled to 7.1 per cent.
- Average wage inflation in the CMA was 1.8 per cent, including 1.4 per cent increase in part-time jobs and 5.3 per cent increase in full-time jobs.

- In October, there were 18,350 Calgarians receiving regular employment insurance benefits, a 352 per cent increase over a year ago.

Looking back at 2009 in Calgary and Alberta, the year started with the economy being jolted by energy price deflation caused by a severe global recession, but ended with higher crude oil prices and hopes of an economic rebound:

- Calgary and Alberta's unemployment rates jumped in 2009 in response to the economic downturn, but were still lower than the historical highs in the early 1990s and the current Canadian average (See chart 1).
- Calgary's unemployment rate was pushed up partially by recent losses in the total employment and partially by population increases due to the continuous net in-migration (See chart 2). People were still coming to the region looking for job opportunities. This trend should continue if high oil prices prevail.

Next update: February 5, 2010

Chart 1. Annual Unemployment Rate: Canada, Alberta, Calgary (CER)
(Unadjusted, 3 month moving average)

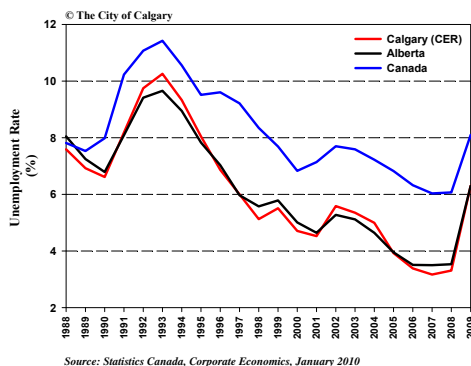
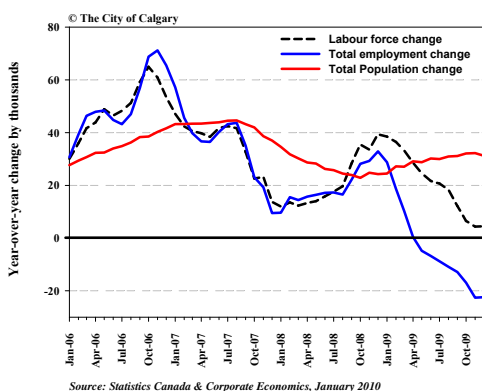


Chart 2. Year-over-year Changes in Calgary
(3-month moving average, by thousands)



Labour Force Statistics

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

Region	Description	Dec-09	Nov-09	Dec-08	Annual Change
Calgary	Working Age Population ('000)	1,061.8	1,059.8	1,030.6	31.2
	Labour Force ('000)	801.4	802.7	796.9	4.5
	Labour Force Participation Rate (%)	75.5	75.7	77.3	(1.8)
	Employment ('000)	744.5	747.4	766.9	(22.4)
	Employment Rate (%)	70.1	70.5	74.4	(4.3)
	Unemployment ('000)	57.0	55.3	30.0	27.0
	Unemployment Rate (%)	7.1	6.9	3.8	3.3
Edmonton	Working Age Population ('000)	948.8	947.3	924.4	24.4
	Labour Force ('000)	686.7	683.1	672.5	14.2
	Labour Force Participation Rate (%)	72.4	72.1	72.7	(0.3)
	Employment ('000)	637.0	631.6	647.7	(10.7)
	Employment Rate (%)	67.1	66.7	70.1	(3.0)
Alberta	Unemployment ('000)	49.7	51.5	24.7	25.0
	Unemployment Rate (%)	7.2	7.5	3.7	3.5
	Working Age Population ('000)	2,891.3	2,886.9	2,818.0	73.3
	Labour Force ('000)	2,124.8	2,123.0	2,102.1	22.7
	Labour Force Participation Rate (%)	73.5	73.5	74.6	(1.1)
	Employment ('000)	1,979.0	1,975.7	2,023.9	(44.9)
	Employment Rate (%)	68.4	68.4	71.8	(3.4)
Unemployment ('000)	145.7	147.3	78.2	67.5	
Unemployment Rate (%)	6.9	6.9	3.7	3.2	

Statistics Canada: CANSIM, Table ID: 282-0054

Source: Corporate Economics, Statistics Canada, January 2010

Calgary's Monthly Market Review: December 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 eases due to excess supply in a weak economy
Household consumption is the main driver of inflation in Canada. For the month of January 2010, the annual rate of change in the Consumer Price Index (CPI) was 1.2 per cent, down from 1.5 per cent in December 2009. This was due to a combination of factors, including a decline in the price of energy and a decrease in the price of food. The annual rate of change in the CPI for all urban consumers (CPI-U) was 1.1 per cent in January 2010, down from 1.4 per cent in December 2009. This was also due to a combination of factors, including a decline in the price of energy and a decrease in the price of food.

Forecast
The forecast calls for a gradual recovery in the Calgary economy in 2010. The forecast is based on the assumption that the global economy will continue to recover slowly, and that the Calgary economy will benefit from this recovery. The forecast also assumes that the Calgary economy will continue to be supported by government spending and investment.

Quarterly
Short-term Economic Outlook

Calgary's Quarterly Economic Outlook

Forecast
The forecast calls for a gradual recovery in the Calgary economy in 2010. The forecast is based on the assumption that the global economy will continue to recover slowly, and that the Calgary economy will benefit from this recovery. The forecast also assumes that the Calgary economy will continue to be supported by government spending and investment.

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 global market is showing signs of recovery, but it remains fragile and uncertain.
- The recovery is uneven, with some countries showing more progress than others.
- The recovery is slow, and it may take several years to return to pre-crisis levels.
- The recovery is uneven, with some countries showing more progress than others.

U.S. dollar and other currencies...

- The U.S. dollar is showing signs of recovery, but it remains weak and uncertain.
- The recovery is uneven, with some currencies showing more progress than others.
- The recovery is slow, and it may take several years to return to pre-crisis levels.
- The recovery is uneven, with some currencies showing more progress than others.

Is the Calgary outlook good?

The outlook for the Calgary economy is uncertain. The recovery is slow and uneven, and it may take several years to return to pre-crisis levels. The recovery is uneven, with some sectors showing more progress than others.

Annually
In-Depth Economic Analysis

VOLUME 1
Executive Summary of Calgary and Region
Socio-Economic Outlook 2009-2019