

# Labour Market Review

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March 11, 2011



## Two different recovery stories

Calgary along with Canada has experienced two major downturns (1990-1994 and 2008-2010) in the past two decades. The recoveries from the recessions produced different experiences for Canada and Calgary. In the 1990s recession, Calgary entered the recession after Canada and recovered quicker than Canada (see chart 1). During the 2008-2010 period, Calgary entered the recession after Canada and has still not recovered all of the job losses associated with the downturn. Canada has however recovered all the jobs that were lost and is now into the expansion phase of the business cycle (see chart 2). In both recessions, Calgary's job market proved to be more volatile than the Canadian average, since it rests on a narrower economic base that is linked to the energy markets. It is likely to take another year for Calgary to recover all of the job losses, and in the meanwhile experience more fluctuations in the labour market.

Seasonally adjusted data for January 2011 to February 2011 showed the following:

- Total employment increased in the Calgary Economic Region (CER) (+3,500), Alberta (+13,700) and Canada (+15,100).
- In Canada, job gains in part-time employment (+38,900) were partially off-set by losses in full-time positions (-23,800). Most new jobs were created in the goods-producing industries (+13,900).

- In Alberta, jobs were added in the goods-producing sector (+12,800) and were lost in the service-producing sector (-4,000), reflecting expansion in manufacturing (+12,700) and contraction in the transportation and warehousing (-10,700) industries.

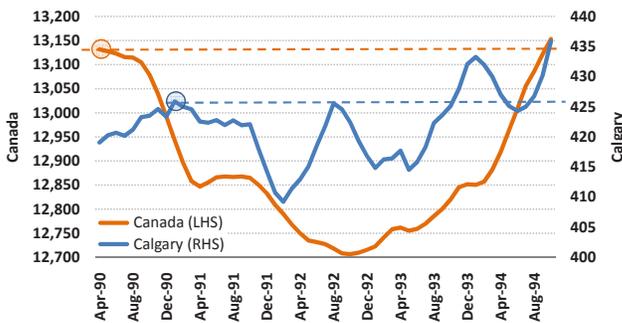
According to the unadjusted 3-month-moving-average data, the following year-over-year changes were recorded in the CER in February 2011:

- Total employment increased by 7,300 in the CER, with the biggest gains in the business, building and other support service (+10,100), construction (+7,900) and professional, scientific and technical services (+7,800) industries.
- The unemployment rate declined to 6.1 per cent from 7.1 per cent February 2010. Average wage inflation was 0.6 per cent compared to 0.8 per cent a year ago.
- There were 12,990 Calgarians receiving regular employment insurance benefits in December 2010, down from 19,680 in December 2009.

Next update: April 8, 2011

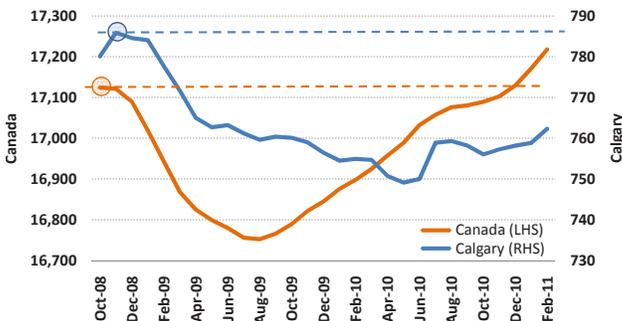
Note: On January 27, 2011, Statistics Canada released a standard revision to its Labour Force Survey estimates following the release of final population estimates from Census 2006, which would affect historical data and future estimates since then.

Chart 1. Total employment during 1990 recession: Calgary vs. Canada (seasonally adjusted, 3 month-moving-average, thousands)



Source: Statistics Canada, Corporate Economics, March 2011

Chart 2. Total employment during 2008 recession: Calgary vs. Canada (seasonally adjusted, 3 month-moving-average, thousands)



Source: Statistics Canada, Corporate Economics, March 2011

## Labour Force Statistics

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

	Description	Feb-11	Jan-11	Feb-10	Annual Change
Calgary	Working Age Population ('000)	1,100.5	1,098.8	1,079.8	20.7
	Labour Force ('000)	803.7	801.7	804.3	(0.6)
	Labour Force Participation Rate (%)	73.0	73.0	74.5	(1.5)
	Employment ('000)	754.6	754.2	747.3	7.3
	Employment Rate (%)	68.6	68.6	69.2	(0.6)
	Unemployment ('000)	49.0	47.6	56.9	(7.9)
	Unemployment Rate (%)	6.1	5.9	7.1	(1.0)
Edmonton	Working Age Population ('000)	992.5	991.2	677.6	314.9
	Labour Force ('000)	718.6	712.2	697.6	21.0
	Labour Force Participation Rate (%)	72.4	71.9	71.4	1.0
	Employment ('000)	677.5	671.8	650.9	26.6
	Employment Rate (%)	68.3	67.8	66.6	1.7
	Unemployment ('000)	41.0	40.4	46.7	(5.7)
	Unemployment Rate (%)	5.7	5.7	6.7	(1.0)
Alberta	Working Age Population ('000)	2,983.4	2,979.8	2,939.6	43.8
	Labour Force ('000)	2,160.6	2,150.2	2,138.8	21.8
	Labour Force Participation Rate (%)	72.4	72.2	72.8	(0.4)
	Employment ('000)	2,037.7	2,029.6	1,996.0	41.7
	Employment Rate (%)	68.3	68.1	67.9	0.4
	Unemployment ('000)	122.9	120.6	142.8	(19.9)
	Unemployment Rate (%)	5.7	5.6	6.7	(1.0)

Statistics Canada: CANSIM, Table ID: 282-0054

Source: Corporate Economics, Statistics Canada, March 2011

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## 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.

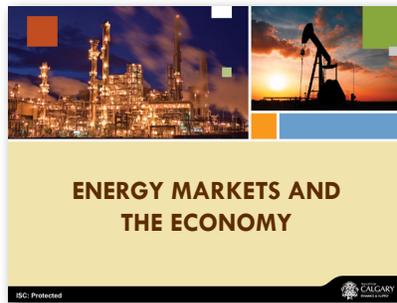
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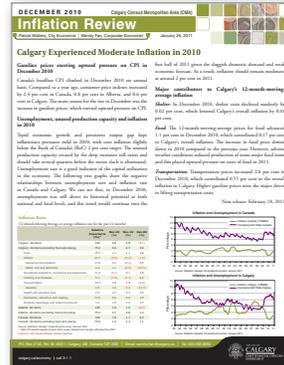
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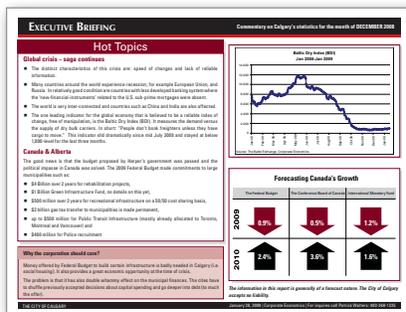
Monthly  
Energy Markets and  
the Economy



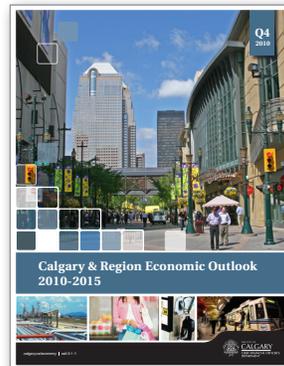
Monthly  
Review of Economic Trends



Commentary  
Executive Briefing



Quarterly  
Calgary's Quarterly Economic  
Outlook



Corporate Research Analyst: Estella Scruggs

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Source: Statistics Canada

