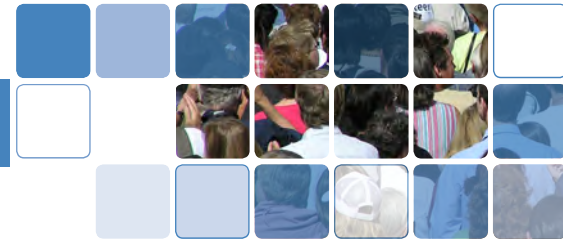


# Labour Market Review

Patrick Walters, City Economist | Ivy Zhang, Corporate Economist

December 2, 2011



## Calgary's market constrained by weak natural gas prices

The Canadian labour market lost 18,600 jobs in November, a surprise fall just before the shopping seasons when normally the trade industries need more workers. The seasonally adjusted data for October 2011 to November 2011 showed the following:

- Total employment increased in the Calgary Economic Region (CER) (+5,500), compared to changes in Alberta (+4,500) and Canada (-18,600).
- In Canada, unemployment rate edged up to 7.4 per cent. The job losses were in part-time positions (-53,300) and in the services-producing sector (-43,900). The job gains were in full-time positions (+34,600) and in the goods-producing sector (+25,200).
- In Alberta, the job gains were mainly in full-time positions (+9,100) and were led by other services (+11,600) and mining, oil and gas (+8,900) industries.

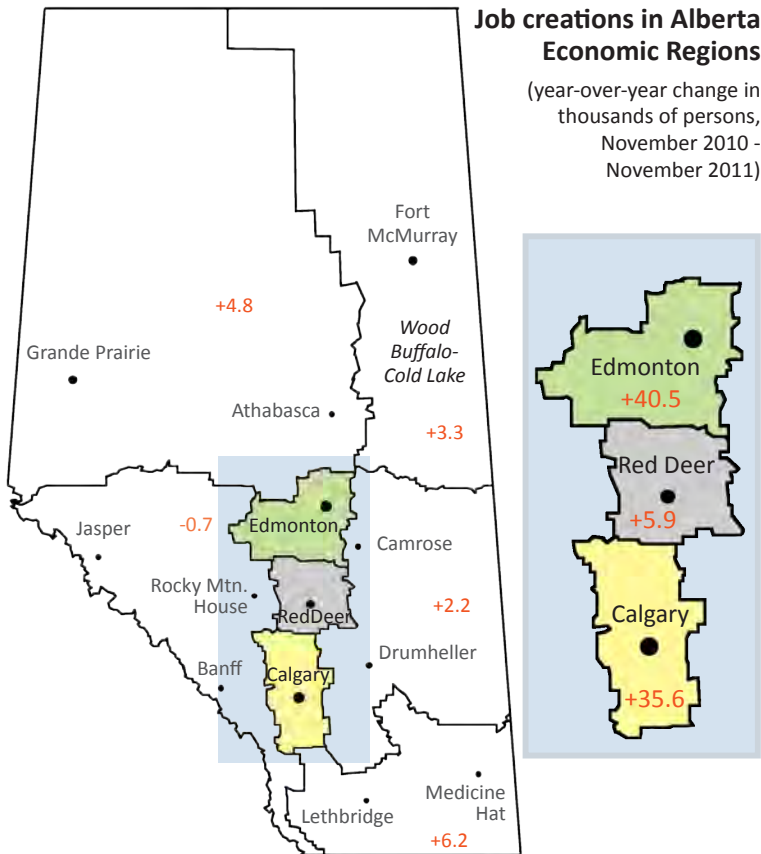
Since the recovery in 2010, Alberta's labour market outperformed the Canadian average, supported by energy sector activities. However, the divergence in the trends of crude oil and natural gas prices has had different impacts on the province's regional labour markets. Over the past two years, WTI crude oil price has recovered steadily, reaching US\$100 per barrel by the end of November 2011. In the mean time,

the AECO natural gas price remained relative low around C\$3.5 per GJ. As a result, the Edmonton region benefited more from strong crude oil prices, because of its proximity to Fort McMurray, the center of oil sands investments. In comparison, the expansion in the CER was constrained, partially by the weakness in the natural gas market.

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

- Total employment increased by 35,600, all in full-time positions (+36,300). The largest job gains were in professional, scientific and technical services (+13,300), mining, oil and gas (+8,600), and manufacturing (+7,700) industries, while the major losses were in business, building and other support services (-5,700) industry.
- The unemployment rate declined to 4.9 per cent, from 6.1 per cent a year ago.
- The average wage inflation rate was 4.1 per cent, compared to 0.6 per cent last November.
- There were 7,420 Calgarians receiving regular employment insurance benefits in September 2011, down from 12,340 last September.

Next update: January 6, 2012



Source: Statistics Canada, Corporate Economics, December 2011

### Labour Force Statistics

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

	Description	Nov-11	Oct-11	Nov-10	Annual Change
Calgary	Working Age Population ('000)	1,117.6	1,116.0	1,095.6	22.0
	Labour Force ('000)	834.0	838.7	806.2	27.8
	Labour Force Participation Rate (%)	74.6	75.2	73.6	1.0
	Employment ('000)	792.8	791.6	757.2	35.6
	Employment Rate (%)	70.9	70.9	69.1	1.8
	Unemployment ('000)	41.2	47.1	49.0	(7.8)
	Unemployment Rate (%)	4.9	5.6	6.1	(1.2)
Edmonton	Working Age Population ('000)	1,006.3	1,004.9	988.9	17.4
	Labour Force ('000)	740.1	744.2	700.2	39.9
	Labour Force Participation Rate (%)	73.5	74.1	70.8	2.7
	Employment ('000)	700.8	702.3	660.3	40.5
	Employment Rate (%)	69.6	69.9	66.8	2.8
Alberta	Working Age Population ('000)	3,021.9	3,018.2	2,973.3	48.6
	Labour Force ('000)	2,232.4	2,245.1	2,147.5	84.9
	Labour Force Participation Rate (%)	73.9	74.4	72.2	1.7
	Employment ('000)	2,122.3	2,123.1	2,024.3	98.0
	Employment Rate (%)	70.2	70.3	68.1	2.1
	Unemployment ('000)	110.1	122.0	123.2	(13.1)
	Unemployment Rate (%)	4.9	5.4	5.7	(0.8)

Source: Statistics Canada (Table ID: 282-0054), Corporate Economics, December 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.

For more information, please contact:

Patrick Walters  
403.268.1335 or patrick.walters@calgary.ca

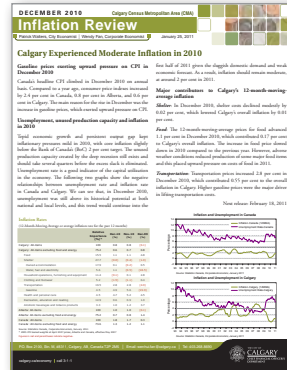
Ivy Zhang  
403.268.2005 or ivy.zhang@calgary.ca

Many of our publications are available on the internet at [www.calgary.ca/economy](http://www.calgary.ca/economy).

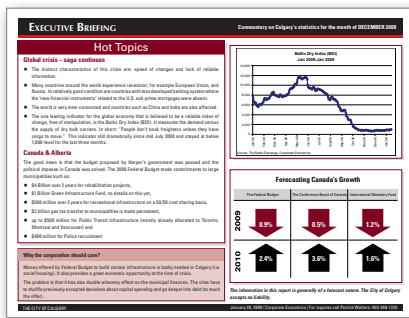
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Source: Statistics Canada and Corporate Economics

