

Calgary attract workers with highly paid jobs

Higher wages attract job seekers to Calgary

Over the past fifteen years, job markets in Alberta have expanded more quickly than those in the rest of Canada, thanks to high crude oil and natural gas prices. Low unemployment rates and high demand for skilled workers caused wage rates to grow faster in the province than in the rest of nation (chart 1). The average hourly wage rate for all workers increased from \$14.8 per hour in 1997 to \$25.5 per hour in 2011 in Alberta, compared to Canada where wages increased from \$15.6 per hour in 1997 to \$23 per hour in 2011. Over the same period, the wage rate gap between Alberta and Canada grew even larger in the 25-54 age cohorts, the group of people who are more willing to relocate for better job opportunities. As a result, large numbers of people came to Alberta from other provinces, which contributed to the fastest population growth in Canada. Within Alberta, the job market in the Calgary Economic Region (CER) led the rest of the province in hourly wage rate. Strong economic recovery increased the demand for highly paid occupations (chart 2). In 2011, the hourly wage rate in the CER averaged \$26.5 per hour for all workers, \$28 per hour for full-time positions, and \$18.3 per hour for part-time positions.

The labour market in Canada, on a month-over-month basis, added more jobs in April 2012, according to the seasonally adjusted data:

- Total employment increased by 10,700 in Alberta and 58,200 in Canada, but was relatively unchanged (-1,400) in the CER.
- In Canada, while the private sector created 85,800 jobs, public sector cut

19,200 positions. New jobs were mainly full-time positions (+43,900) and in the construction (+24,600), manufacturing (+23,800) and educational services (+16,800) industries. Job cuts were mainly in the public administration (-34,000) and trade (-18,400) industries.

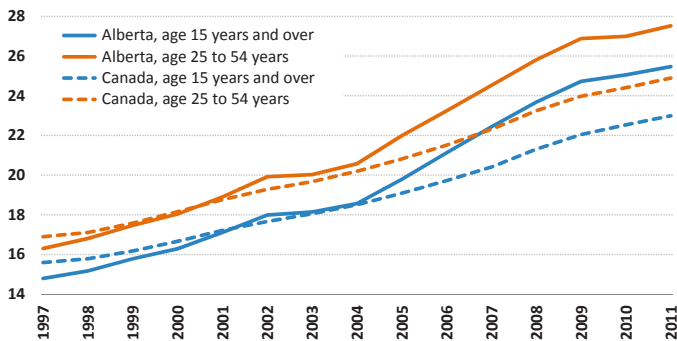
- In Alberta, most new jobs were created in the forestry, fishing, mining, oil and gas (+10,900), manufacturing (+6,500), and educational services (+5,500) industries. The biggest job losses were in the trade (-5,100), business, building and other support services (-4,700), and professional, scientific and technical services (-4,100) industries.

According to the unadjusted 3-month-moving-average data, the following year-over-year changes were recorded in the CER in April 2012:

- Total employment increased by 38,900, mainly in the mining, oil and gas (+21,000), transportation (+7,900), and construction (+6,600) industries. The major job losses were in the business, building and other support services (-7,800), and educational services (-4,800) industries.
- The unemployment rate was 5.2 per cent, compared to 6.0 per cent a year ago.
- The average hourly wage inflation rate was 3.1 per cent, compared to 0.4 per cent last April.
- There were 9,350 people in the Calgary Metropolitan Area (CMA) receiving regular employment insurance benefits in February 2012, down from 14,070 in February 2011.

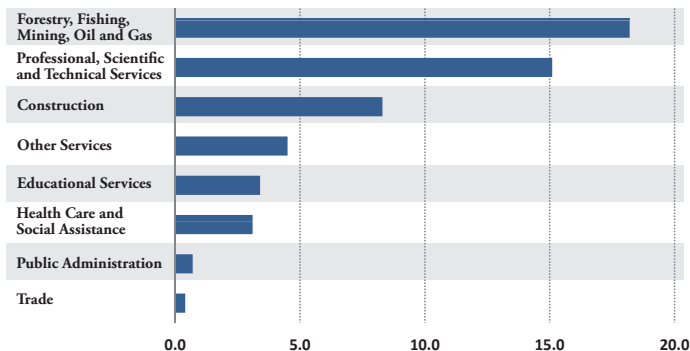
Next update: June 8, 2012

Chart 1. Wage differences between Alberta and Canada (average hourly wage rate, 1997 - 2011, dollars per hour)



Source: Statistics Canada, Corporate Economics, May 2012

Chart 2. CER Job growth by major industry (April 2010 - April 2012, thousands of persons)



Source: Statistics Canada, Corporate Economics, May 2012

Labour Force Statistics

Economic Regions (Seasonally Adjusted 3-Month-Moving-Average)

	Description	Apr-12	Mar-12	Apr-11	Annual Change
Calgary	Working Age Population ('000)	1,127.1	1,124.8	1,104.1	23.0
	Labour Force ('000)	848.9	848.0	813.6	35.3
	Labour Force Participation Rate (%)	75.3	75.3	73.7	1.6
	Employment ('000)	805.9	807.3	766.5	39.4
	Employment Rate (%)	71.5	71.7	69.4	2.1
	Unemployment ('000)	43.7	43.4	48.2	(4.5)
	Unemployment Rate (%)	5.1	5.0	5.9	(0.8)
Edmonton	Working Age Population ('000)	1,015.7	1,013.3	995.2	20.6
	Labour Force ('000)	741.9	739.0	727.8	14.2
	Labour Force Participation Rate (%)	73.0	72.9	73.1	(0.1)
	Employment ('000)	703.3	699.6	684.7	18.6
	Employment Rate (%)	69.2	69.0	68.8	0.4
	Unemployment ('000)	39.0	40.2	43.3	(4.3)
Unemployment Rate (%)	5.2	5.4	5.9	(0.7)	
Alberta	Working Age Population ('000)	3,044.4	3,039.0	2,991.5	52.8
	Labour Force ('000)	2,247.7	2,245.3	2,194.3	53.5
	Labour Force Participation Rate (%)	73.8	73.8	73.3	0.5
	Employment ('000)	2,138.2	2,134.4	2,069.9	68.2
	Employment Rate (%)	70.3	70.2	69.2	1.0
	Unemployment ('000)	110.6	110.9	124.9	(14.3)
Unemployment Rate (%)	4.9	5.0	5.7	(0.8)	

Source: Statistics Canada, seasonally adjusted by Corporate Economics, May 2012

Labour Market Review

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May 11, 2012

Who We Are

Corporate Economics provides services in four areas: forecasting, information provision, policy analysis and consulting. We also monitor the current economic trends which allows us to develop unique insights on how external events are impacting the local economy and the Municipal government. We are experienced at researching different economic topics and developed reliable methods of forecasting and analysis.

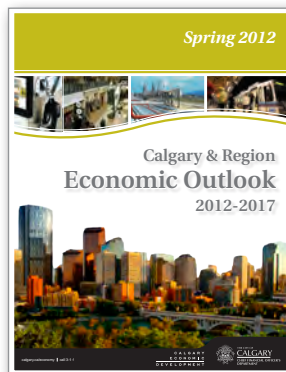
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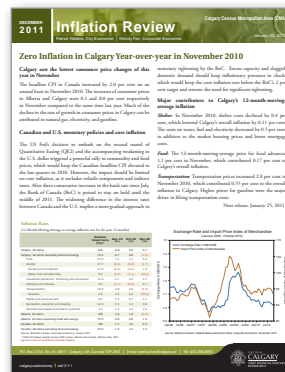
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- ▶ Labour Market Review
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- ▶ A Case of Fiscal Imbalance: The Calgary Experience
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Source: Statistics Canada and Corporate Economics

