

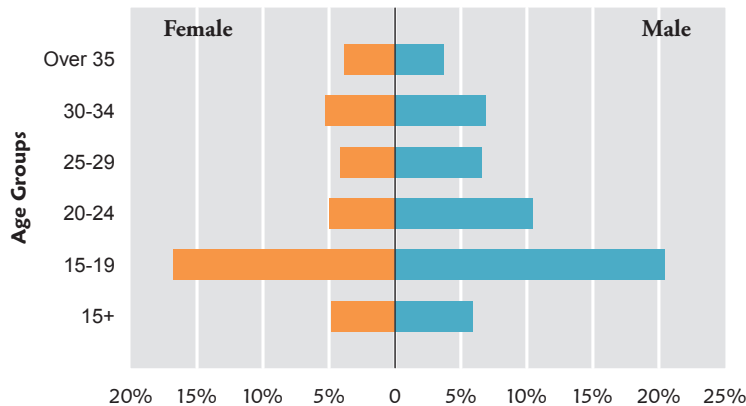
Labour Market Review

Oyin Shyllon, Corporate Economist | Estella Scruggs, Corporate Research Analyst

July 11, 2014

The male unemployment rate in the Calgary Economic Region (CER) has edged higher, while the unemployment rate for males aged 15-19 years recently hit its short-term high. The June 2014 unemployment rate was estimated at 5.4 per cent, up from 5.0 per cent in June 2013 but the same as 5.4 per cent recorded the previous month. In the twelve month period between June 2013 and June 2014, the increase in the unemployment rate was as a result of employment growing (30,100) more slowly than the labour force (35,800). In the last 6 months, the unemployment rate for those aged 15-19 years climbed sharply from 13.1 per cent in December 2013 to 18.7 per cent in June 2014. Over the same period, the male unemployment has also edged higher from 5.0 per cent to 5.9 per cent. The female unemployment rate is lower than the males at 4.8 per cent in June 2014. The highest unemployment rate for males aged 15-19 years for the March 1987 to June 2014 period is 32.6 per cent recorded in March 2014 and has only dropped off somewhat to 20.4 per cent in June 2014.

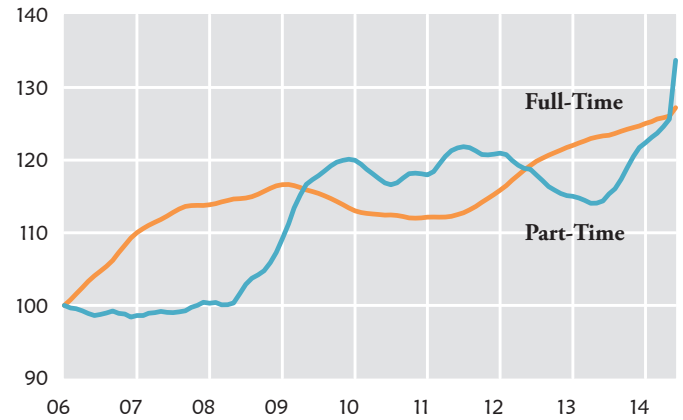
Chart 1. High Male and Teenage Unemployment
(CER June 2014 Unemployment Rate, per cent)



Sources: Statistics Canada, Corporate Economics, July 2014

Part-time job positions have increased sharply in the last 12 months, after falling from mid-2011 to mid-2013. Total employment in the CER was estimated at 857,200 in June 2014 up from 827,100 in June 2013. Full-time employment was estimated at 712,300 and part-time employment at 144,800. The working age population was estimated at 1,219,900 in June 2014, up from 1,173,000 in June 2013. Consequently, the employment rate has fallen from 70.5 per cent in June 2013 to 70.3 per cent in June 2014. The 12 month moving average number of employed persons estimated at 844,300 was up 3.7 per cent from 814,350 at the same time in 2013 – higher than 0.9 per cent for Canada and 3.5 per cent for Alberta. For buoyant job markets, the growth in full-time positions should outstrip the growth in part-time positions. In the last 12 months, however, part-time job positions have increased 11.7 per cent compared with 2.1 per cent for full-time positions.

Chart 2. Recent Change in Full-Time and Part-Time Hiring Patterns
(12 Month Moving Average, January 2006 = 100)



Sources: Statistics Canada, Corporate Economics, July 2014

Faster employment growth is needed to keep pace with labour force growth. The labour force was estimated at 906,100 in June 2014 breaching the 900,000 level for the first time. The labour force has increased 3.8 per cent from a 12 month moving average of 855,200 in June 2013 to 887,800 in June 2014. Despite this high growth rate, the labour force participation rate increased only slightly from 74.2 per cent in June 2013 to 74.3 per cent in June 2014 because of equally fast population growth. The working age population increased 4.0 per cent over the 12 month period driven by high levels of net migration. The 12 month moving average number of employed persons increased 3.7 per cent between June 2013 and June 2014. Beginning in March 2014 and for 5 consecutive months, the increase in the 12 month moving average number of employed persons has been less than the comparable increase in the number of entrants into the labour force.

Chart 3. Employment growth is not keeping up with labour force growth
(Monthly Increase in Employed Persons less Increase in Labour Force)



Sources: Statistics Canada, Corporate Economics, July 2014

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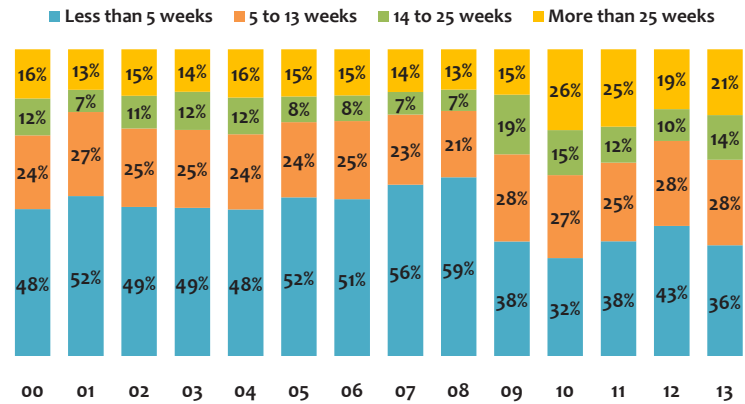
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Unemployed Calgarians are taking longer to find jobs. The number of unemployed persons in the CER has increased from 43,200 in June 2013 to 49,000 in June 2014. There are more unemployed persons in the service-producing sector (23,000 persons) than in the goods-producing sector (11,700 persons) with the remaining 14,300 unemployed unclassified. Service-producing sector unemployment increased by 5,000 persons, while goods-sector unemployment increased by 100 persons year-over-year. The proportion of the unemployed that take less than 5 weeks to get employment reached a high of 59 per cent in 2008 as Calgary's labour market experienced sustained improvement prior to the recession. Following the recession, the unemployed are taking longer to get jobs. In 2013, 36 per cent were unemployed for less than 5 weeks. This was higher than the share for Canada (33 per cent) but lower than that for Alberta (40 per cent).

Chart 4. Duration of Unemployment is getting longer for Calgarians
(Share of unemployed in different unemployment duration groups, per cent)



Sources: Statistics Canada, Corporate Economics, July 2014

Next update: August 8, 2014

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 have developed reliable methods of forecasting and analysis.

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Sources: Statistics Canada, Corporate Economics.