Calgary

Calgary Economic Region (CER)

NOVEMBER 2017

Labour Market Review

Ivy Zhang, *Senior Corporate Economist* | **Jorjeta Bojanova**, *Corporate Research Analyst*

December 1, 2017

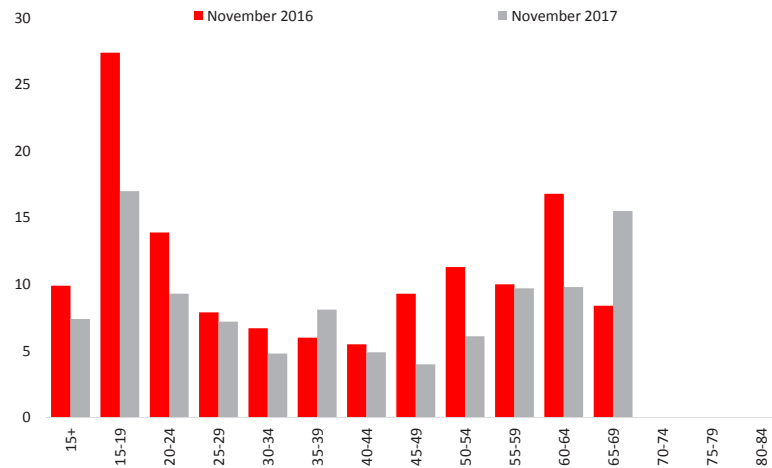**Highlights:** Statistics Canada's Labour Force Survey[1] in November shows the following:

- In the Calgary Economic Region (CER), total employment declined by 2,900 from the previous month, but increased by 11,200 from a year ago. The region's unemployment rate was 7.4 per cent, compared to 6.8 per cent in Alberta and 5.6 per cent across Canada.

- Year-over-year, 21,000 new full-time jobs were created, partially offset by the loss of 9,800 part-time positions. Job gains were in both the service-producing sector (+10,000) and the goods-producing sector (+1,100).

- In the Calgary Census Metropolitan Area (CCMA), the average weekly wage rate in November was $1148, up $20 or 1.8 per cent from a year ago; the total weekly wage bill for the CCMA was $794 million, up by $28 million year-over-year.

- In September 2017, there were 21,880 employment insurance (EI) recipients in the CCMA, down by 31 per cent from a year ago.

Thanks to the job creations in the past twelve months, the average unemployment rate in the CER dropped from 9.9 per cent in November 2016 to 7.4 per cent in November 2017. A lowering unemployment rate is normally good news, people feeling better about their job prospects would participate more in the labour market. However, currently in Calgary the lower unemployment rate is partially due to some discouraged workers dropping out of the labour force[2]. This is a concern as some of those people are core-age workers (aged 25-54), and that is why we should be cautiously optimistic about current labour market conditions.

Charts 1 and 2 show the CER's unemployment rates and participation rates by five-year age cohort in November 2016 and November 2017. Compared to a year ago, the unemployment rates declined for almost all age groups except those aged 35-39 and 65-69. At the same time, the labour market participation rates increased in all age cohorts but those aged 15-24, 40-44, 50-54 and 70-74.
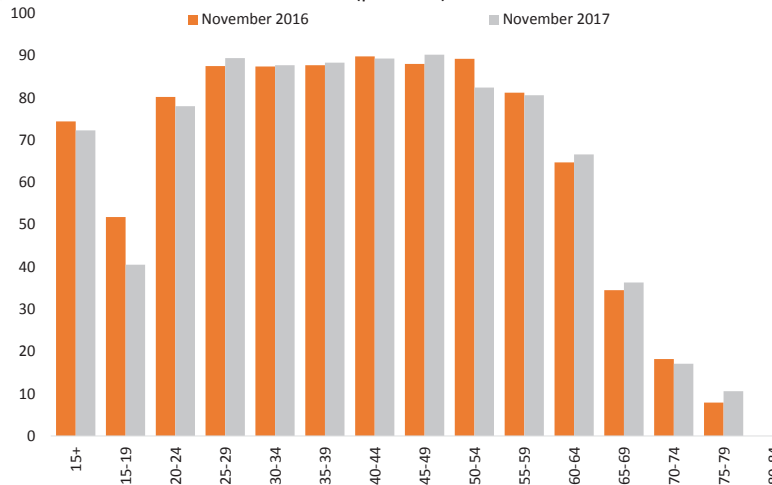
Over the past twelve months, three situations played out in the CER labour market: 1) People aged 25-34, 45-49, and 60-64 were encouraged by the lower unemployment rates and thus participated more in the job market; 2) People aged 35-39 and 65-69 experienced higher unemployment rates but still participated more in the labour market, probably due to their financial needs and the lack of retirement savings. 3) People aged 15-24, 40-44 and 50-59 had both lower unemployment rates and participation rates. Here, the lower unemployment rates were the result of instead of the reason for the lower participation rates. While some youth (aged 15-24) went back to schools dealing with hard economic times, other people in their pre-retirement age decided to retire earlier or leave the labour market after exhausting the EI benefits and still couldn't find jobs.

Chart 1 CER Unemployment Rate by Age Cohort
(per cent)

Source: Statistics Canada, Corporate Economics

Chart 2 CER Labour Participation Rate by Age Cohort
(per cent)

Source: Statistics Canada, Corporate Economics

Table 1 Labour Force Statistics
(Seasonally unadjusted 3-month moving average)

Table 2 on next page

	Description	Nov-17	Oct-17	Nov-16	Annual Change
CALGARY ECONOMIC REGION	Working Age Population ('000)	1,313.8	1,312.4	1,295.4	18.4
	Labour Force ('000)	950.1	961.2	963.6	(13.5)
	Labour Force Participation Rate (%)	72.3	73.2	74.4	(2.1)
	Employment ('000)	879.7	882.6	868.5	11.2
	Employment Rate (%)	67.0	67.3	67.0	0.0
	Unemployment ('000)	70.4	78.5	95.0	(24.6)
	Unemployment Rate (%)	7.4	8.2	9.9	(2.5)

	Description	Nov-17	Oct-17	Nov-16	Annual Change
ALBERTA	Working Age Population ('000)	3,439.1	3,436.8	3,407.9	31.2
	Labour Force ('000)	2,462.5	2,484.5	2,467.7	(5.2)
	Labour Force Participation Rate (%)	71.6	72.3	72.4	(0.8)
	Employment ('000)	2,294.5	2,298.2	2,274.2	20.3
	Employment Rate (%)	66.7	66.9	66.7	0.0
	Unemployment ('000)	168.0	186.3	193.6	(25.6)
	Unemployment Rate (%)	6.8	7.5	7.8	(1.0)

Sources: Statistics Canada, Corporate Economics, December 1, 2017

Table 2 Calgary CMA Wage by Industry

Industry	Total employed* ('000 persons)			Average weekly earning ($)			Total weekly bills ($million)		
	Nov-17	Nov-16	Change (y/y)	Nov-17	Nov-16	Change (y/y)	Nov-17	Nov-16	Change (y/y)
Mining, quarrying, and oil and gas extraction	45.2	51.8	(6.6)	1,972.3	1,885.3	87.0	89.1	97.7	(8.5)
Utilities	8.1	8.8	(0.7)	1,986.6	1,575.9	410.7	16.1	13.9	2.2
Construction	62.6	47.1	15.5	1,346.5	1,328.2	18.3	84.3	62.6	21.7
Manufacturing	33.2	39.7	(6.5)	1,151.2	1,112.7	38.5	38.2	44.2	(6.0)
Wholesale Trade	33.4	25.5	7.9	1,407.3	1,229.3	178.0	47.0	31.3	15.7
Retail Trade	83.5	87.0	(3.5)	720.3	681.8	38.6	60.1	59.3	0.8
Transportation and Warehousing	48.8	45.5	3.3	1,136.4	1,157.7	(21.3)	55.5	52.7	2.8
Information and Cultural Industries	11.1	11.0	0.1	999.2	1,286.1	(287.0)	11.1	14.1	(3.1)
Finance and Insurance	23.6	22.5	1.1	1,126.4	1,307.2	(180.9)	26.6	29.4	(2.8)
Real Estate Rental and Leasing	8.5	8.9	(0.4)	1,096.9	1,287.3	(190.4)	9.3	11.5	(2.1)
Professional Scientific and Technical Services	51.0	61.8	(10.8)	1,510.7	1,536.3	(25.7)	77.0	94.9	(17.9)
Administrative and Support	23.8	22.4	1.4	865.1	955.6	(90.5)	20.6	21.4	(0.8)
Educational Services	50.5	50.9	(0.4)	1,255.2	1,186.1	69.1	63.4	60.4	3.0
Health Care and Social Assistance	74.2	76.0	(1.8)	1,102.6	1,057.9	44.6	81.8	80.4	1.4
Arts Entertainment and Recreation	18.0	15.9	2.1	633.2	535.9	97.3	11.4	8.5	2.9
Accommodation and Food Services	60.7	48.7	12.0	542.4	482.2	60.2	32.9	23.5	9.4
Other Services(except Public Admin)	23.0	33.8	(10.8)	886.4	801.8	84.6	20.4	27.1	(6.7)
Public Administration	30.6	19.3	11.3	1,519.3	1,552.6	(33.3)	46.5	30.0	16.5
All Industries	**691.5**	**679.2**	**12.3**	**1,147.5**	**1,127.2**	**20.3**	**793.5**	**765.6**	**27.9**

Sources: Statistics Canada, Corporate Economics, December 1, 2017
* Excluding self-employed
Note: lack of data for Agriculture

Next update: January 5, 2018

[1] Data used in this report for the Calgary Economic Region (CER) and Calgary Census Metropolitan Area (CCMA) is 3-month moving average, not seasonally adjusted.

[2] Labour force include those employed and those unemployed but actively looking for jobs

Sources: Statistics Canada, Corporate Economics