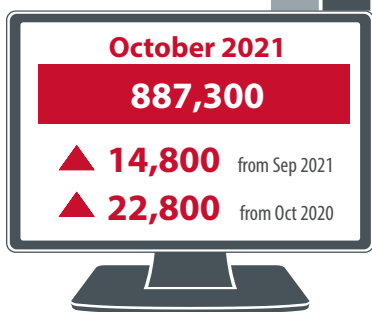


## Highlights\*:

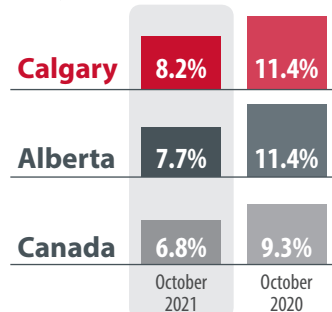
### Total Employment

Calgary Economic Region



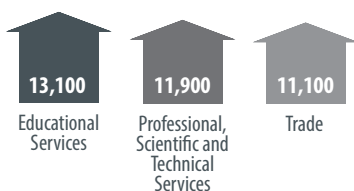
### Unemployment Rates

Calgary Economic Region



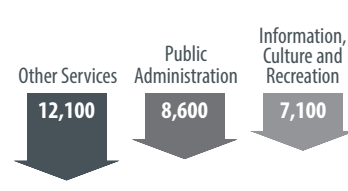
### Most Job Gains by Industry

Oct 2021, year-over-year change



### Most Job Losses by Industry

Oct 2021, year-over-year change



### Average Wage Rate

Calgary Census Metropolitan Area

October 2021, year-over-year change



### Employment Insurance

Calgary Census Metropolitan Area



## Female unemployment rates have dropped relative to the male unemployment rate amidst the fourth wave of the pandemic

The month of October has shown a marked improvement in the battle against the fourth wave of the COVID-19 pandemic. As of October 26<sup>th</sup>, 78.7 per cent of eligible persons in the province were fully vaccinated. This, in addition to restrictions and the vaccine passport policy, has contributed to a declining fourth wave. The number of active cases within Alberta declined from 20,238 at the beginning of the month to 8,733 as of October 26<sup>th</sup>.

The October Labour Force Survey was conducted between October 10<sup>th</sup> and October 19<sup>th</sup>. **For the month of October, the CER employment level has exceeded the pre-pandemic employment level of October 2019.** The Calgary Economic Region (CER) registered total employment gains of 14,800 from the previous month and year-over-year growth of 22,800, marking a 2.6 per cent year-over-year growth rate. Despite a decline in business activity as a result of health restrictions due to the fourth wave of the pandemic, the CER three-month moving average unemployment rate<sup>1</sup> declined to 8.2 per cent, a drop of 1.0 percentage point from the month of September. Unemployment rates for Alberta<sup>2</sup> and Canada<sup>3</sup> also fell to 7.7 per cent and 6.8 per cent, respectively.

A contributing factor to the fall in the CER unemployment rate was a bigger decline in the female unemployment rate compared to the drop in the male unemployment rate. In October, the male unemployment rate fell by 0.3 percentage points to 8.2 per cent and the female unemployment rate dropped by as much as 1.7 percentage points to 8.2 per cent.

1 Seasonally unadjusted.

2 The seasonally unadjusted rate in Alberta for October was 7.6 per cent.

3 The seasonally unadjusted rate in Canada for October was 6.7 per cent.

Historically, male unemployment rates have been higher than female unemployment rates. However, Chart 1 reveals that the Alberta female unemployment rate reverted between April and August but has since then reversed course. Canada experienced a similar reversal but later, between April and June and has likewise reversed course. In the CER, the male unemployment rate has reflected a similar historical pattern of higher unemployment rates. Since April 2021, the male unemployment rate in the CER has reversed course, and the female unemployment rate has remained higher.

However, evidence within Alberta and Canada and the October CER unemployment rate indicates that the CER female unemployment rate is expected to fall below the male unemployment rate soon.

The month-over-month employment gains were led by Retail Trade (+7,600), Education (+5,000), Health Care (+2,400), Finance (+2,300), Transportation and Warehousing (+2,000) and Construction (+1,900). However, these gains were offset by Real Estate (-1,700) and Accommodation and Food Services (-1,100).

## Persistent job vacancy rates signalling structural transformation?

There has been some debate surrounding the growing Tech<sup>4</sup> industry and whether the economy is undergoing a structural shift as a result. Structural shifts are typically characterized by rising unemployment as a result of skills mismatches, as employers struggle to find the right hires to fill job vacancies. Rising job vacancy rates and persistently high unemployment in the Tech industries can be an indication of a structural shift within the economy.

Canada's total industry job vacancy rate grew by 32.1 per cent in Q2 2021 from Q1 2021. Similar job vacancy growth was observed across industries in Alberta. The total industry job vacancy grew by 37.0 per cent in Q2 2021 from the previous quarter. In addition, Alberta's unemployment rate declined from 11.1 per cent at the start of the year to 8.9 per cent in July 2021.

With that being said, is there reason to believe the growing number of job vacancies witnessed in Canada is signalling some structural transformation, where a shift in the skills demanded by employers is leading to more extended search-and-hiring periods, causing a spike in job vacancies? Evidence across industries in Alberta does not suggest so. First, the unemployment rate decline and the rise in total employment numbers suggest hiring is taking place but cannot keep up with labour demand.

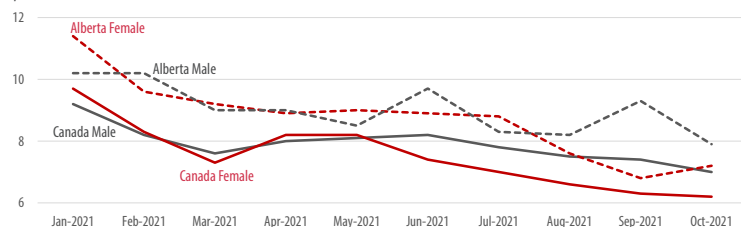
Secondly and more importantly, the most significant sector drivers of this job vacancy growth have not been driven by the Tech industry. The industries experiencing the most job vacancy growth between Q4 2020 and Q2 2021 in Alberta were in Accommodation and Food Services (100.9 per cent), Construction (102.5 per cent) and Health Care (44.4 per cent), which jointly accounted for 35.2 per cent of all job vacancies in Alberta (refer to figure 2). Pent-up demand for new homes, combined with low mortgage rates, fueled real estate markets and added to lumber price pressures, leading to the shortage of workers within Construction.

Overall, there is not much evidence pointing to a structural economic shift as the primary driver of current job vacancy trends. Instead, it seems likely the surge in household demand, which left suppliers scrambling to hire more workers to match demand, and an unlikely earlier unwillingness to hike wages reasonable enough to attract workers has contributed to longer job searches by workers. As higher wage offers to workers are entertained to meet the household demand, it is expected that vacancy rates should normalize.

4 We use the growth in Professional, Scientific and Technical Services, Finance and Insurance and Information Industry as proxy for growth in the Tech Industry.

**Chart 1: Canada and Alberta Unemployment Rates By Gender (January 2021 to October 2021)**

(per cent)

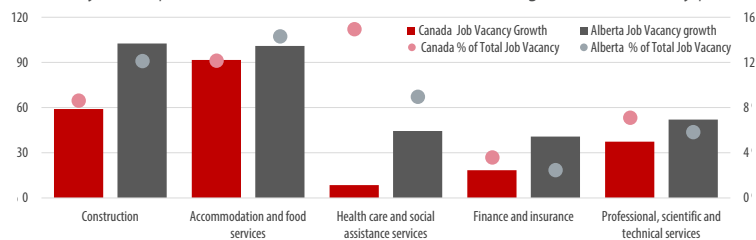


Sources: Statistics Canada, Corporate Economics.

**Chart 2: Pace Of Job Vacancy And Industry Mix For Alberta and Canada (Q4 2020 to Q2 2021)**

Job Vacancy Growth (per cent)

Percentage of Total Job Vacancy (per cent)



Sources: Statistics Canada, Corporate Economics.

**Table 1 Labour Force Statistics**

(Seasonally unadjusted 3-month-moving-average)

Description	Oct-21	Sep-21	Oct-20	Annual Change
Working Age Population ('000)	1,358.4	1,356.2	1,341.0	17.4
Labour Force ('000)	966.3	960.6	975.9	(9.6)
Labour Force Participation Rate (%)	71.1	70.8	72.8	(1.7)
Employment ('000)	887.3	872.5	864.5	22.8
Employment Rate (%)	65.3	64.3	64.5	0.8
Unemployment ('000)	79.0	88.1	111.4	(32.4)
Unemployment Rate (%)	8.2	9.2	11.4	(3.2)

Sources: Statistics Canada, Corporate Economics, November 5, 2021

Description	Oct-21	Sep-21	Oct-20	Annual Change
Working Age Population ('000)	3,550.6	3,545.5	3,515.3	35.3
Labour Force ('000)	2,467.4	2,474.6	2,447.4	20.0
Labour Force Participation Rate (%)	69.5	69.8	69.6	(0.1)
Employment ('000)	2,276.3	2,267.4	2,169.6	106.7
Employment Rate (%)	64.1	64.0	61.7	2.4
Unemployment ('000)	191.1	207.3	277.8	(86.7)
Unemployment Rate (%)	7.7	8.4	11.4	(3.7)

**Table 2 Calgary CMA Wage by Industry**

Industry	Total employees*** ('000 persons)			Average weekly earning (\$)			Total weekly wage bill (\$million)			Total hours worked (hours)		
	Oct-21	Oct-20	Change (y/y)	Oct-21	Oct-20	Change (y/y)	Oct-21	Oct-20	Change (y/y)	Oct-21	Oct-20	Change (y/y)
Mining, quarrying, and oil and gas extraction	48.0	46.0	2.0	2,218.60	2,051.34	167.26	106.5	94.4	12.1	40.9	41.0	(0.1)
Utilities	8.7	6.4	2.3	2,159.36	1,889.17	270.19	18.8	12.1	6.7	38.0	38.2	(0.1)
Construction	52.5	58.2	(5.7)	1,411.46	1,541.27	(129.81)	74.1	89.7	(15.6)	41.9	40.7	1.1
Manufacturing	40.9	42.0	(1.1)	1,256.31	1,244.01	12.30	51.4	52.2	(0.9)	39.1	38.2	0.9
Wholesale Trade	27.7	33.4	(5.7)	1,256.28	1,262.77	(6.49)	34.8	42.2	(7.4)	38.8	38.4	0.4
Retail Trade	81.6	69.5	12.1	719.53	782.89	(63.36)	58.7	54.4	4.3	33.3	34.0	(0.7)
Transportation and Warehousing	48.2	43.9	4.3	1,295.31	1,233.35	61.96	62.4	54.1	8.3	38.0	35.8	2.2
Information and Cultural Industries	12.3	12.9	(0.6)	1,229.98	1,438.54	(208.56)	15.1	18.6	(3.4)	34.3	38.6	(4.3)
Finance and Insurance	26.8	28.1	(1.3)	1,389.05	1,479.05	(90.00)	37.2	41.6	(4.3)	39.5	37.0	2.4
Real Estate Rental and Leasing	12.2	6.9	5.3	1,289.99	1,025.11	264.88	15.7	7.1	8.7	36.5	37.4	(0.8)
Professional Scientific and Technical Services	68.8	61.4	7.4	1,608.71	1,695.37	(86.66)	110.7	104.1	6.6	40.5	38.6	1.9
Administrative and Support	21.8	23.0	(1.2)	1,024.38	1,025.44	(1.06)	22.3	23.6	(1.3)	40.7	38.3	2.3
Educational Services	58.6	46.5	12.1	1,228.83	1,277.07	(48.24)	72.0	59.4	12.6	35.3	35.6	(0.3)
Health Care and Social Assistance	93.1	82.9	10.2	1,042.87	1,104.34	(61.47)	97.1	91.5	5.5	33.6	34.0	(0.3)
Arts Entertainment and Recreation	13.4	17.6	(4.2)	632.89	565.31	67.58	8.5	9.9	(1.5)	32.8	26.7	6.1
Accommodation and Food Services	41.0	46.5	(5.5)	514.66	493.12	21.54	21.1	22.9	(1.8)	29.1	29.2	(0.1)
Other Services (except Public Admin)	21.6	26.2	(4.6)	1,154.64	834.51	320.13	24.9	21.9	3.1	38.2	36.2	2.1
Public Administration	21.8	30.0	(8.2)	1,740.89	1,697.24	43.65	38.0	50.9	(13.0)	36.8	37.5	(0.7)
<b>All Industries</b>	<b>699.1</b>	<b>681.5</b>	<b>17.6</b>	<b>1,243.76</b>	<b>1,248.31</b>	<b>(4.55)</b>	<b>869.5</b>	<b>850.7</b>	<b>18.8</b>	<b>37.5</b>	<b>37.0</b>	<b>0.4</b>

\*\*\* Excluding self-employed Note: lack of data for Agriculture  
Sources: Statistics Canada, Corporate Economics, November 5, 2021

Next update: December 3, 2021

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\* Labour force data used in this report is 3-month-moving-average, seasonally unadjusted.

Note: In February 2021, Statistics Canada revised its Labour Force Survey estimates including historical data.