



Labour Market Bulletin

Alberta



November 2015

This Labour Market Bulletin provides an analysis of Labour Force Survey results for the province of Alberta, including the regions of Calgary, Edmonton, Central Alberta and Mountain Parks, Southern Alberta, and Northern Alberta.

OVERVIEW

There were 14,900 fewer individuals working in Alberta during November 2015, as sharp losses in part-time employment (-24,800) overshadowed gains in full-time employment (+9,900). This was the largest month-over-month employment drop of the year. November is also the first month of 2015 in which Alberta's employment fell year over year (-2,300).

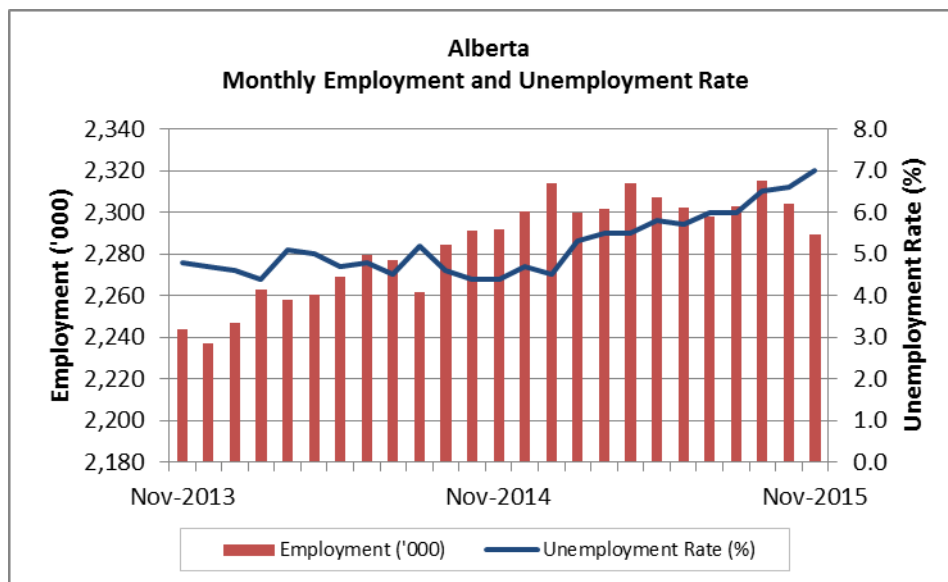
It has been over a year since oil prices began to slump, and the impact on Alberta's labour market is becoming more pronounced, with losses now occurring across a broader range of industries. Average employment in 2015 is still expected to be higher than in 2014, thanks to strong growth earlier this year. However, after two months of sizeable job losses, Alberta is edging closer to a net employment loss in 2015. As of November, there were 24,400 fewer individuals working than in January.

Alberta Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	November 2015	October 2015	November 2014	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	3,377.0	3,373.5	3,311.8	3.5	0.1	65.2	2.0
Labour Force ('000)	2,461.0	2,466.5	2,397.4	-5.5	-0.2	63.6	2.7
Employment ('000)	2,289.5	2,304.4	2,291.8	-14.9	-0.6	-2.3	-0.1
Full-Time ('000)	1,903.5	1,893.6	1,918.1	9.9	0.5	-14.6	-0.8
Part-Time ('000)	386.0	410.8	373.7	-24.8	-6.0	12.3	3.3
Unemployment ('000)	171.5	162.2	105.5	9.3	5.7	66.0	62.6
Unemployment Rate (%)	7.0	6.6	4.4	0.4	-	2.6	-
Participation Rate (%)	72.9	73.1	72.4	-0.2	-	0.5	-
Employment Rate (%)	67.8	68.3	69.2	-0.5	-	-1.4	-

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0087



Alberta's unemployment rate rose to 7.0% in November—up from 6.6% in October and 4.4% a year earlier. This marks Alberta's highest unemployment rate since the province's labour market emerged from the last recession. There were 66,000 more unemployed individuals in Alberta in November 2015 than there were in November 2014, representing over three-quarters of the net increase across Canada. Employment Insurance program statistics are not yet available for November. However, as of September there were nearly 58,000 individuals receiving regular income benefits in Alberta, roughly double the number a year ago.¹

Looking at major demographic groupings, unemployment rates have more than doubled over the past year for both young and adult males in Alberta. In fact, the unemployment rate for adult males in the province is now slightly above the national average (6.6% compared to 6.5%), while the rate for young males in Alberta is a full percentage-point higher (15.5% compared to 14.5%). With the unemployment rate for women in Alberta remaining far more stable, these trends reflect the fact that some of the largest employment losses over the past year have occurred in industries that are traditionally male-dominated, such as resource extraction and manufacturing.

Alberta Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	November 2015	October 2015	November 2014	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	7.0	6.6	4.4	0.4	2.6
25 years and over	6.0	5.7	3.7	0.3	2.3
Men - 25 years and over	6.6	6.3	3.1	0.3	3.5
Women - 25 years and over	5.1	5.0	4.5	0.1	0.6
15 to 24 years	12.9	11.6	8.2	1.3	4.7
Men - 15 to 24 years	15.5	13.4	6.8	2.1	8.7
Women - 15 to 24 years	10.0	9.6	9.9	0.4	0.1

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0087

EMPLOYMENT BY INDUSTRY

Employment in Alberta's goods-producing sector increased this month (+4,900), while the province's services-producing sector shed 19,800 positions. For the first time this year, annual services-sector growth (+19,400) failed to offset losses in the goods-sector (-21,700).

Alberta Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	November 2015	October 2015	November 2014	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	2,289.5	2,304.4	2,291.8	-14.9	-0.6	-2.3	-0.1
Goods-producing sector	633.9	629.0	655.6	4.9	0.8	-21.7	-3.3
Agriculture	61.1	60.7	62.5	0.4	0.7	-1.4	-2.2
Forestry, fishing, mining, quarrying, oil and gas	152.2	152.9	168.9	-0.7	-0.5	-16.7	-9.9
Utilities	19.6	20.1	17.8	-0.5	-2.5	1.8	10.1
Construction	261.7	259.0	258.9	2.7	1.0	2.8	1.1
Manufacturing	139.3	136.3	147.5	3.0	2.2	-8.2	-5.6
Services-producing sector	1,655.6	1,675.4	1,636.2	-19.8	-1.2	19.4	1.2
Trade	327.3	326.4	314.8	0.9	0.3	12.5	4.0
Transportation and warehousing	129.3	135.5	140.3	-6.2	-4.6	-11.0	-7.8
Finance, insurance, real estate and leasing	101.4	104.8	104.3	-3.4	-3.2	-2.9	-2.8
Professional, scientific and technical services	173.4	173.8	181.9	-0.4	-0.2	-8.5	-4.7
Business, building and other support services	84.5	85.5	79.6	-1.0	-1.2	4.9	6.2
Educational services	142.5	140.6	131.2	1.9	1.4	11.3	8.6
Health care and social assistance	265.6	266.0	253.3	-0.4	-0.2	12.3	4.9
Information, culture and recreation	73.6	77.5	70.2	-3.9	-5.0	3.4	4.8
Accommodation and food services	150.4	154.3	156.0	-3.9	-2.5	-5.6	-3.6
Other services	109.1	112.1	120.4	-3.0	-2.7	-11.3	-9.4
Public administration	98.5	98.9	84.3	-0.4	-0.4	14.2	16.8

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0088

Overall goods-sector growth this month occurred as a result of higher employment in manufacturing (+3,000) and construction (+2,700). However, both of these industries have had fairly weak job creation records in 2015, with year-over-year manufacturing employment down by 8,200 positions and construction employment up only modestly (+2,800).

Employment in Alberta's resource extraction sector fell only slightly in November (-700). However, on an annual basis, employment decreased more in this industry than in any other (-16,700). Low oil prices have led to heavy layoffs and lower spending at energy companies and oil-field service firms this year. Slumping metal commodity prices have also negatively impacted several mining operations in the province.² The short-term outlook for these industries appears challenging, as most forecasters do not expect commodity prices to rebound quickly.³

The number of people working in Alberta's agriculture industry was largely unchanged both month over month (+400) and year over year (-1,400). While employment in the livestock industry has risen over the past year, the

crop production industry employs significantly fewer workers. These trends are not unexpected, given that livestock prices have generally been strong, while crop yields have been below-average this year.⁴

Turning to Alberta's services-sector, the largest monthly change in employment occurred in the transportation and warehousing industry (-6,200). Earlier in 2015, employment in this industry remained at record highs; however, large monthly losses in May, September, and November led to negative annual employment growth. The largest drop in employment occurred in truck transportation, likely reflecting falling capital spending in the oil-patch, as well as weakening retail and wholesale trade sales.

Employment also fell this month in most other service industries, including sizeable losses in information, culture and recreation (-3,900), accommodation and food services (-3,900), and finance, insurance, real estate, and leasing (-3,400). Meanwhile the number of people working in public sector industries was largely unchanged in November, but annual growth remained very positive. Combined, Alberta's health care and social assistance, educational services, and public administration industries employ 37,800 more individuals year over year.

REGIONAL ANALYSIS

Alberta Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	November 2015 ('000)	November 2014 ('000)	Yearly Variation (%)	November 2015 (%)	November 2014 (%)	Yearly Variation (% points)
Alberta	2,306.7	2,294.3	0.5	6.1	4.1	2.0
Economic Regions						
Lethbridge-Medicine Hat	148.9	148.7	0.1	5.6	1.8	3.8
Camrose-Drumheller	105.1	110.6	-5.0	4.0	2.6	1.4
Calgary	867.3	861.8	0.6	6.7	4.2	2.5
Banff-Jasper-Rocky Mountain House and Athabasca-Grande Prairie-Peace River	188.3	197.8	-4.8	6.3	4.1	2.2
Red Deer	114.2	121.2	-5.8	5.5	3.4	2.1
Edmonton	797.8	769.1	3.7	5.8	4.7	1.1
Wood Buffalo-Cold Lake	85.1	85.2	-0.1	8.1	4.4	3.7

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0122

Year-over-year employment either decreased or was largely unchanged in most of Alberta's regions. There were significantly fewer people working in Red Deer (-7,000), Camrose-Drumheller (-5,500), and the combined regions of Banff-Jasper-Rocky Mountain House and Athabasca-Grande Prairie-Peace River (-9,500). Meanwhile, overall employment was roughly the same both in Lethbridge-Medicine Hat and in Wood Buffalo-Cold Lake—although unemployment rates in both regions have more than doubled over the course of the year.

Annual employment growth also varied in Alberta's largest centres. In Calgary, there were 5,500 (+0.6%) more people working than a year ago, as higher employment in health care and social assistance and several other service industries offset heavy job losses in manufacturing, transportation and warehousing, professional services, and resource extraction. Calgary's unemployment rate has also climbed from 4.2% to 6.7% over the past year, as the region's labour force grew at a faster pace than job creation.

Meanwhile, Edmonton's employment growth has accelerated in recent months, with 28,700 (+3.7%) more individuals working year-over-year. In fact, Edmonton accounts for approximately one in five of all new positions created in Canada over this period. Employment in the region's construction and trade industries has surged, in addition to strong public sector hiring. To date, these gains have outweighed lower manufacturing and resource sector employment.

Note: In preparing this document, the authors have taken care to provide clients with labour market information that is timely and accurate at the time of publication. Since labour market conditions are dynamic, some of the information presented here may have changed since this document was published. Users are encouraged to also refer to other sources for additional information on the local economy and labour market. Information contained in this document does not necessarily reflect official policies of Employment and Social Development Canada.

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For information on the Labour Force Survey, please visit the Statistics Canada Web site at: www.statcan.gc.ca

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¹ Statistics Canada. (November 2015). Employment Insurance program (EI), beneficiaries receiving regular income benefits by province, declared earnings, sex and age, seasonally adjusted, monthly. Retrieved from: <http://www5.statcan.gc.ca/cansim/a26?id=2760022&retrLang=eng&lang=eng>

² For example, Grande Cache Coal will close its underground mine in Northwestern Alberta, laying off approximately 220 workers before the end of the year.

Howell, David. (November 3, 2015). Northwest Alberta's Grande Cache Coal closing underground mine, laying off 220 workers. Edmonton Journal. Retrieved from: <http://edmontonjournal.com/business/energy/northwest-albertas-grande-cache-coal-closing-underground-mine-laying-off-220-workers>

³ For example, the U.S. Energy Administration is predicting that benchmark North American crude oil prices will average \$51.31 per barrel in 2016, up only slightly from \$49.88 this year.

U.S. Energy Administration (November 10, 2015). Short-Term Energy Outlook. Retrieved from: <http://www.eia.gov/forecasts/steo/>

⁴ Alberta Agriculture and Forestry (November 3, 2015). Alberta Crop Report: Crop Conditions as of November 3, 2015. Retrieved from: [http://www1.agric.gov.ab.ca/\\$Department/deptdocs.nsf/all/sdd15541](http://www1.agric.gov.ab.ca/$Department/deptdocs.nsf/all/sdd15541)