



Labour Market Bulletin

Alberta

August 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

Over 2.3 million people were working in Alberta during August 2015, as employment edged up on the month (+4,700) following three consecutive monthly declines. Compared to the beginning of the year, provincial employment is still down 11,000 positions—demonstrating the impact that low oil prices are having on key industries and Alberta’s labour market as a whole. While year-over-year employment remains positive (+41,000), most economic forecasters suggest that job losses could mount in the coming months, chipping away at annual growth.ⁱ

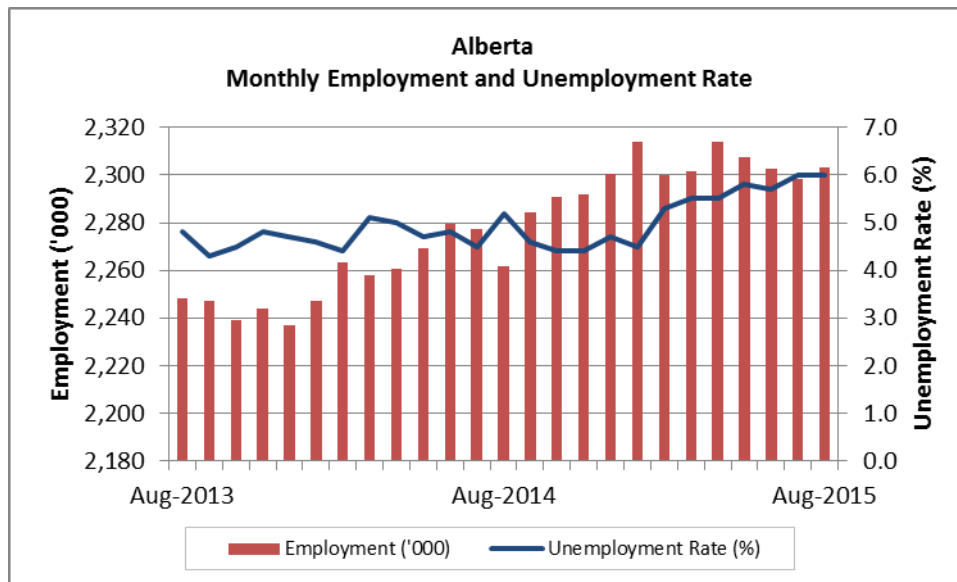
Alberta Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	August 2015	July 2015	August 2014	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	3,365.1	3,360.4	3,295.3	4.7	0.1	69.8	2.1
Labour Force ('000)	2,449.5	2,446.1	2,385.4	3.4	0.1	64.1	2.7
Employment ('000)	2,302.9	2,298.2	2,261.9	4.7	0.2	41.0	1.8
Full-Time ('000)	1,928.7	1,920.5	1,882.5	8.2	0.4	46.2	2.5
Part-Time ('000)	374.2	377.7	379.4	-3.5	-0.9	-5.2	-1.4
Unemployment ('000)	146.7	147.8	123.6	-1.1	-0.7	23.1	18.7
Unemployment Rate (%)	6.0	6.0	5.2	0.0	-	0.8	-
Participation Rate (%)	72.8	72.8	72.4	0.0	-	0.4	-
Employment Rate (%)	68.4	68.4	68.6	0.0	-	-0.2	-

Note: Totals may not add due to rounding

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

Month over month, an increase in full-time positions (+8,200) offset lower part-time employment (-3,500). Looking at classes of workers, strong monthly gains in public sector employment (+12,900) countered a drop in the number of private sector positions (-7,100) and self-employment (-1,300).



Alberta’s unemployment rate stood at 6.0% in August—unchanged from the previous month but substantially higher than the same period last year (5.2%). While this is still below the national average of 7.0%, Alberta is now tied with B.C. for the highest unemployment rate among the western provinces. There are now nearly 147,000 Albertan residents actively seeking employment, up 18.7% from a year ago.

Looking at results for demographic groupings, the unemployment rate for youth aged 15 to 24 was 10.3%, nearly double that of adults aged 25 and over (5.2%). Young males continued to have a far higher unemployment rate than other groups, having risen from 10.1% to 12.6% over the course of the last year. Males aged 25 and over have seen a similarly large increase (3.4% to 5.5%). Unemployment rates for both younger and older females declined on the year, as the industries hardest hit by the current downturn are traditionally male-dominated.

Alberta Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	August 2015	July 2015	August 2014	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	6.0	6.0	5.2	0.0	0.8
25 years and over	5.2	5.2	4.3	0.0	0.9
Men - 25 years and over	5.5	5.5	3.4	0.0	2.1
Women - 25 years and over	5.0	4.7	5.4	0.3	-0.4
15 to 24 years	10.3	11.2	10.3	-0.9	0.0
Men - 15 to 24 years	12.6	14.3	10.1	-1.7	2.5
Women - 15 to 24 years	7.7	7.6	10.5	0.1	-2.8

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

EMPLOYMENT BY INDUSTRY

Alberta's **goods-producing** sector shed 10,100 positions between July and August, with losses occurring in most of its industries. Meanwhile, the province's **services-producing** sector employed 14,600 more people this month, thanks to widespread gains. A similar trend occurred year-over-year, as strong services-sector employment growth (+69,000) outweighed a decrease in the number of individuals working the goods-sector (-28,000).

Alberta Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	August 2015	July 2015	August 2014	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	2,302.9	2,298.2	2,261.9	4.7	0.2	41.0	1.8
Goods-producing sector	632.4	642.5	660.4	-10.1	-1.6	-28.0	-4.2
Agriculture	62.7	62.4	58.9	0.3	0.5	3.8	6.5
Forestry, fishing, mining, quarrying, oil and gas	156.2	157.1	178.4	-0.9	-0.6	-22.2	-12.4
Utilities	20.3	22.2	15.9	-1.9	-8.6	4.4	27.7
Construction	258.0	259.5	258.5	-1.5	-0.6	-0.5	-0.2
Manufacturing	135.3	141.2	148.8	-5.9	-4.2	-13.5	-9.1
Services-producing sector	1,670.4	1,655.8	1,601.4	14.6	0.9	69.0	4.3
Trade	323.6	317.5	313.9	6.1	1.9	9.7	3.1
Transportation and warehousing	138.3	139.9	130.8	-1.6	-1.1	7.5	5.7
Finance, insurance, real estate and leasing	107.9	105.3	106.9	2.6	2.5	1.0	0.9
Professional, scientific and technical services	171.7	175.8	187.8	-4.1	-2.3	-16.1	-8.6
Business, building and other support services	81.3	79.7	79.1	1.6	2.0	2.2	2.8
Educational services	136.9	134.6	118.8	2.3	1.7	18.1	15.2
Health care and social assistance	266.3	263.3	241.0	3.0	1.1	25.3	10.5
Information, culture and recreation	75.8	76.2	71.0	-0.4	-0.5	4.8	6.8
Accommodation and food services	155.1	154.4	142.6	0.7	0.5	12.5	8.8
Other services	114.2	115.5	121.6	-1.3	-1.1	-7.4	-6.1
Public administration	99.4	93.7	87.9	5.7	6.1	11.5	13.1

Note: Totals may not add due to rounding

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

Employment in Alberta's key **resource extraction** sector decreased slightly in August (-900), marking a fifth consecutive month of losses. Compared to the same month last year, 22,200 fewer individuals were employed in the industry, with the majority of these losses having occurred in oil and gas support services. Oil prices continued to slide for most of the month, briefly hitting a six-year low of less than \$38 US per barrel.ⁱⁱ Overall, the industry is expecting prices to remain lower for longer. As a result of this weaker outlook, a number of Alberta-based energy producers have announced a further round of layoffs.ⁱⁱⁱ

Most other goods-producing industries also experienced lower employment this month, led by losses in **manufacturing** (-5,900), **utilities** (-1,900) and **construction** (-1,500). Meanwhile, employment in the province's **agricultural** industry remained largely unchanged (+300)—a fairly positive development given the challenges that crop and livestock producers are facing as a result of drought-conditions.

Turning to services-sector industries, **retail and wholesale trade** added 6,100 workers on the month, resulting in positive annual growth for the first time in more than a year. Public-sector employment increased across the board, with gains in **public administration** (+5,700), **healthcare and social assistance** (+3,000), and **educational services** (2,300). Employment in **professional, scientific, and technical services** declined again (-4,100), eliminating around half of the jobs added in July; this industry continues to experience significant monthly volatility related to pressures in the energy sector. Despite similar concerns, employment growth was still positive for the **business services** (+1,600) and **finance, insurance, real estate and leasing** (+2,600) industries.

REGIONAL ANALYSIS

Year-over-year employment growth varied across Alberta, ranging from significant declines in **Camrose-Drumheller** (-6,200) and **Red Deer** (-6,000) to strong growth in **Lethbridge-Medicine Hat** (+6,500). However, unemployment rates have increased in every region of the province.

Focusing on larger centres, there were 17,500 (+2.0%) more individuals working in **Calgary** than a year earlier. While there have been significant job losses in the region's construction, oil and gas, and manufacturing industries, service-sector gains supported overall growth in the region. Meanwhile, **Edmonton's** larger resource sector and trade industry losses have been outweighed by a booming construction industry and moderate growth in the public-sector. Nonetheless, the downturn in the energy sector is likely to curb overall employment growth in both regions over the course of the year.

Alberta Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	August 2015 ('000)	August 2014 ('000)	Yearly Variation (%)	August 2015 (%)	August 2014 (%)	Yearly Variation (% points)
Alberta	2,329.7	2,303.0	1.2	6.2	5.0	1.2
Economic Regions						
Lethbridge-Medicine Hat	147.9	141.4	4.6	4.6	4.1	0.5
Camrose-Drumheller	105.0	111.2	-5.6	3.6	3.4	0.2
Calgary	888.5	871.0	2.0	6.9	5.3	1.6
Banff-Jasper-Rocky Mountain House and Athabasca-Grande Prairie-Peace River	197.9	197.4	0.3	5.1	4.3	0.8
Red Deer	117.1	123.1	-4.9	7.9	3.8	4.1
Edmonton	786.8	772.8	1.8	5.8	5.5	0.3
Wood Buffalo-Cold Lake	86.6	85.9	0.8	7.6	5.1	2.5

Note: Totals may not add due to rounding

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

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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ⁱ For example, the Government of Alberta's recent economic update expects that employment during the 2015/16 period will average only 0.8% higher than the previous fiscal year, while the province's Real GDP contracts by 0.6%.

Government of Alberta: Ministry of Finance. (August 2015). 2015-16 First Quarter: Fiscal Update and Economic Statement. Retrieved from: <http://www.finance.alberta.ca/publications/budget/quarterly/2015/2015-16-1st-Quarter-Fiscal-Update.pdf>

ⁱⁱ In general, commodity markets have been negatively impacted by global uncertainties, such as expectations of slower growth in key export markets like China. Towards the end of the month, oil prices rallied to just under \$50 US on news that North American production has fallen since April. However, crude prices fell to around \$46 US in early September.

Nasdaq. (September 4, 2015). Crude Oil: WTI (NYMEX) Price. Retrieved from <http://www.nasdaq.com/markets/crude-oil.aspx>

ⁱⁱⁱ For example, in early September Penn West Petroleum announced it would reduce staffing by approximately 400 positions, while ConocoPhillips plans to cut 500 jobs.

CBC News Calgary (Sept. 1, 2015). Penn West Petroleum, ConocoPhillips Canada slash hundreds of jobs. Retrieved from <http://www.cbc.ca/news/canada/calgary/penn-west-petroleum-job-cuts-conocophillips-1.3210823>