



Labour Market Bulletin

Alberta



September 2015 (Quarterly Edition)

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 over 2.3 million people working in Alberta during the third quarter of 2015. Employment decreased slightly from the previous quarter (-2,600)—the first quarterly contraction in several years. However, there were still significantly more people working than a year ago (+31,000) and Alberta’s rate of annual employment growth (1.4%) remained above the national average (0.9%). All the same, the impact of low oil prices is evident, as job losses mounted in key industries and unemployment continued to climb.

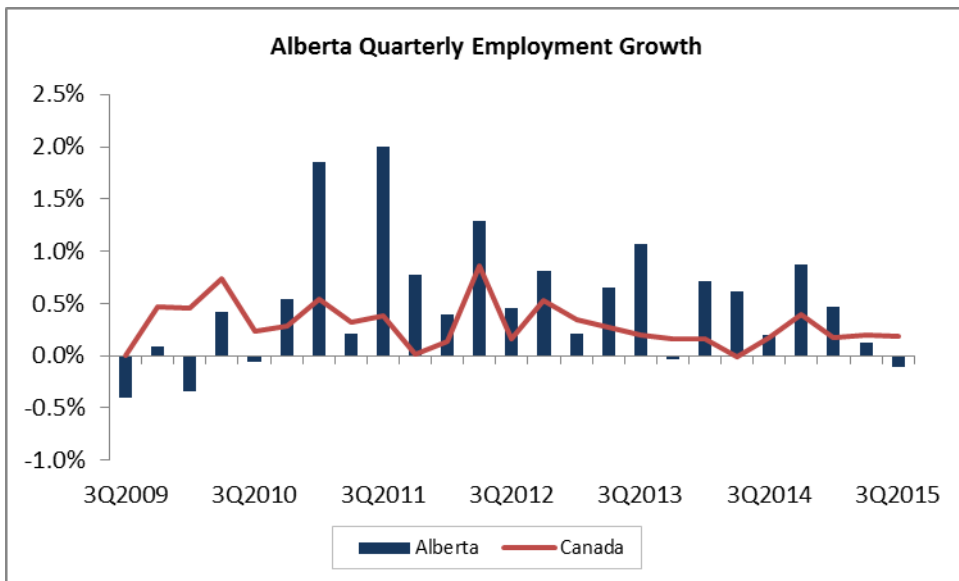
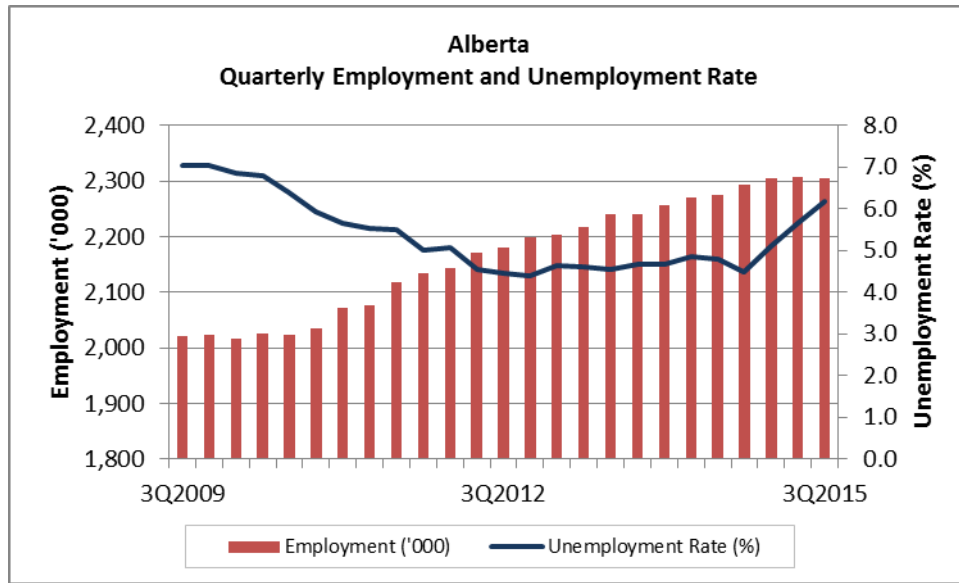
Alberta Quarterly Labour Force Statistics

Seasonally Adjusted Quarterly Data	3rd Quarter 2015	2nd Quarter 2015	3rd Quarter 2014	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	3,365.1	3,346.0	3,295.5	19.1	0.6	69.6	2.1
Labour Force ('000)	2,457.1	2,446.1	2,388.4	11.0	0.4	68.7	2.9
Employment ('000)	2,305.4	2,308.0	2,274.4	-2.6	-0.1	31.0	1.4
Full-Time ('000)	1,918.1	1,914.0	1,893.0	4.1	0.2	25.1	1.3
Part-Time ('000)	387.3	393.9	381.4	-6.6	-1.7	5.9	1.5
Unemployment ('000)	151.7	138.2	114.1	13.5	9.8	37.6	33.0
Unemployment Rate (%)	6.2	5.6	4.8	0.5	-	1.4	-
Participation Rate (%)	73.0	73.1	72.5	-0.1	-	0.5	-
Employment Rate (%)	68.5	69.0	69.0	-0.5	-	-0.5	-

Note: Totals may not add due to rounding

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

While there were more people working full-time this quarter (+4,100), part-time positions fell even further (-6,600). Looking at classes of workers, strong growth in public sector employment (+3.9%) only partially offset losses in the private sector (-1.1%). Meanwhile, the number of self-employed individuals in the province also decreased (-0.3%).



Alberta’s unemployment rate averaged 6.2% this quarter, up from 5.6% in the second quarter and 4.8% last year. The number of unemployed individuals has risen significantly over the past year (+37,600) as continued labour force growth has outstripped job-creation.

Unemployment rates rose for most demographic groupings, but the sharpest increases occurred for males—reflecting falling employment and restrained hiring in industries that are traditionally male-dominated, such as oil and gas, manufacturing, and construction. The unemployment rate for young males rose from 10.6% to 13.7%, while the rate for adult males grew from 3.4% to 5.6%.

Alberta Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	3rd Quarter 2015	2nd Quarter 2015	3rd Quarter 2014	Quarterly Variation		Yearly Variation	
				(% points)		(% points)	
Total	6.2	5.6	4.8	0.5		1.4	
25 years and over	5.3	4.9	3.8	0.5		1.5	
Men - 25 years and over	5.6	5.0	3.4	0.6		2.2	
Women - 25 years and over	5.0	4.7	4.3	0.4		0.7	
15 to 24 years	11.1	10.2	10.2	0.9		0.9	
Men - 15 to 24 years	13.7	10.6	10.7	3.1		3.0	
Women - 15 to 24 years	8.1	9.6	9.8	-1.5		-1.7	

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

EMPLOYMENT BY INDUSTRY

Alberta's goods-producing sector continued shedding jobs, with employment decreasing by 7,300 positions on the quarter and 25,600 positions on the year. Meanwhile, there were a higher number of people working in the services-producing sector (+4,700) compared to the second quarter, while strong annual gains (+56,600) ensured that overall employment growth remained positive.

Alberta Quarterly Labour Force Statistics

Seasonally Adjusted Data ('000)	3rd Quarter 2015	2nd Quarter 2015	3rd Quarter 2014	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	2,305.4	2,308.0	2,274.4	-2.6	-0.1	31.0	1.4
Goods-producing sector	637.9	645.2	663.5	-7.3	-1.1	-25.6	-3.9
Agriculture	62.3	64.5	58.3	-2.2	-3.4	4.0	6.9
Forestry, fishing, mining, quarrying, oil and gas	156.9	161.2	181.6	-4.3	-2.7	-24.7	-13.6
Utilities	21.0	20.8	16.5	0.2	1.0	4.5	27.3
Construction	259.4	259.6	258.4	-0.2	-0.1	1.0	0.4
Manufacturing	138.3	139.2	148.7	-0.9	-0.6	-10.4	-7.0
Services-producing sector	1,667.5	1,662.8	1,610.9	4.7	0.3	56.6	3.5
Trade	323.7	316.2	317.5	7.5	2.4	6.2	2.0
Transportation and warehousing	136.7	145.0	128.8	-8.3	-5.7	7.9	6.1
Finance, insurance, real estate and leasing	105.3	105.0	105.4	0.3	0.3	-0.1	-0.1
Professional, scientific and technical services	173.9	170.3	187.6	3.6	2.1	-13.7	-7.3
Business, building and other support services	82.5	81.1	77.6	1.4	1.7	4.9	6.3
Educational services	137.5	137.1	125.7	0.4	0.3	11.8	9.4
Health care and social assistance	265.4	264.9	242.7	0.5	0.2	22.7	9.4
Information, culture and recreation	77.2	72.8	71.4	4.4	6.0	5.8	8.1
Accommodation and food services	153.3	155.9	143.8	-2.6	-1.7	9.5	6.6
Other services	115.4	121.3	122.7	-5.9	-4.9	-7.3	-5.9
Public administration	96.7	93.2	87.7	3.5	3.8	9.0	10.3

Note: Totals may not add due to rounding

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

Employment in Alberta's important resource extraction sector fell again (-4,300), marking a fourth consecutive quarterly loss. There were 24,700 fewer people working in this industry than during the same period last year, demonstrating the considerable impact of slumping oil prices.¹ This quarter saw numerous energy producers and support service companies announce additional layoffs and spending cuts, amid expectations that energy prices are unlikely to fully recover over the near-term.²

Agricultural employment also fell this quarter (-2,200), although the industry still employed significantly more individuals than a year earlier (+4,000). However, maintaining these annual gains could prove difficult, as poor growing and harvesting conditions are putting pressure on crop farmers, while high feed prices are negatively impacting livestock producers.

Construction industry employment was largely unchanged this quarter (-200) and only slightly higher year-over-year (+1,000). Employment growth is slowing significantly in this industry, as investment in new oil sands projects has dropped off by billions of dollars, while building permit values have also declined.³

Turning to service-industries, the largest quarterly loss was registered in transportation and warehousing (-8,300), which can partly be attributed to slowing demand from energy-sector clients. Employment also decreased significantly in other services (-5,900) and accommodation and food services (-2,600). In contrast, most service-industries actually added workers, with particularly solid gains occurring in trade (+7,500), information, culture, and recreation (+4,400), and public administration (+3,500). Employment also increased in the professional, scientific and technical services (+3,600)—recouping some of the steep losses that have occurred over the past three quarters.

Year-over-year employment growth has generally been strongest in public sector industries, led by remarkable gains in healthcare and social assistance (+22,700). However, additional short-term growth in these industries could be constrained due to budgetary pressures, as provincial energy royalties have plummeted over the past year.

REGIONAL ANALYSIS

Alberta Quarterly Labour Force Statistics

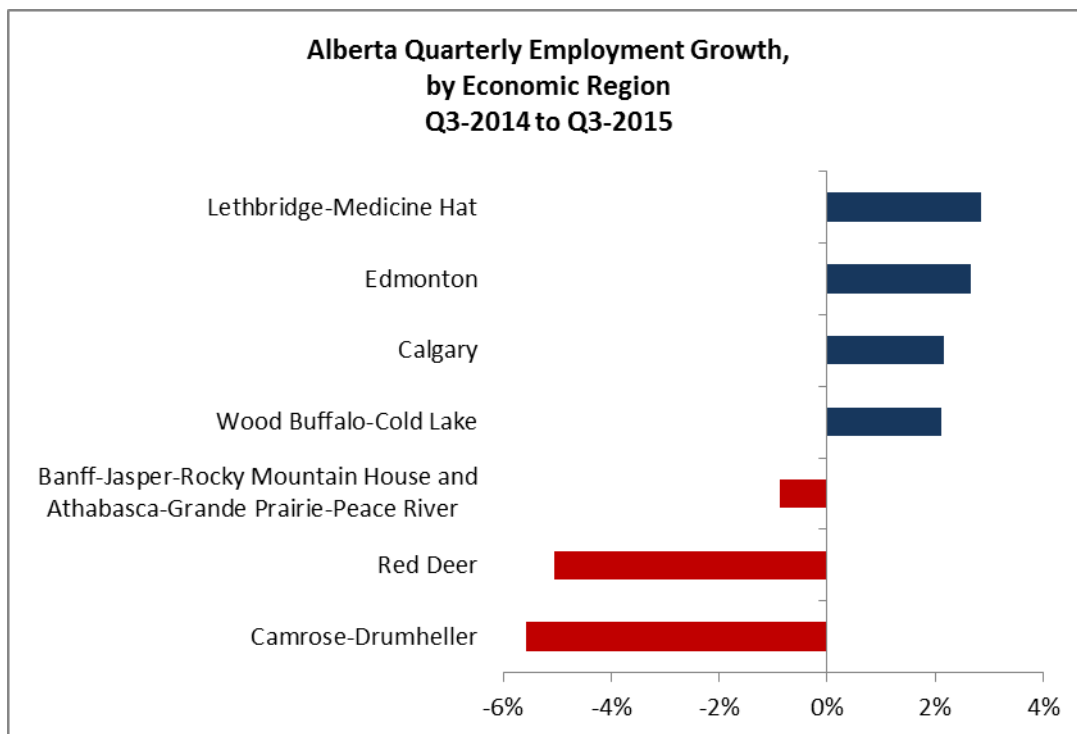
Seasonally Unadjusted Data	Employment			Unemployment Rate		
	3rd Quarter 2015 (^{'000})	3rd Quarter 2014 (^{'000})	Yearly Variation (%)	3rd Quarter 2015 (%)	3rd Quarter 2014 (%)	Yearly Variation (% points)
Alberta	2,325.9	2,295.1	1.3	6.3	4.9	1.4
Economic Regions						
Lethbridge-Medicine Hat	147.8	143.7	2.9	5.2	3.6	1.6
Camrose-Drumheller	105.1	111.3	-5.6	3.8	3.2	0.6
Calgary	886.7	868.0	2.2	6.9	4.7	2.2
Banff-Jasper-Rocky Mountain House and Athabasca-Grande Prairie-Peace River	193.9	195.6	-0.9	5.5	4.7	0.8
Red Deer	116.5	122.7	-5.1	7.0	4.2	2.8
Edmonton	789.0	768.6	2.7	6.1	5.6	0.5
Wood Buffalo-Cold Lake	86.9	85.1	2.1	7.5	5.7	1.8

Note: Totals may not add due to rounding

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

Employment growth varied significantly across Alberta's regions, ranging from significant losses in Camrose-Drumheller (-6,200) to strong growth in Lethbridge-Medicine Hat (+4,100). In general, most regions benefitted from higher service-sector employment, which allowed them to compensate for weakness in the goods-sector. At the same time, unemployment rates increased across all regions, demonstrating that rising levels of unemployment continue to pose challenges.

Turning to Alberta's two largest cities, in both Calgary (+18,700) and Edmonton (+20,400), employment growth remains positive. Both regions are closely tied to the provincial energy sector and have experienced related layoffs in recent months. However, strong growth in other industries has so far outweighed these losses. In Edmonton, surging construction industry employment stands in contrast to the pull-back occurring in most other regions. Meanwhile, most of Calgary's service-industries have added a sizeable number of jobs, outweighing lower construction, 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 North American benchmark crude prices trended downwards through July and most of August, briefly hitting a six year-low under \$39 US per barrel, before climbing to around \$45 US for most of September.

Nasdaq. (October 9, 2015). Crude Oil: WTI (NYMEX) Price. Retrieved from <http://www.nasdaq.com/markets/crude-oil.aspx>

² The U.S. Energy Information Administration's latest projections expect crude oil prices to average \$49.53 US in 2015 and increase only modestly to \$53.57 US next year.

U.S. Energy Information Agency. (October 2015). Short-Term Energy Outlook: Prices. Retrieved from: <http://www.eia.gov/forecasts/steo/report/prices.cfm>

³ Full quarterly building permit data is not yet available. However, the combined values for permits issued in July and August 2015 is down nearly 19%, year-over-year.

Statistics Canada. (October 2015). CANSIM Table 026-0003: Building permits, values by activity sector, monthly. Retrieved from: <http://www5.statcan.gc.ca/cansim/a26?lang=eng&retrLang=eng&id=0260003>