



Labour Market Bulletin

Alberta



February 2016

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

Employment in Alberta was fairly stable in February 2016 (+1,400), following four months of sizeable declines. Low oil prices continue to prove challenging for the province's economy, and employment has been decreasing across a broader range of industries. Compared to a year earlier, there are 21,200 fewer people working in the province.

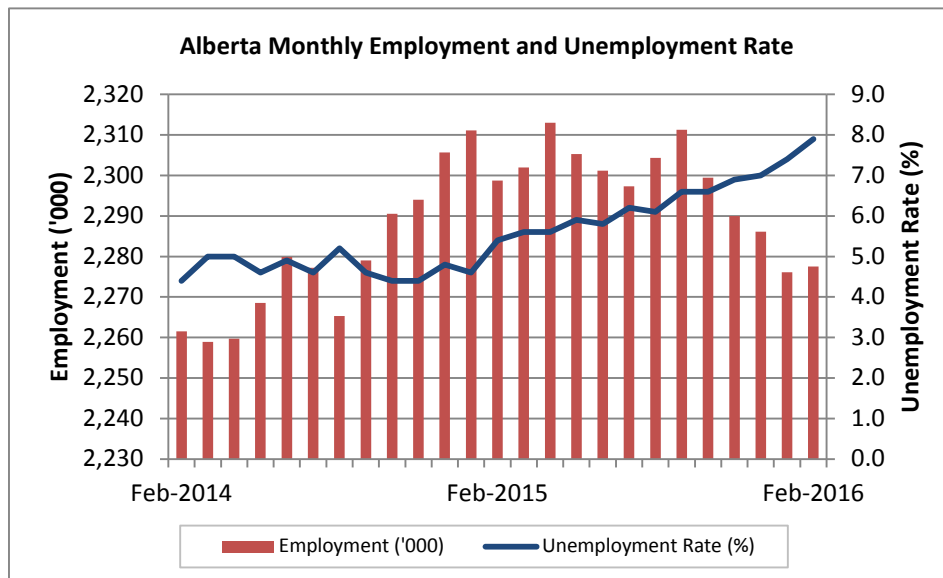
Alberta Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	February 2016	January 2016	February 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	3,385.6	3,381.7	3,327.8	3.9	0.1	57.8	1.7
Labour Force ('000)	2,471.9	2,457.8	2,430.4	14.1	0.6	41.5	1.7
Employment ('000)	2,277.5	2,276.1	2,298.7	1.4	0.1	-21.2	-0.9
Full-Time ('000)	1,869.0	1,859.0	1,925.3	10.0	0.5	-56.3	-2.9
Part-Time ('000)	408.6	417.1	373.4	-8.5	-2.0	35.2	9.4
Unemployment ('000)	194.3	181.7	131.7	12.6	6.9	62.6	47.5
Unemployment Rate (%)	7.9	7.4	5.4	0.5	-	2.5	-
Participation Rate (%)	73.0	72.7	73.0	0.3	-	0.0	-
Employment Rate (%)	67.3	67.3	69.1	0.0	-	-1.8	-

Note: Totals may not add due to rounding

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

Alberta's full-time employment increased by 10,000 positions on the month, but this was offset by nearly as many part-time employment losses (-8,500). Looking at classes of workers, private sector employment increased significantly in February (+25,000), but these gains were balanced out by fewer public sector employees (-9,200) and a considerable drop in self-employment (-14,300).



Between January and February, Alberta's unemployment rates rose from 7.4% to 7.9%. This represents the province's highest unemployment rate in over two decades, as well as the second consecutive month that Alberta's rate was above the the national average.

Alberta Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	February 2016	January 2016	February 2015	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	7.9	7.4	5.4	0.5	2.5
25 years and over	7.2	6.6	4.6	0.6	2.6
Men - 25 years and over	7.4	7.4	4.7	0.0	2.7
Women - 25 years and over	6.9	5.6	4.5	1.3	2.4
15 to 24 years	12.0	12.1	10.2	-0.1	1.8
Men - 15 to 24 years	14.2	14.8	10.6	-0.6	3.6
Women - 15 to 24 years	9.6	9.1	9.8	0.5	-0.2

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

Looking at major demographic groups, the unemployment rate for adult males remained steady at 7.4% in February, while the rate for younger men declined from 14.8% to 14.2%. Meanwhile, more women in both age groups were actively looking for work this month, resulting in higher unemployment rates for women.

EMPLOYMENT BY INDUSTRY

On a monthly basis, employment was very little changed both in the overall goods-producing (-700) and services-producing (+2,100) sectors. However, substantial year-over-year losses in goods-sector employment (-56,000) continue to outweigh moderate growth in the services-sector (34,800).

Alberta Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	February 2016	January 2016	February 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	2,277.5	2,276.1	2,298.7	1.4	0.1	-21.2	-0.9
Goods-producing sector	606.9	607.6	662.9	-0.7	-0.1	-56.0	-8.4
Agriculture	52.3	50.2	68.2	2.1	4.2	-15.9	-23.3
Forestry, fishing, mining, quarrying, oil and gas	148.4	155.8	163.6	-7.4	-4.7	-15.2	-9.3
Utilities	21.0	20.6	19.6	0.4	1.9	1.4	7.1
Construction	259.8	255.1	268.7	4.7	1.8	-8.9	-3.3
Manufacturing	125.4	125.9	142.7	-0.5	-0.4	-17.3	-12.1
Services-producing sector	1,670.6	1,668.5	1,635.8	2.1	0.1	34.8	2.1
Trade	324.5	324.1	301.8	0.4	0.1	22.7	7.5
Transportation and warehousing	128.1	129.0	146.4	-0.9	-0.7	-18.3	-12.5
Finance, insurance, real estate and leasing	106.4	103.6	100.8	2.8	2.7	5.6	5.6
Professional, scientific and technical services	182.6	175.6	171.6	7.0	4.0	11.0	6.4
Business, building and other support services	79.4	78.4	80.8	1.0	1.3	-1.4	-1.7
Educational services	147.4	148.8	131.3	-1.4	-0.9	16.1	12.3
Health care and social assistance	271.0	273.3	262.0	-2.3	-0.8	9.0	3.4
Information, culture and recreation	81.1	80.1	71.7	1.0	1.2	9.4	13.1
Accommodation and food services	135.7	138.0	157.3	-2.3	-1.7	-21.6	-13.7
Other services	119.0	120.5	124.1	-1.5	-1.2	-5.1	-4.1
Public administration	95.2	97.2	87.9	-2.0	-2.1	7.3	8.3

Note: Totals may not add due to rounding

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

Alberta's resource extraction industry (forestry, fishing, mining, quarrying, and oil and gas) had the largest decrease in employment this month (-7,400). North American benchmark crude oil prices averaged around \$31 US per barrel in February, hitting a 13-year low.¹ As a result, most energy producers and service companies are continuing to cut spending and staff. On an annual basis, there are 15,200 fewer people working in Alberta's resource extraction industry.

Several other industries also registered large annual employment losses. Agricultural employment is down by 15,900 positions, following weaker crop production last year. Employment in the province's manufacturing industry has decreased by 17,300, amid lower manufacturing sales. There are also 18,300 fewer people working in the transportation and warehousing industry, due to sharply declining employment in truck transportation. Meanwhile, the accommodation and food services industry shed more employment (-21,600) than any other industry; most of these job losses occurred in the accommodations sub-industry, which is being negatively impacted by lower occupancy rates and prices.²

Over the past year, Alberta's public sector industries have been a key source of employment growth. However, February saw somewhat lower employment in all three; health care and social assistance (-2,300), public administration (-2,000), and educational services (-1,400).

On a more positive note, Alberta's professional, scientific and technical services industry had the largest increase in month-over-month employment (+7,000). This industry has experienced significant swings in employment over the past year, which observers have attributed to lower spending by clients in the energy sector. February marks the first time since the fall of 2014 that this industry has posted strong annual employment growth (+11,000).

REGIONAL ANALYSIS

Compared to the same period last year, employment is down in most regions of Alberta, while unemployment rates have increased across the province.

Annual employment losses in Red Deer (-13,900) and Banff-Jasper-Rocky Mountain House and Athabasca-Grande Prairie-Peace River (-15,400) are among the highest for any region in Canada. Meanwhile, Wood Buffalo-Cold Lake, which is home to the majority of the province's oil sands developments, is now tied with BC's Thompson-Okanagan for the highest regional unemployment rate in the West.

Calgary's labour market has also weakened significantly over the past year, with 23,900 fewer people working. The region's 8.5% unemployment rate also exceeds highs from the 2008-09 economic downturn. Numerous Calgary-based energy firms continue to make staffing cuts to their head-office operations.³ The region's manufacturing and transportation industries have also shed a significant number of jobs. Looking forward, the Conference Board of Canada expects Calgary's challenges to continue, as its economy contracts for a second year in a row and employment losses mount.⁴

Meanwhile, Edmonton continues to experience strong annual employment growth (+24,800) as a result of gains in most service-industries. However, falling construction and manufacturing activity, as well as decreased business and consumer spending, are expected to lead to marginal employment losses over the course of 2016.⁵

Alberta Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	February 2016 ('000)	February 2015 ('000)	Yearly Variation (%)	February 2016 (%)	February 2015 (%)	Yearly Variation (% points)
Alberta	2,257.7	2,285.2	-1.2	7.6	5.0	2.6
Economic Regions						
Lethbridge-Medicine Hat	148.0	142.4	3.9	6.6	5.1	1.5
Camrose-Drumheller	101.0	103.1	-2.0	6.3	5.4	0.9
Calgary	847.5	871.4	-2.7	8.5	4.9	3.6
Banff-Jasper-Rocky Mountain House and Athabasca-Grande Prairie-Peace River	181.4	196.8	-7.8	7.9	4.2	3.7
Red Deer	107.7	121.6	-11.4	8.3	4.9	3.4
Edmonton	790.1	765.3	3.2	6.8	4.9	1.9
Wood Buffalo-Cold Lake	82.0	84.6	-3.1	9.3	6.6	2.7

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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¹ Alberta Oil Magazine (March 2016). Energy Dashboard: Monthly Average Prices. Retrieved from: <http://www.oilsandsmagazine.com/crude-oil-price-charts-western-canadian-select-wti-brent>

² Alberta Culture and Tourism. (February 2016). Alberta Tourism Market Monitor (February 2016 Edition). Retrieved from: <http://culture.alberta.ca/tourism/research-and-statistics/statistics/alberta-tourism-market-monitor/pdf/2016/feb-market-monitor.pdf>

ATB Financial. (February 4, 2016). The Owl: Downturn causes accommodation rates to fall. Retrieved from: <http://www.atb.com/learn/economics/Pages/the-owl.aspx?aid=436>

³ For example, Repsol Canada (formerly Talisman Energy) plans to reduce its number of Calgary-based employees by up to 15%.

The Canadian Press. (March 3, 2016). Repsol cuts Calgary headcount by 10 to 15 per cent as oil downturn takes toll. Calgary Herald. Retrieved from: <http://calgaryherald.com/business/energy/repsol-cuts-calgary-headcount-by-10-to-15-per-cent-as-oil-downturn-takes-toll>

⁴ The Conference Board of Canada's latest forecast shows Calgary Census Metropolitan Area's (CMA) economy contracting by 1.2% in 2016 and approximately 17,000 (-2.1%) fewer people employed year-over-year.

Conference Board of Canada. (March 4, 2016). Calgary: Metropolitan Outlook 1, Winter 2016. Retrieved from: <http://www.conferenceboard.ca/e-library/abstract.aspx?did=7799> (subscription required)

⁵ On average, Edmonton's employment is expected to decrease by 0.4% (-2,000) in 2015, according to the Conference Board's projections.

Conference Board of Canada. (March 4, 2016). Edmonton: Metropolitan Outlook 1, Winter 2016. Retrieved from: <http://www.conferenceboard.ca/e-library/abstract.aspx?did=7800> (subscription required)