



# Labour Market Bulletin

Alberta

March 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

During the first quarter of 2016, employment in Alberta edged downwards for a third consecutive quarter (-8,500). Breaking down the quarter, employment declined in January (-10,000), stabilized in February (+1,400), then surged in March (+18,900)—as the province posted its strongest monthly growth in over two years. However, as encouraging as these latest results may be, there were still 20,600 fewer people working this quarter than the same period last year.

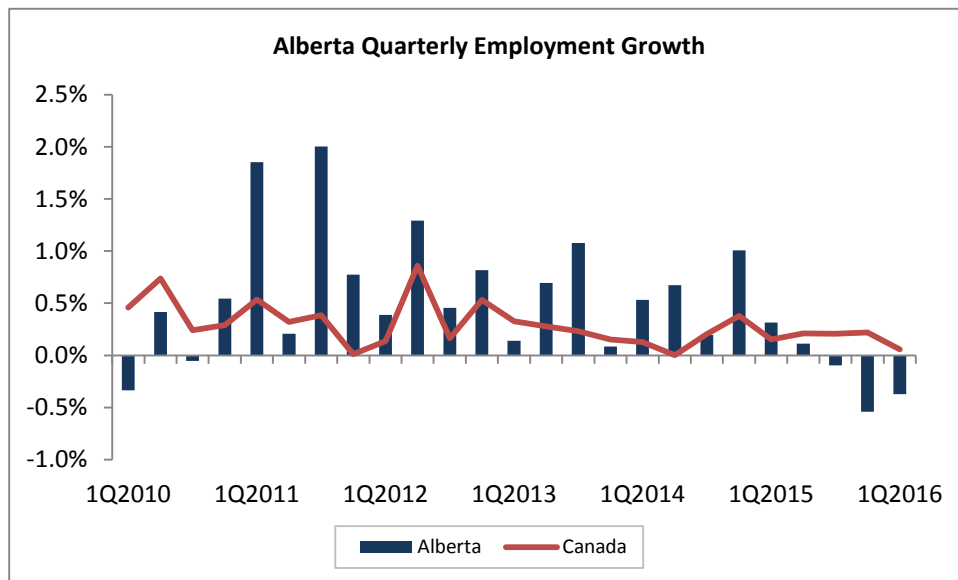
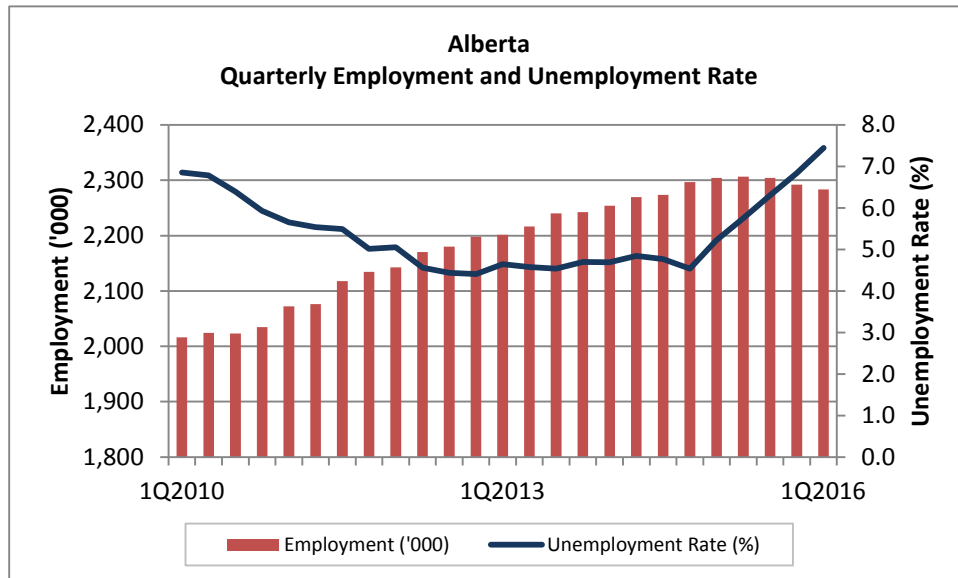
On a quarterly basis, full-time employment fell significantly (-19,800), while part-employment expanded (+11,300). Looking at classes of workers, there were fewer employees both in the private (-13,200) and public (-2,500) sectors, while self-employment increased (+7,100).

### Alberta Quarterly Labour Force Statistics

Seasonally Adjusted Data	1st Quarter 2016	4th Quarter 2015	1st Quarter 2015	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	3,385.6	3,376.5	3,327.8	9.1	0.3	57.8	1.7
<b>Labour Force ('000)</b>	2,466.9	2,460.0	2,431.0	6.9	0.3	35.9	1.5
<b>Employment ('000)</b>	2,283.3	2,291.8	2,303.9	-8.5	-0.4	-20.6	-0.9
Full-Time ('000)	1,870.5	1,890.3	1,921.8	-19.8	-1.0	-51.3	-2.7
Part-Time ('000)	412.9	401.6	382.1	11.3	2.8	30.8	8.1
<b>Unemployment ('000)</b>	183.6	168.2	127.0	15.4	9.2	56.6	44.6
<b>Unemployment Rate (%)</b>	7.4	6.8	5.2	0.6	-	2.2	-
<b>Participation Rate (%)</b>	72.9	72.9	73.1	0.0	-	-0.2	-
<b>Employment Rate (%)</b>	67.4	67.9	69.2	-0.4	-	-1.8	-

Note: Totals may not add due to rounding

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



### Alberta Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	1st Quarter 2016 (%)	4th Quarter 2015 (%)	1st Quarter 2015 (%)	Quarterly Variation (% points)	Yearly Variation (% points)
	<b>Total</b>	7.4	6.8	5.2	0.6
<b>25 years and over</b>	6.7	6.0	4.5	0.7	2.3
Men - 25 years and over	7.2	6.7	4.5	0.6	2.7
Women - 25 years and over	6.1	5.2	4.5	1.0	1.7
<b>15 to 24 years</b>	11.7	11.8	9.5	-0.1	2.2
Men - 15 to 24 years	13.9	14.1	9.7	-0.1	4.3
Women - 15 to 24 years	9.1	9.2	9.3	-0.1	-0.2

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

Alberta's unemployment rate averaged 7.4% in the first quarter, up from 6.8% last quarter and 5.2% a year ago. This was the province's highest quarterly unemployment rate in over two decades, and was also slightly above the national average of 7.2%.

On an annual basis, unemployment rates rose considerably for most demographic groups. The largest increase occurred for young men (aged 15 to 24), whose unemployment rate jumped from 9.7% to 13.9%. Labour market conditions have been particularly challenging for this group, amid fewer entry-level opportunities in industries such as resource extraction and manufacturing. In fact, full-time employment for young men has declined for five consecutive quarters.

### Alberta - Labour market indicators for Indigenous People

Not Seasonally Adjusted Data	1st Quarter 2016		1st Quarter 2015	Yearly Variation	
	Indigenous	Non-Indigenous	Indigenous	Number	%
<b>Population 15 + ('000)</b>	155.4	3230.2	149.3	6.1	4.1
<b>Labour Force ('000)</b>	107.8	2339.5	107.1	0.7	0.7
<b>Employment ('000)</b>	89.6	2161.4	94.4	-4.8	-5.1
Full-Time ('000)	68.8	1759.8	76.0	-7.2	-9.5
Part-Time ('000)	20.8	401.6	18.4	2.4	13.0
<b>Unemployment ('000)</b>	18.2	178.1	12.7	5.5	43.3
<b>Unemployment Rate (%)</b>	16.9	7.6	11.8	5.1	-
<b>Participation Rate (%)</b>	69.3	72.4	71.7	-2.4	-
<b>Employment Rate (%)</b>	57.6	66.9	63.3	-5.7	-

Notes: The Labour Force Survey excludes those living on-reserve.

Estimates are based on three-month moving averages.

Totals may not add due to rounding.

Totals may be different from other tables due to adjustments done to indigenous statistics in the Labour Force Survey.

Source: Statistics Canada Labour Force Survey - ESDC custom table

In the first quarter (Q1) of 2016, the total population aged 15+ in Alberta was 3.4 million. The Indigenous population living off-reserve accounted for 4.6% of that, or 155,400 people. Employment among the Indigenous population stood at 89,600 representing a decline of -4,800 (-5.1%) from a year earlier. The decline was all in full-

time positions (-7,200 or -9.5%), but this was partially off-set by increases in part-time employment (+2,400 or +13.0%).

The unemployment rate among the Indigenous population was 16.9% in Q1 2016, representing an increase of +5.1 percentage points (pp) from the previous year. Among the non-Indigenous population, the unemployment rate increased to a much smaller degree (+2.3pp) and stood at 7.6% in Q1 2016. Between Q1 2015 and Q1 2016, the participation and employment rates among the Indigenous population declined to 69.3% (-2.4pp) and 57.6% (-5.7pp), respectively. By comparison, the non-Indigenous population saw no change or a slight decline in both participation and employment rates over the same time period. In Q1 2016, their participation and employment rates stood at 72.4% (0.0pp) and 66.9% (-1.6pp), respectively.

## EMPLOYMENT BY INDUSTRY

Alberta Quarterly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	1st Quarter 2016	4th Quarter 2015	1st Quarter 2015	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	2,283.3	2,291.8	2,303.9	-8.5	-0.4	-20.6	-0.9
<b>Goods-producing sector</b>	605.4	627.9	659.9	-22.5	-3.6	-54.5	-8.3
Agriculture	50.4	59.7	65.5	-9.3	-15.6	-15.1	-23.1
Forestry, fishing, mining, quarrying, oil and gas	151.1	152.1	167.0	-1.0	-0.7	-15.9	-9.5
Utilities	21.2	19.6	19.5	1.6	8.2	1.7	8.7
Construction	259.7	258.5	263.4	1.2	0.5	-3.7	-1.4
Manufacturing	122.9	137.9	144.4	-15.0	-10.9	-21.5	-14.9
<b>Services-producing sector</b>	1,678.0	1,664.0	1,644.0	14.0	0.8	34.0	2.1
Trade	329.2	325.6	307.7	3.6	1.1	21.5	7.0
Transportation and warehousing	129.6	130.7	147.1	-1.1	-0.8	-17.5	-11.9
Finance, insurance, real estate and leasing	108.0	103.3	102.5	4.7	4.5	5.5	5.4
Professional, scientific and technical services	180.8	176.2	172.2	4.6	2.6	8.6	5.0
Business, building and other support services	78.7	83.7	81.9	-5.0	-6.0	-3.2	-3.9
Educational services	147.3	144.2	130.9	3.1	2.1	16.4	12.5
Health care and social assistance	271.5	266.6	260.8	4.9	1.8	10.7	4.1
Information, culture and recreation	79.5	78.0	71.8	1.5	1.9	7.7	10.7
Accommodation and food services	137.4	147.3	156.9	-9.9	-6.7	-19.5	-12.4
Other services	120.5	110.5	123.2	10.0	9.0	-2.7	-2.2
Public administration	95.4	97.9	88.9	-2.5	-2.6	6.5	7.3

Note: Totals may not add due to rounding

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

Employment in Alberta's goods-producing sector fell substantially in the first quarter (-22,500), while there were more people working in the province's services-producing sector (+14,000). This same trend was seen on an annual basis, as heavy goods-sector losses (-54,500) outweighed moderate services-sector growth (+34,000).

Looking at individual industries, the largest decline in employment occurred in the province's manufacturing industry (-15,000).<sup>1</sup> Agricultural employment also decreased significantly this quarter (-9,300), with losses occurring in both crop and animal production. Meanwhile, the number of people working in Alberta's resource extraction industry was little changed on the quarter (-1,000), but far lower than a year ago (-15,900). The short-term outlook for Alberta's energy industry remains challenging in this low-price environment and many oil and gas firms continue to announce layoffs and cut capital spending.<sup>2</sup>

Turning to the services-producing sector, employment increased in most industries, including strong quarterly gains in other services (+10,000), finance, insurance, real estate and leasing (+4,700), and professional, scientific and technical services (+4,600). Growth also continued in health care and social assistance (+4,900) and educational services (+3,100), offsetting losses in public administration (-2,500).

Alberta's accommodation and food services industry shed 9,900 positions this quarter, due to falling employment in accommodations. Hotel occupancy rates have dropped significantly in areas like Edmonton and Calgary, leading many employers in this industry to look for ways to reduce costs and trim payrolls.<sup>3</sup> On a more positive note, establishments in Banff, Canmore, and Lake Louise are anticipating increased hiring this year, as the low Canadian dollar attracts more visitors to Alberta's tourist destinations.<sup>4</sup>

## REGIONAL ANALYSIS

**Alberta Quarterly Labour Force Statistics, by Economic Region**

Not Seasonally Adjusted Data	Employment			Unemployment Rate		
	1st Quarter 2016 ('000)	1st Quarter 2015 ('000)	Yearly Variation (%)	1st Quarter 2016 (%)	1st Quarter 2015 (%)	Yearly Variation (% points)
<b>Alberta</b>	2,253.7	2,274.7	-0.9	8.0	5.5	2.5
<b>Economic Regions</b>						
Lethbridge-Medicine Hat	146.4	142.2	3.0	7.2	4.9	2.3
Camrose-Drumheller	98.1	101.4	-3.3	7.1	5.8	1.3
Calgary	847.8	869.5	-2.5	8.8	5.5	3.3
Banff-Jasper-Rocky Mountain House and Athabasca-Grande Prairie-Peace River	182.1	193.2	-5.7	7.2	5.1	2.1
Red Deer	107.3	121.7	-11.8	8.5	4.7	3.8
Edmonton	790.5	762.4	3.7	7.2	5.7	1.5
Wood Buffalo-Cold Lake	81.6	84.3	-3.2	9.8	7.4	2.4

Note: Totals may not add due to rounding

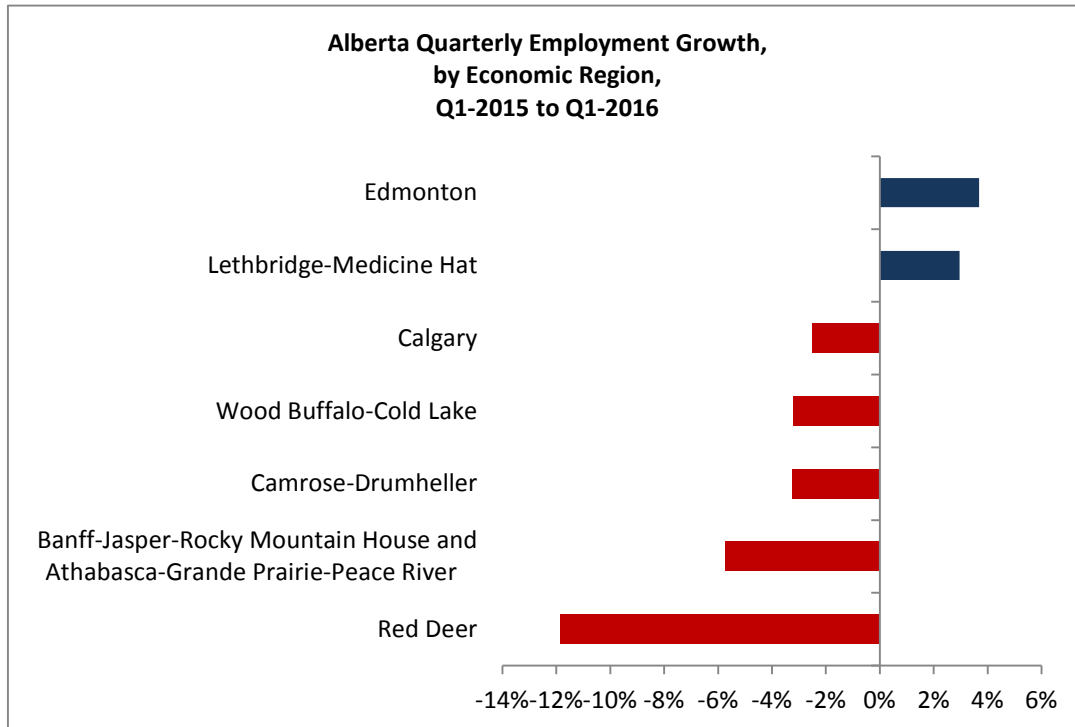
Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0122

On an annual basis, employment has declined in all but two of Alberta's economic regions, while unemployment rates are up across the province.

There are significantly fewer people working in Red Deer compared to a year ago (-14,400), as a result of losses in most industries. Employment has also decreased substantially in the combined regions of Banff-Jasper-Rocky

Mountain House and Athabasca-Grande Prairie-Peace River (-11,100), due to far lower employment in the resource extraction and construction industries. Employment in Wood Buffalo-Cold Lake is also down (-2,700) and the region’s unemployment rate is nearly 10%.

Looking at Alberta’s larger centres, Edmonton’s labour market continues to fare better than Calgary’s. There are 28,100 more people working in Edmonton, while Calgary’s employment has declined by 21,700. Although employment has fallen in both regions’ goods-producing sectors, in Edmonton’s case this has been offset by strong growth across most service industries. Calgary’s unemployment rate has also risen more than twice as fast as Edmonton’s.



**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](http://www.statcan.gc.ca)

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<sup>1</sup> In January 2016, the province's manufacturing sales were down 13.2% year from a year earlier. Much of this decrease is due to the lower value of refined petroleum products. In addition, sales have declined for machinery and metal products used for oil and gas activity.

Gibson, John. (March 16, 2016). Alberta manufacturing sales plunge 13% in year as most provinces see upswing. CBC News Calgary. Retrieved from: <http://www.cbc.ca/news/canada/calgary/alberta-manufacturing-sales-1.3493988>

<sup>2</sup> In an example of energy sector layoffs, Calgary-based Cenovus has already eliminated 190 contractor or staff positions in 2016, and expects to cut another 250 positions in April.

Meanwhile, the Canadian Association of Petroleum Producers is projecting that capital spending on oil and gas projects will decline for a second year in a row, dropping from a record \$81 billion in 2014 to around \$31 billion this year.

Lozinski, Peter. (April 4, 2016). Cenovus to lay off 440 workers in 2016. Cold Lake Sun. Retrieved from: <http://www.coldlakesun.com/2016/04/04/cenovus-to-lay-off-440-workers-in-2016>

Hussain, Yadullah. (April 7, 2016). Canada's oilpatch suffers biggest drop in investment in almost 70 years, CAPP warns. Financial Post. Retrieved from: <http://business.financialpost.com/news/energy/canadas-oil-patch-suffers-biggest-drop-in-investment-in-almost-70-years-capp-warns>

<sup>3</sup> Kornik, Slav. (March 28, 2016). Edmonton and Calgary hotels struggling, but Alberta resorts thriving. Global News. Retrieved from: <http://globalnews.ca/news/2603394/edmonton-and-calgary-hotels-struggling-but-alberta-resorts-thriving/>

<sup>4</sup> Ellis, Cathy. (March 17, 2016). Looking for work? Canmore, Banff and Lake Louise businesses are hiring. Cochrane Eagle. Retrieved from: <http://www.cochraneagle.com/article/Looking-for-work-Canmore-Banff-and-Lake-Louise-businesses-are-hiring-20160317>