



Labour Market Bulletin

Alberta

April 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 dropped sharply in April 2016 (-20,800), erasing the surprise gains seen in March and resuming the downward trend of the past year. Low oil prices continue to challenge the province's economy, and employment has been decreasing across a broad range of industries. Compared to a year earlier, there are 37,400 fewer people working in the province.

Alberta Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	April 2016	March 2016	April 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	3,392.4	3,389.6	3,338.5	2.8	0.1	53.9	1.6
Labour Force ('000)	2,452.3	2,471.1	2,450.3	-18.8	-0.8	2.0	0.1
Employment ('000)	2,275.6	2,296.4	2,313.0	-20.8	-0.9	-37.4	-1.6
Full-Time ('000)	1,872.6	1,883.5	1,903.6	-10.9	-0.6	-31.0	-1.6
Part-Time ('000)	403.0	412.9	409.4	-9.9	-2.4	-6.4	-1.6
Unemployment ('000)	176.6	174.7	137.3	1.9	1.1	39.3	28.6
Unemployment Rate (%)	7.2	7.1	5.6	0.1	-	1.6	-
Participation Rate (%)	72.3	72.9	73.4	-0.6	-	-1.1	-
Employment Rate (%)	67.1	67.7	69.3	-0.6	-	-2.2	-

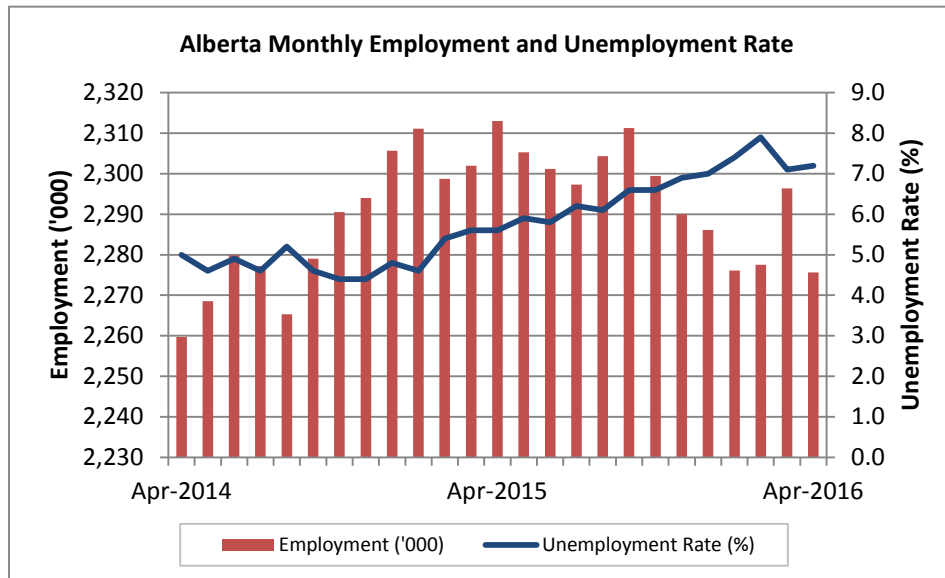
Note: Totals may not add due to rounding

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

Alberta's full-time employment decreased by 10,900 positions on the month, with similar losses seen in part-time employment (-9,900).

Looking at classes of workers, employment in both the private sector and public sector declined slightly in April (-800 and -2,900 respectively). However, self-employment in the province plunged by 17,100 on the month.

While self-employment in Alberta has been volatile over the past year, this latest decline brings the category’s share of total employment to 16.0%, close to the ten-year Canadian average of 15.5%.



Between March and April, Alberta’s unemployment rate rose from 7.1% to 7.2%. This figure would have been much worse if not for the large decline in the labour force (-18,800). Indeed, this is the largest one-month labour force decline in Alberta’s history.

Alberta Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	April 2016	March 2016	April 2015	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	7.2	7.1	5.6	0.1	1.6
25 years and over	6.5	6.4	4.8	0.1	1.7
Men - 25 years and over	6.8	6.9	4.9	-0.1	1.9
Women - 25 years and over	6.2	5.8	4.6	0.4	1.6
15 to 24 years	11.2	11.0	10.4	0.2	0.8
Men - 15 to 24 years	12.4	12.8	10.7	-0.4	1.7
Women - 15 to 24 years	9.9	8.8	10.2	1.1	-0.3

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

Looking at major demographic groups, the unemployment rate for men aged 25 and over inched down to 6.8% in April, while the rate for younger men declined from 12.8% to 12.4%. 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 declined in both the overall goods-producing (-11,300) and the services-producing (-9,500) sectors. However, substantial year-over-year losses in goods-sector employment (-57,200) continue to outweigh subdued growth in the services-sector (+19,900).

Alberta Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	April 2016	March 2016	April 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	2,275.6	2,296.4	2,313.0	-20.8	-0.9	-37.4	-1.6
Goods-producing sector	590.3	601.6	647.5	-11.3	-1.9	-57.2	-8.8
Agriculture	49.8	48.6	65.5	1.2	2.5	-15.7	-24.0
Forestry, fishing, mining, quarrying, oil and gas	140.8	149.2	163.0	-8.4	-5.6	-22.2	-13.6
Utilities	21.5	21.9	22.3	-0.4	-1.8	-0.8	-3.6
Construction	263.7	264.3	257.4	-0.6	-0.2	6.3	2.4
Manufacturing	114.5	117.5	139.2	-3.0	-2.6	-24.7	-17.7
Services-producing sector	1,685.3	1,694.8	1,665.4	-9.5	-0.6	19.9	1.2
Trade	332.1	338.9	314.8	-6.8	-2.0	17.3	5.5
Transportation and warehousing	130.7	131.6	147.1	-0.9	-0.7	-16.4	-11.1
Finance, insurance, real estate and leasing	108.9	114.0	102.5	-5.1	-4.5	6.4	6.2
Professional, scientific and technical services	182.9	184.1	174.9	-1.2	-0.7	8.0	4.6
Business, building and other support services	80.4	78.3	82.0	2.1	2.7	-1.6	-2.0
Educational services	146.5	145.8	136.1	0.7	0.5	10.4	7.6
Health care and social assistance	269.2	270.3	263.5	-1.1	-0.4	5.7	2.2
Information, culture and recreation	78.5	77.4	72.5	1.1	1.4	6.0	8.3
Accommodation and food services	141.0	138.6	153.5	2.4	1.7	-12.5	-8.1
Other services	119.4	122.1	122.5	-2.7	-2.2	-3.1	-2.5
Public administration	95.7	93.7	96.0	2.0	2.1	-0.3	-0.3

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 (-8,400). North American benchmark crude oil prices averaged around \$37.50 US per barrel in March, up from February's 13-year low.¹ Currently, prices remain too low for energy producers and service companies to reverse recent layoffs and cuts in investment spending. On an annual basis, there are 22,200 fewer people working in Alberta's resource extraction industry.

Several other industries also registered large annual employment losses. Agricultural employment is down by 15,700 positions, following weaker crop production last year. Employment in the province's manufacturing industry has decreased by 24,700, amid lower manufacturing sales. There are also 16,400 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 significant employment (-12,500), with most of

these job losses occurring in the food services sub-industry. And in February, sales at eating and drinking establishments were down 2.1% in Alberta compared to February 2015.²

Over the past year, Alberta's public sector industries have been a key source of employment growth. However, April saw little change overall; health care and social assistance (-1,100), public administration (+2,000), and educational services (+700) held steady.

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 (-10,200) and Banff-Jasper-Rocky Mountain House and Athabasca-Grande Prairie-Peace River (-9,500) are very steep for regions of comparable population size.

Calgary's labour market has also weakened significantly over the past year, with 28,000 fewer people working. The region's 8.6% unemployment rate exceeds highs from the economic downturn of 2008-09. Calgary-based energy firms continue to make staffing cuts to their head-office operations, while hotel occupancy rates in Alberta's largest city are down 10% year to date.³ The city'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 (+31,800) 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

In April, Wood Buffalo-Cold Lake, which is home to the province's oil major sands operations, had the highest regional unemployment rate in the West and the only one in double digits (10.2%). This was before the catastrophic wildfires of May that decimated the hub city of Fort McMurray and caused the evacuation of 90,000 people. At the time of writing, oil sand production has been curtailed by an estimated one million barrels per day.⁶ Looking ahead, the catastrophe will weigh heavily on the oil and gas sector and, more broadly, the provincial economy.

Alberta Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	April 2016 ('000)	April 2015 ('000)	Yearly Variation (%)	April 2016 (%)	April 2015 (%)	Yearly Variation (% points)
Alberta	2,251.8	2,274.2	-1.0	8.1	6.0	2.1
Economic Regions						
Lethbridge-Medicine Hat	146.9	143.8	2.2	7.2	4.6	2.6
Camrose-Drumheller	95.2	101.1	-5.8	8.2	6.1	2.1
Calgary	849.0	877.0	-3.2	8.6	5.7	2.9
Banff-Jasper-Rocky Mountain House and Athabasca-Grande Prairie-Peace River	180.8	190.3	-5.0	7.5	6.2	1.3
Red Deer	109.2	119.4	-8.5	9.1	5.2	3.9
Edmonton	790.0	758.2	4.2	7.5	6.4	1.1
Wood Buffalo-Cold Lake	80.7	84.4	-4.4	10.2	8.3	1.9

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 Energy Information Administration (March 2016). Short term energy outlook (STEO): Monthly WTI Price. Retrieved from: <http://www.eia.gov/forecasts/steo/query/>

² Statistics Canada, The Daily, April 29, 2016. Food services and drinking places – Seasonally adjusted. Retrieved from: <http://www.statcan.gc.ca/daily-quotidien/160429/t001c-eng.htm>

³ Alberta Culture and Tourism. (February 2016). Alberta Tourism Market Monitor workbook (April 2016 Edition). Retrieved from: <http://culture.alberta.ca/tourism/research-and-statistics/statistics/alberta-tourism-market-monitor/>

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)

⁶ Wildfire slashes oilsands output, but cuts likely short-lived | Gary Lamphier, the Edmonton Journal, May 6, 2016. Retrieved from: <http://edmontonjournal.com/opinion/columnists/gary-lamphier-wildfire-slashes-oilsands-output-but-cuts-likely-short-lived>