



# Labour Force Developments

## October 2009

November 6, 2009

### Highlights

Alberta employment contracted by 14,900 in October, largely driven by losses in the professional (-12,900) and construction (-8,500) sectors. This decline pushed the unemployment rate up 0.4 percentage points to 7.5%. The Canadian labour market lost 43,200 jobs in October, and the unemployment rate rose by 0.2 percentage points to 8.6%.

#### *Alberta's October job losses reverses last month's gains, revealing bumpy road to recovery...*

On a seasonally adjusted basis, employment in Alberta decreased by 14,900 (-0.8%) from last month. On a year-over-year basis, employment was down by 68,000 (-3.3%). The province's unemployment rate increased from 7.1% in September to 7.5% in October, despite the decline in the labour force (-6,400). However, Alberta still has the third lowest unemployment rate among provinces, next only to Saskatchewan (5.3%) and Manitoba (5.8%).

Full-time employment in Alberta decreased by 9,900 (seasonally adjusted) from last month, the fourth monthly decline in the last five months. Losses were also recorded in part-time positions (-5,100) for the second consecutive month. Labour market conditions for youth (aged 15-24) resumed its downward trend, with a monthly loss of 3,500 jobs. This decline in employment has pushed the unemployment rate for this age group up from 12.7% in September to 13.3% in October, significantly higher than 8.5% in October 2008.

Employment losses were seen in both the goods-producing (-10,300) and services (-4,600) sectors. Notable employment losses were observed in three sectors: professional (-12,900), construction (-8,500)

<b>Employment</b>	<b>1,967,200</b>
<b>Monthly Net Jobs</b>	<b>-14,900</b>
<b>% Change</b>	<b>-0.8%</b>
<b>Unemployment Rate</b>	
<b>Alberta</b>	<b>7.5%</b>
<b>Canada</b>	<b>8.6%</b>

and accommodation and food services (-3,600). These losses were partially offset by gains in the transportation (6,500), public administration (3,800) and manufacturing (2,400) sectors.

#### *Average hourly wage growth moderating...*

Average hourly wages in Alberta were \$25.16 in October, marginally up from \$25.07 in September. Compared to October 2008, hourly wages increased by 3.9%, which is lower than the average of 5.7% in 2008.

#### *Canadian employment decreases in October...*

Following two months of moderate growth, the Canadian economy shed 43,200 jobs in October, driven by the large loss (-59,000) in part-time positions. At the same time, the unemployment rate rose by 0.2 percentage points to 8.6%, erasing most of September's improvement. The unemployment rate rose despite a continuing decline in the participation rate and flat labour force growth.

Employment in both the private (-45,200) and public sectors (-25,600) were down in October, as employers still remain cautious about the pace of the economic recovery. On a year-over-year basis, employment in the private sector was down 2.3% while public sector employment was down 1.6%. These losses were partially offset by a 28,000 gain in self-employment, with 16.4% of all workers now their own boss.

Alberta (-14,900), British Columbia (-12,900), Ontario (-12,000), Newfoundland and Labrador (-4,000) and Manitoba (-3400) experienced notable employment losses in October. In all other provinces, employment remained largely unchanged.

#### *U.S unemployment rate highest since April 1983...*

Job declines in the U.S. economy continued in October, as non-farm payroll employment fell 190,000 (seasonally adjusted). The U.S unemployment rate rose from 9.8% to 10.2%.

