

# Labour Force Developments

April 7, 2006

March 2006

## March Highlights

Employment in Alberta increased by 6,600 jobs in March, but the rising labour force raised the unemployment rate to 3.4 per cent from 3.1 per cent in the previous month. Alberta continues to have the lowest unemployment rate among the provinces and is well below the national average of 6.3 per cent.

## Alberta

In the first three months of 2006, employment in Alberta increased by 55,000, the largest first quarter gain since 1998. Most of these gains were in full-time positions.

Service producing industries (+47,500) recorded strong increases in employment during the first quarter, with professional services rising by over 20,000 jobs. Alberta's good producing industries saw a quarterly gain of 7,500 jobs.

Alberta's labour force rose by 11,800 in March, in line with Alberta's strong gains in inter-provincial migration reported last week from Statistics Canada. Despite an increase in the labour force this month, Alberta is experiencing very tight labour markets, with unemployment rates of 2.4 per cent in Camrose, 2.5 per cent in Athabasca and 2.8 per cent in Lethbridge.

Shortages of workers, both skilled and unskilled, continue to be reported across the province. These unemployment rates are causing upward pressure on wages, with the hourly wage rate rising by 7.0 per cent in March, double the national increase. Employers are offering

## ALBERTA MARCH HIGHLIGHTS

<b>Employment</b>	
Monthly Net Jobs	+6,600
% Change	0.4%
<b>Unemployment Rate (March 2006)</b>	
Alberta	3.4%
Canada	6.3%

various incentives to keep and attract workers, including signing bonuses, free vacations, consumer goods and education savings packages.

## Canada

The unemployment rate in Canada dropped in March to 6.3 per cent, its lowest level in over three decades. The Canadian economy gained 50,500 jobs in March, with full-time employment increasing by 44,000 jobs. Most of the employment gains in Canada were due to large employment gains in Ontario (31,200) and British Columbia (13,100).

In March, the service-producing sector gained 60,000 jobs, but the manufacturing sector continued to suffer as employment declined by 12,000 from the previous month and by 189,000 from March 2005.

## United States

Total non-farm payroll employment rose by 210,000 in March, adding to an already tight US labour market. With these employment gains, the unemployment rate edged down to 4.7 per cent, the lowest rate in over four years.

**TABLE 1. ALBERTA REGIONAL EMPLOYMENT**

Regional Employment 3 Month Moving Avg.	Edmonton Region	Calgary Region	Wood Buffalo- Cold Lake	Athabasca- Grande Prairie	Red Deer	Camrose- Drumheller	Banff- Jasper- Rocky Mt. House	Lethbridge- Medicine Hat
<b>Feb. 2006-Mar. 2006</b>								
Change	2,500	6,300	900	-800	300	-300	500	-900
Growth Rate	0.4%	0.9%	1.5%	-0.6%	0.3%	-0.3%	1.0%	-0.7%
<b>Mar. 2005-Mar. 2006</b>								
Change	-1,300	46,400	3,300	7,100	1,000	1,900	-1,000	0
Growth Rate	-0.2%	7.3%	5.6%	5.9%	1.1%	1.9%	-2.0%	0.0%
<b>Unemployment Rate</b>	3.9%	3.5%	4.3%	2.5%	4.4%	2.4%	n/a	2.8%

Source: Statistics Canada, Labour Force Survey