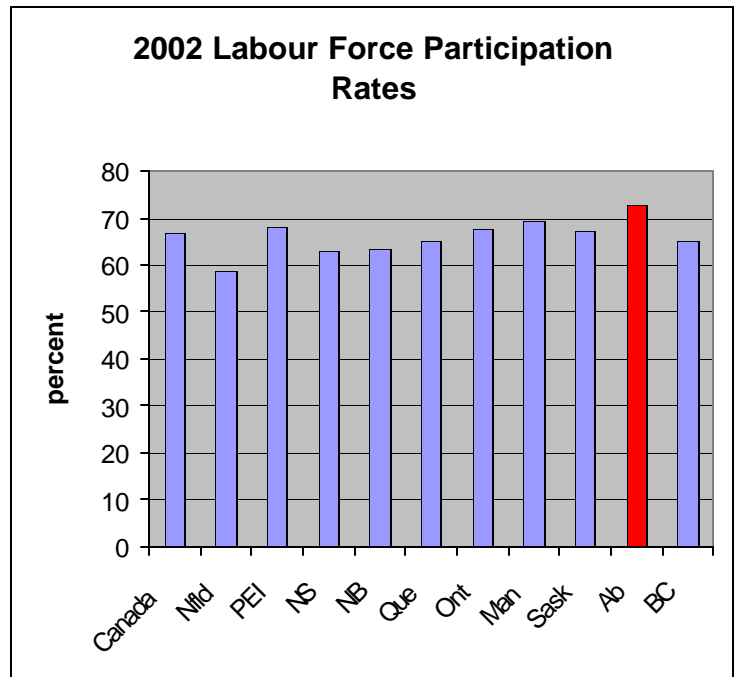


Economic Spotlight

DEMOGRAPHICS AND PROVINCIAL PARTICIPATION RATES

Traditionally, Alberta has had the highest proportion of the working age population active in the labour force. 2002 was no exception. Alberta's labour force participation rate reached a record of 73.0%, well above second place Manitoba (69.2%).

Participation rates were below the national average in the Atlantic provinces (with the exception of third place Prince Edward Island), Quebec and British Columbia. Participation rates were above average in Ontario and the western provinces.



There is a tendency to assume that since Alberta has the highest overall participation rate overall, it also has the highest participation rates across each demographic group. In fact, this is not the case. For men, participation rates are consistently above the national average. They are below Manitoba's in the 15-24 age group, however, and below Saskatchewan's in the 65 and over age group. Female participation rates, on the other hand, are not only below the national average in the 25-39 age group, they are among the lowest in Canada. In the 35-39 age group, Newfoundland is the only province with a lower female participation rate. The 60-69 age group is the only one where Alberta has the highest female participation rate among the provinces.

Age Group	Men	Women
15-19	6.6	4.2
20-24	3.3	4.1
25-29	2.1	-1.5
30-34	2.1	-0.9
35-39	2.3	-2
40-44	2.7	2.5
45-49	3.1	4.3
50-54	4.2	5.2
55-59	9.5	10.7
60-64	18.1	12.7
65-69 years	9.1	3.9
70 years and over	1.8	0.9

Participation rates vary strongly with age. They typically rise as people reach their early 30s, remain relatively stable until people reach their mid-50s, and then decline sharply.

Since Alberta has the youngest population of all the provinces, the age structure of Alberta's population may help explain why it has the highest overall participation rate. The table below shows what the overall participation rates would have been in the other provinces in 2002 if they had had Alberta's population structure, but retained their own participation rates in each demographic group.

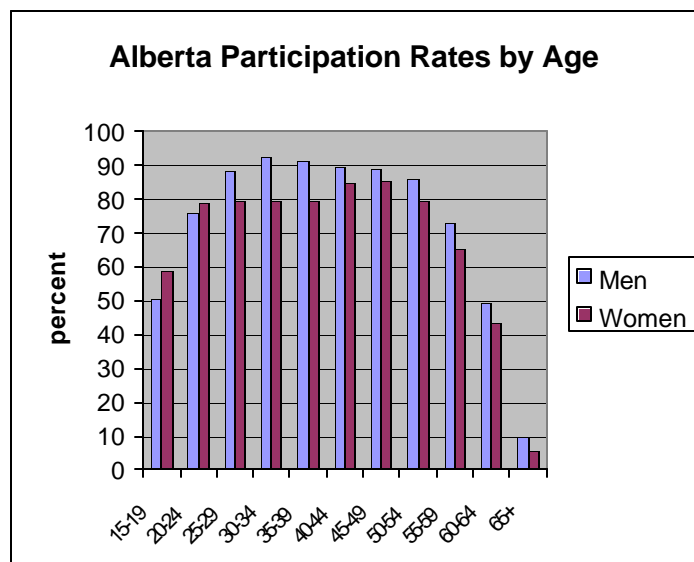


Table 2: Impact of Population Structure on 2002 Aggregate Provincial Participation Rates

	Actual	With Alberta Population Structure	Difference from Actual	% of Actual Difference due to Population Structure
Newfoundland and Labrador	58.6	60.5	1.9	12.9
Prince Edward Island	68.2	71.6	3.4	70.5
Nova Scotia	62.8	66.5	3.7	36.7
New Brunswick	63.5	66.6	3.1	32.4
Quebec	65.1	68.0	2.9	37.0
Ontario	67.8	70.1	2.3	45.0
Manitoba	69.2	73.1	3.9	102.7
Saskatchewan	67.3	68.1	0.8	13.5
Alberta	73.0	73.0	0.0	n/a
British Columbia	64.9	67.6	2.7	33.0

Population structure generally explains about a third of the gap between Alberta's aggregate participation rate and that of the other provinces. For Manitoba, the difference in population structure explains the entire gap; for Prince Edward Island, it explains almost three-quarters; and for Ontario almost half. For Saskatchewan and Newfoundland, however, differences in population structure explain only about 13% of the gap as participation rates in these provinces are below those in Alberta for virtually all demographic groups.