Woe is Calgary: Unemployment rate remains the worst in Canada

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Calgary still has the highest unemployment rate of any major Canadian city, according to

numbers released Friday from Statistics Canada.

The Alberta rate improved slightly, at 7.8 per cent up from 7.9 per cent in April. Some of that

increase came from Edmonton, which saw a decrease from 8.1 per cent in April to 7.9 per cent

in May. Calgary saw no improvement though — the city’s unemployment rate remained at 9.3

per cent.

“The main culprit is the fact that the oil and gas industry itself is not improving in Alberta. Many

of our other industries: construction, finance, are very closely related to the oil and gas

industry,” said Anupam Das, associate professor of economics at Mount Royal University. 1/2

Other cities with oil and gas as key industries are struggling. St. John’s, N.L., has the second-

highest unemployment rate in the country. Things actually got worse for them in May, where

the unemployment rate hit 8.5 per cent, up from 8.3 per cent in April. Saskatoon, another oil

and gas hub, has the third-worst unemployment rate in the country. They hit 8.3 per cent in

May, up from 7.8 per cent in April.

For Calgary, though, there are some small positive signs. The participation rate is up from 74.6

per cent in April to 75 per cent in May and the employment rate went from 67.7 per cent to

68.0 per cent.

Das cautions that those changes are not nearly as significant as the stalled unemployment

rate, which he argues is a sign that despite rising oil prices businesses are not yet confident

enough to start hiring again.

“It essentially means that the market is not improving,” said Das. “Some workers do not know

whether they will have a job or not. Things have not gotten better in any significant sense.”

Speaking at a Canadian Federation of Nurses Unions in Calgary on Friday, Alberta premier

Rachel Notley acknowledged the joblessness in the city.

“While jobs are returning you can’t miss the signs of an economy that’s still struggling,

because it is still struggling,” said Notley.

Notley spent much of the speech arguing that building pipelines is the way to improve the

province’s economic prospects. She has spent the past two weeks butting heads with the

NDP-Green coalition in British Columbia over their skepticism regarding pipelines running from

Alberta to B.C. On Friday she tied the need to build pipelines to improving Alberta’s job

numbers:

“We can not cavalierly impose a veto while dismissing the tens of thousands of jobs that are

created every day as a result of our oil and gas economy here in Alberta and quite frankly

throughout the country.”