

# Severe labour crunch forecast

## Firms struggle as job seekers revel in choice

By Mario Toneguzzi, Calgary Herald June 11, 2011

Alberta's labour shortage is fast developing, with many companies already reporting worker shortages in a hot job market reflected in new employment numbers released Friday.

"There are companies that simply can't find workers already," said Thomas Lukaszuk, Alberta's minister of employment and immigration, who cited transportation and hospitality as sectors struggling to fill jobs.

"There are sectors that are already showing inability to readily find employees at a competitive price. And that will only escalate as time goes on.

"Overall, we will have severe worker shortages, not only in this province but in Western Canada, for many, many years to come."

Statistics Canada reported Friday that Alberta's unemployment rate dipped to 5.4 per cent last month, down from 5.9 per cent in April and 6.7 per cent a year earlier.

Only Saskatchewan (five per cent) and Manitoba (5.3 per cent) reported lower May unemployment rates.

Employment increased by 8,500 in Alberta between April and May, with construction, health care, social assistance and culture and recreation leading the way.

For the past 12 months, employment grew by 2.8 per cent, or 56,300 jobs, the fastest growth rate in the country.

Unemployment in Calgary fell to 5.7 per cent in May from 5.9 per cent in April. The city's unemployment rate in May 2010 was 7.6 per cent.

Danica Lelliott, 33, was hired in May to work as a server at the Wurst Restaurant and Beer Hall, which opens next week in Calgary. While job hunting, Lelliott noticed the growing opportunities available to prospective job applicants.

"There are quite a few jobs available -especially in the service industry," she said. "People are always hiring if you're the right kind of person -if you have the experience and have the personality.

"There's definitely a demand for people. People are more than willing to hire."

Michael Fotheringham, research manager at Calgary Economic Development, said the local labour numbers -a gain in full-time employment and a decline in parttime employment -are a positive trend.

"I think it means that we're possibly inching closer to possible labour shortages (and with) increased demand and shifting demographics we may not be too far off the prerecession unemployment rate," said Fotheringham.

Calgary Economic Development is sensing a more positive mood in the business community with further capital spending and job growth in the future, he said.

Fotheringham said he expects the unemployment rate to hold steady over the summer months before further shrinking in the fall.

The provincial government has developed a short-term employment forecast tool to identify potential imbalances in the labour market in the near future. Sixteen occupations -from retail trade and food services to petroleum engineers and computer programmers -were listed as having a significant likelihood of shortages in the next three years.

Knightsbridge Human Capital Solutions has established an executive search Calgary-based practice in Alberta to help clients respond to the emerging talent crisis which some reports say will result in a labour shortfall of 77,000 workers over the next 10 years.

"From a human capital perspective, this is a critical time for Alberta," said Mark Hopkins, managing partner. "We believe that companies must effectively manage the leadership gap being created as an aging workforce retires in ever-increasing numbers. At the same time, we are seeing rapidly increasing activity levels, increased technical and commercial demands, and a significant shortage of specialist technical skills."

Across the country, the federal agency said employment rose by 22,000 in May, bringing gains over the previous 12 months to 273,000 (1.6 per cent). The employment increase in May, combined with a decline in the number of people looking for work, pushed the unemployment rate down 0.2 percentage points to 7.4 per cent, it said.

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