



# **Economic Trends: Implications for Labour Markets**

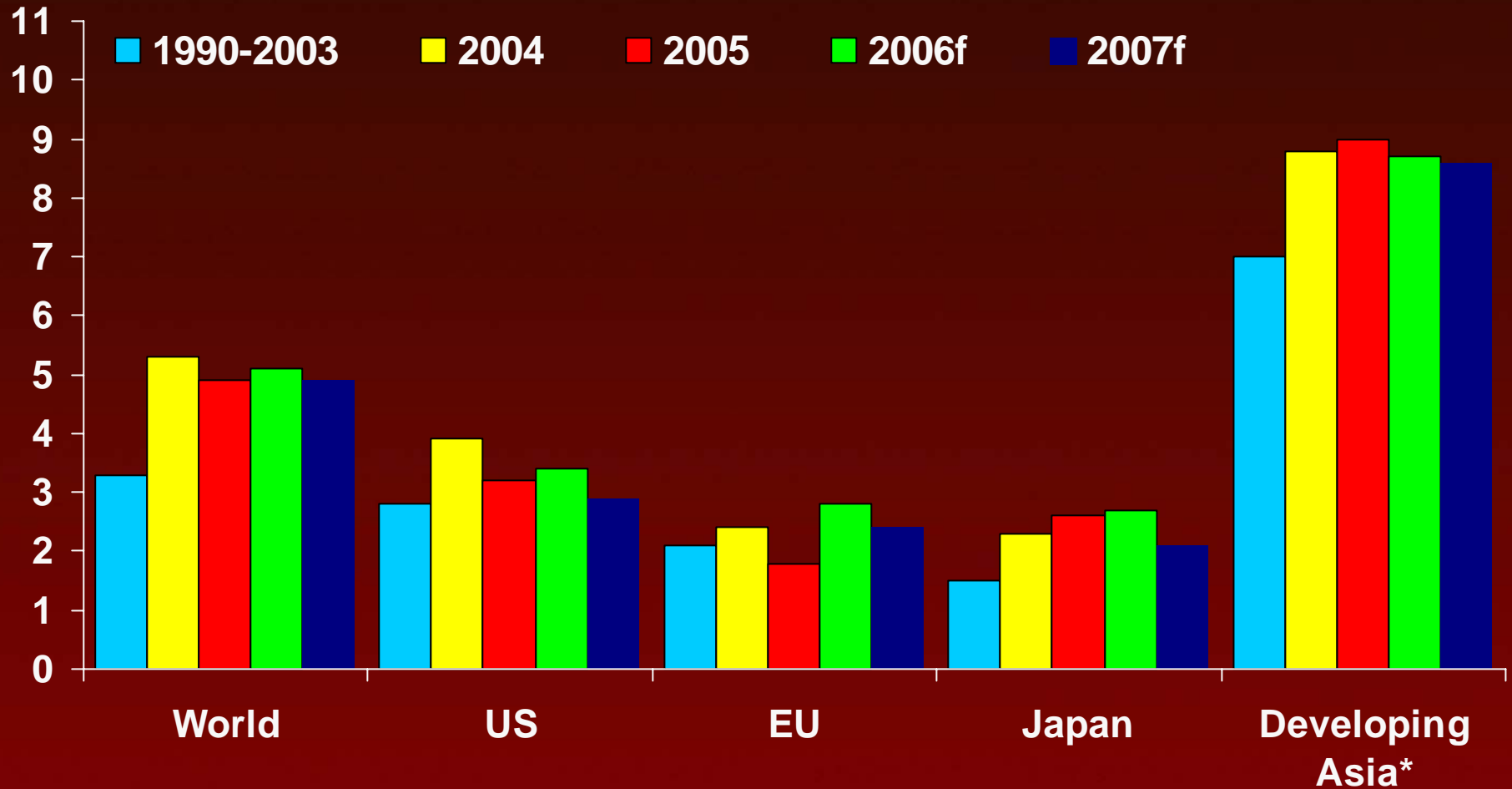
**Presentation to:  
Building Healthy Labour Markets in  
Newfoundland & Labrador  
Conference**

**Elizabeth Beale, President & CEO,  
Atlantic Provinces Economic Council**

**St. John's, NL  
October 30, 2006**

# Asia Continues to Dominate Global Growth

## Growth in Real GDP (%)



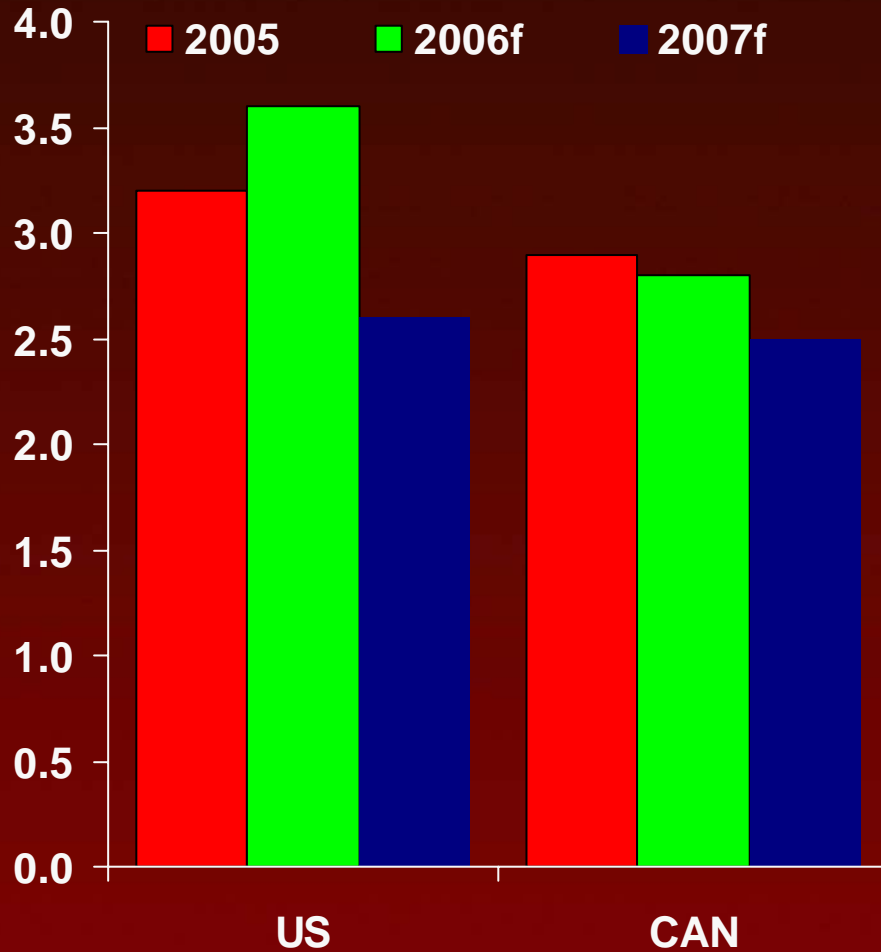
Source: IMF (September 2006)

\* Includes China, India, Philippines, Thailand, Indonesia, etc.

# Canada's Prospects Slip Slightly in 2007, Following the U.S. Downturn

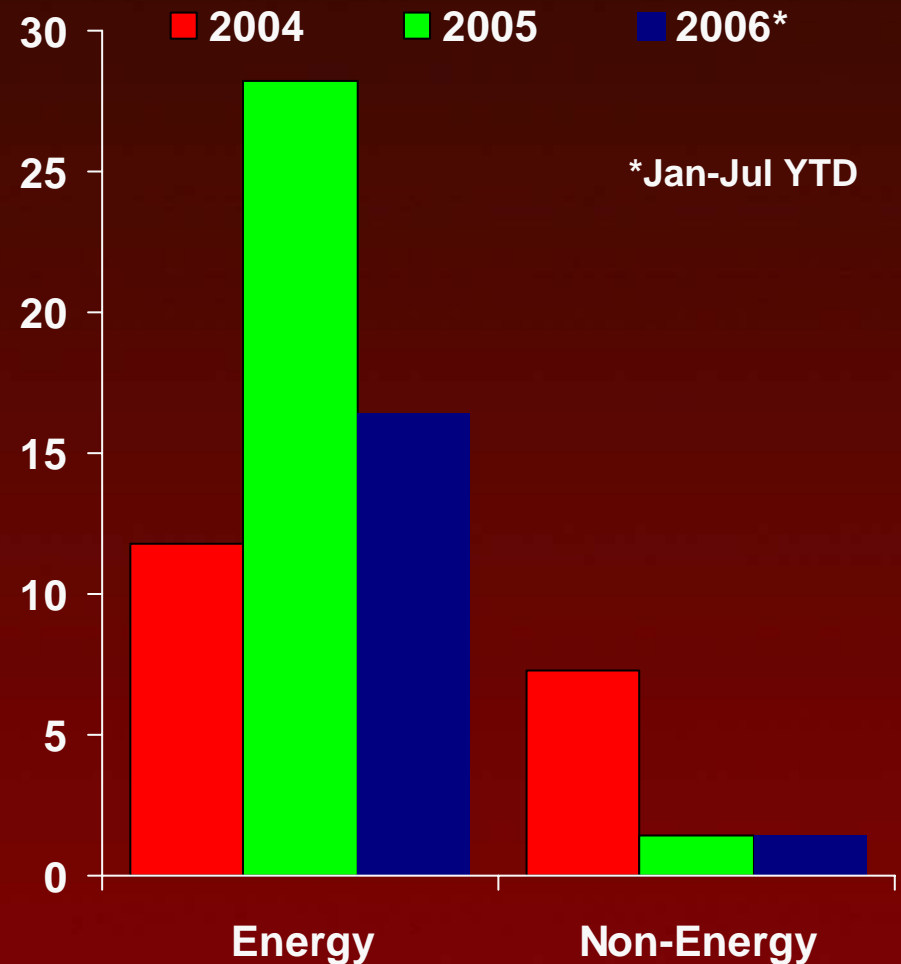


## Growth in Real GDP (%)



Source: Scotiabank/APEC

## Growth in Exports, Canada (%)

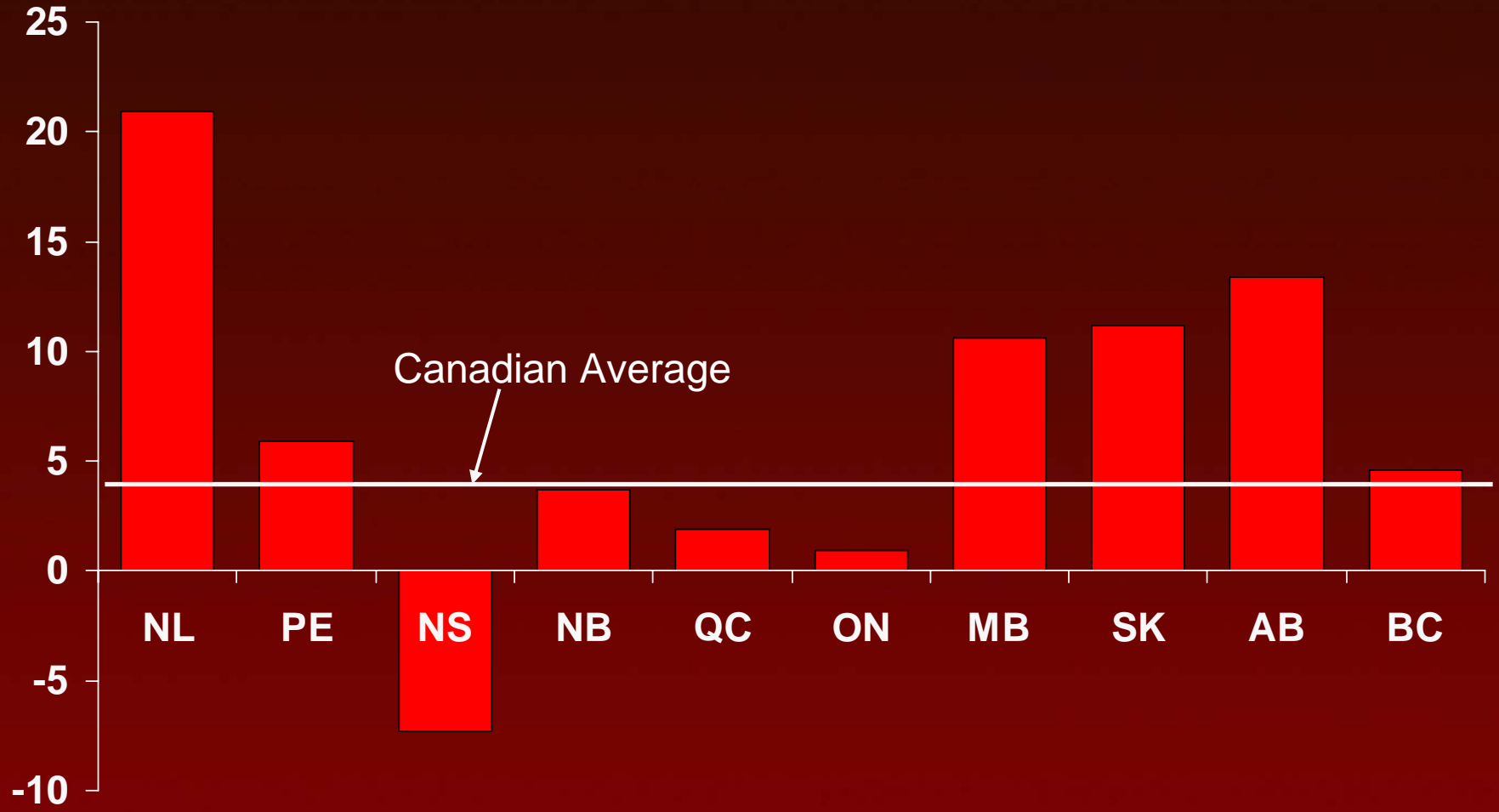


Source: Strategis: Trade Data Online

# Unbalanced Growth Reflects Upside in Energy, Downside in Manufacturing



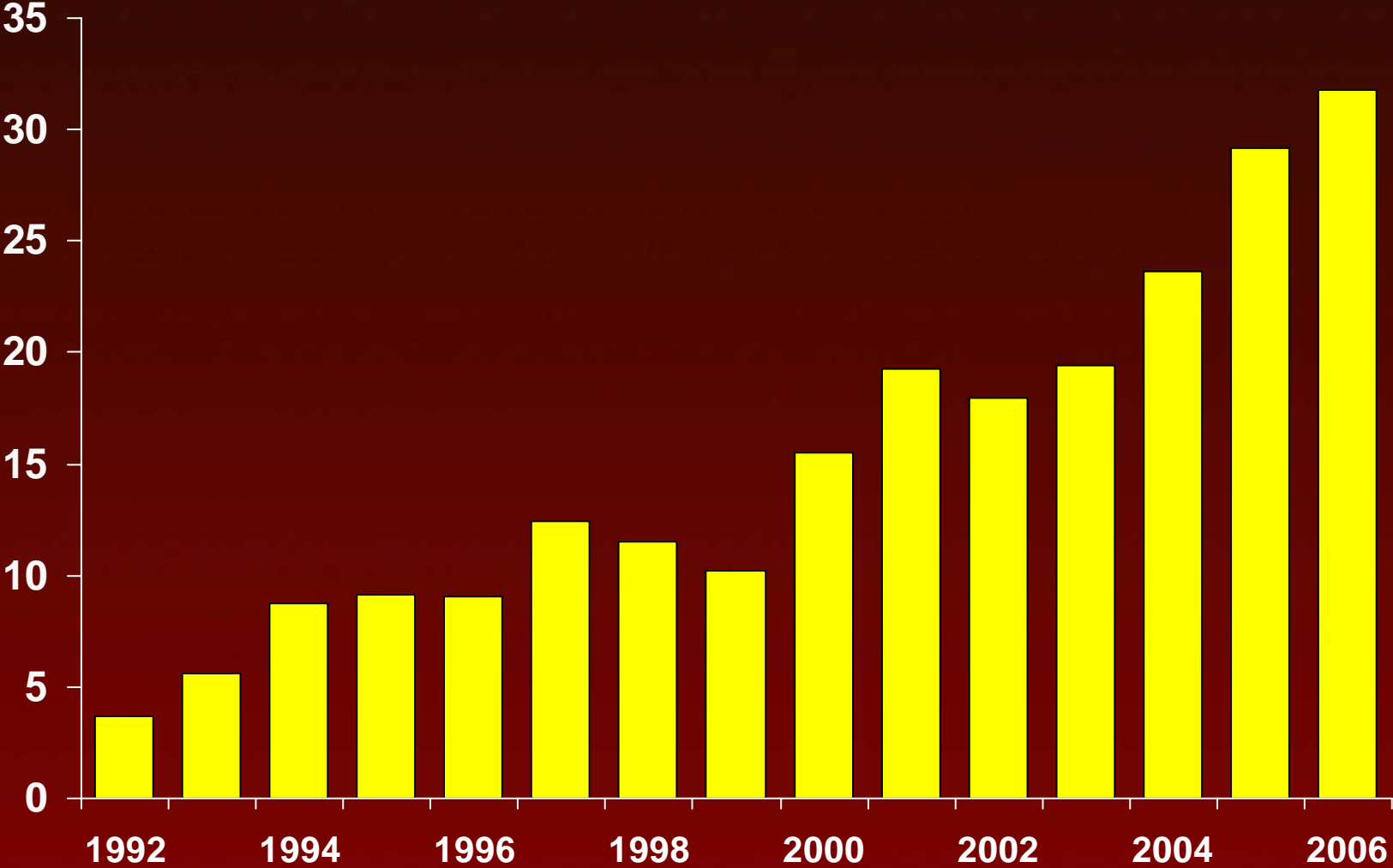
Export Growth, Jan-Jul 2006 over Jan-Jul 2005 (%)



# Energy Industry Will Continue to Dominate



**Capital spending in the oil and gas industry in Alberta, \$billions**



Source: Statistics Canada

# Major Projects Provide Stimulus in Atlantic Canada

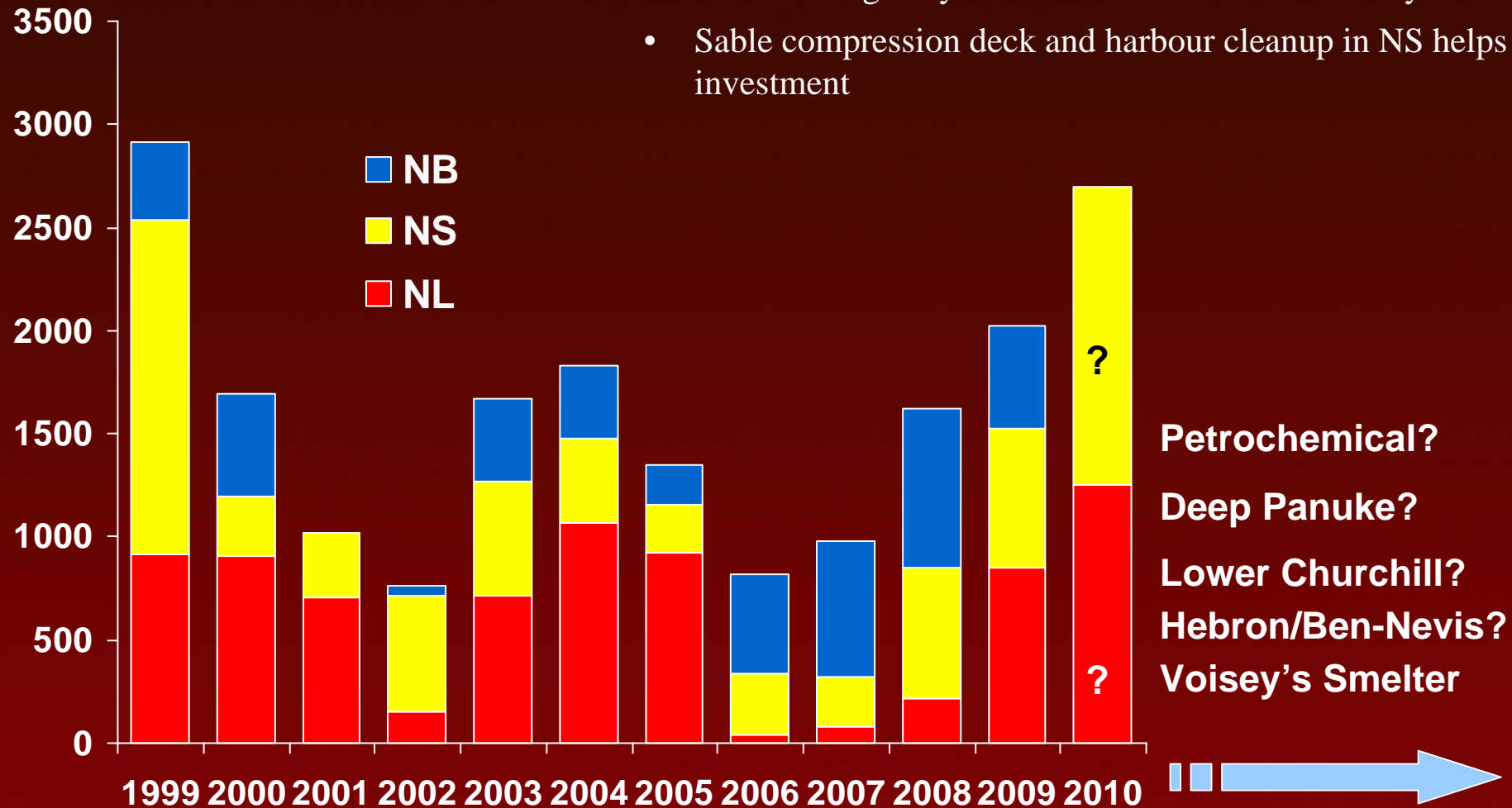


## 2006 Highlights

- Investment drops off in NL with the end of construction at White Rose and Voisey's Bay
- LNG and highway construction in NB lead the way
- Sable compression deck and harbour cleanup in NS helps investment

## Selected Mega Projects

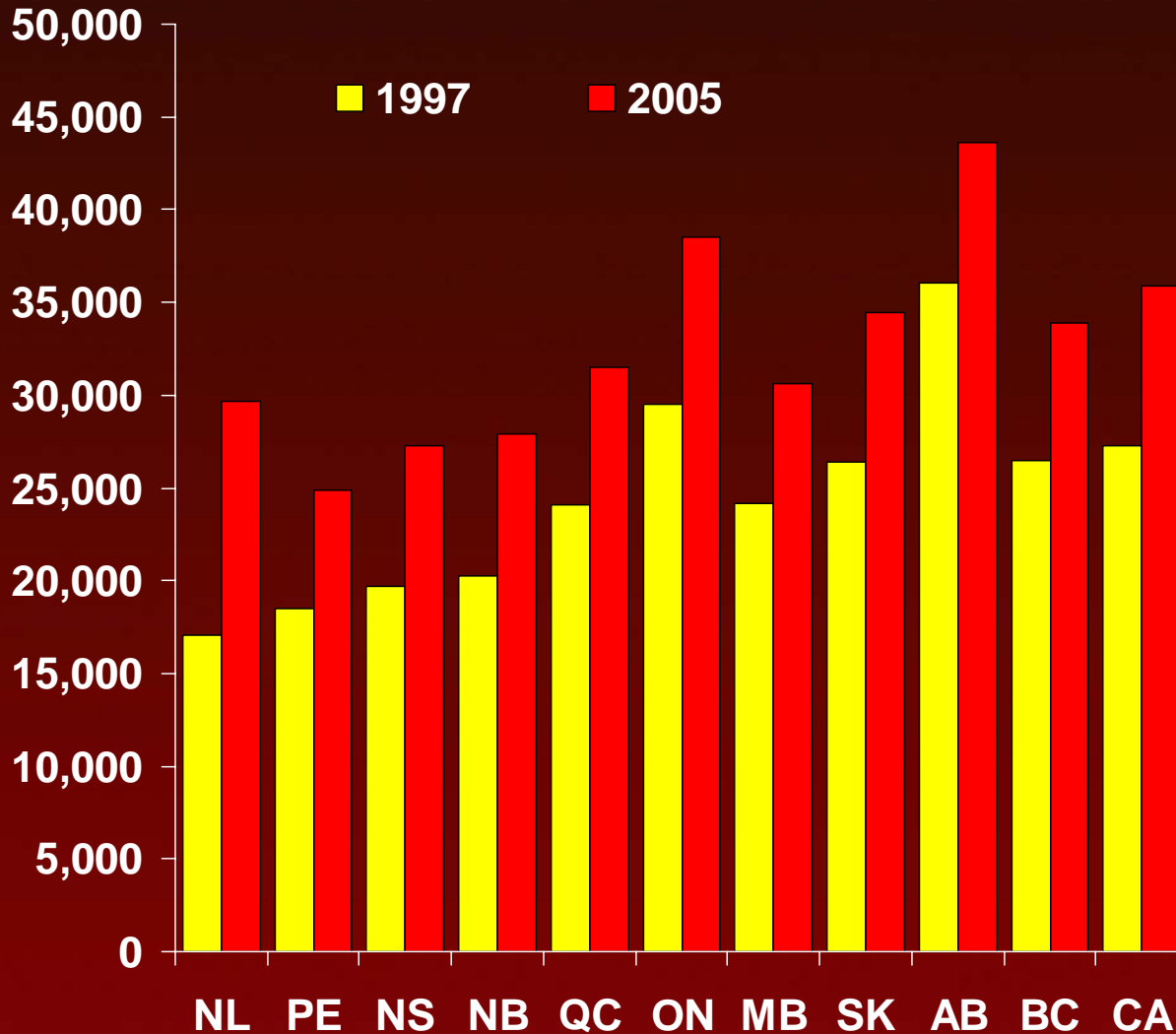
\$ millions



- Petrochemical?
- Deep Panuke?
- Lower Churchill?
- Hebron/Ben-Nevis?
- Voisey's Smelter

# Economic Transformation Evident Across Canada

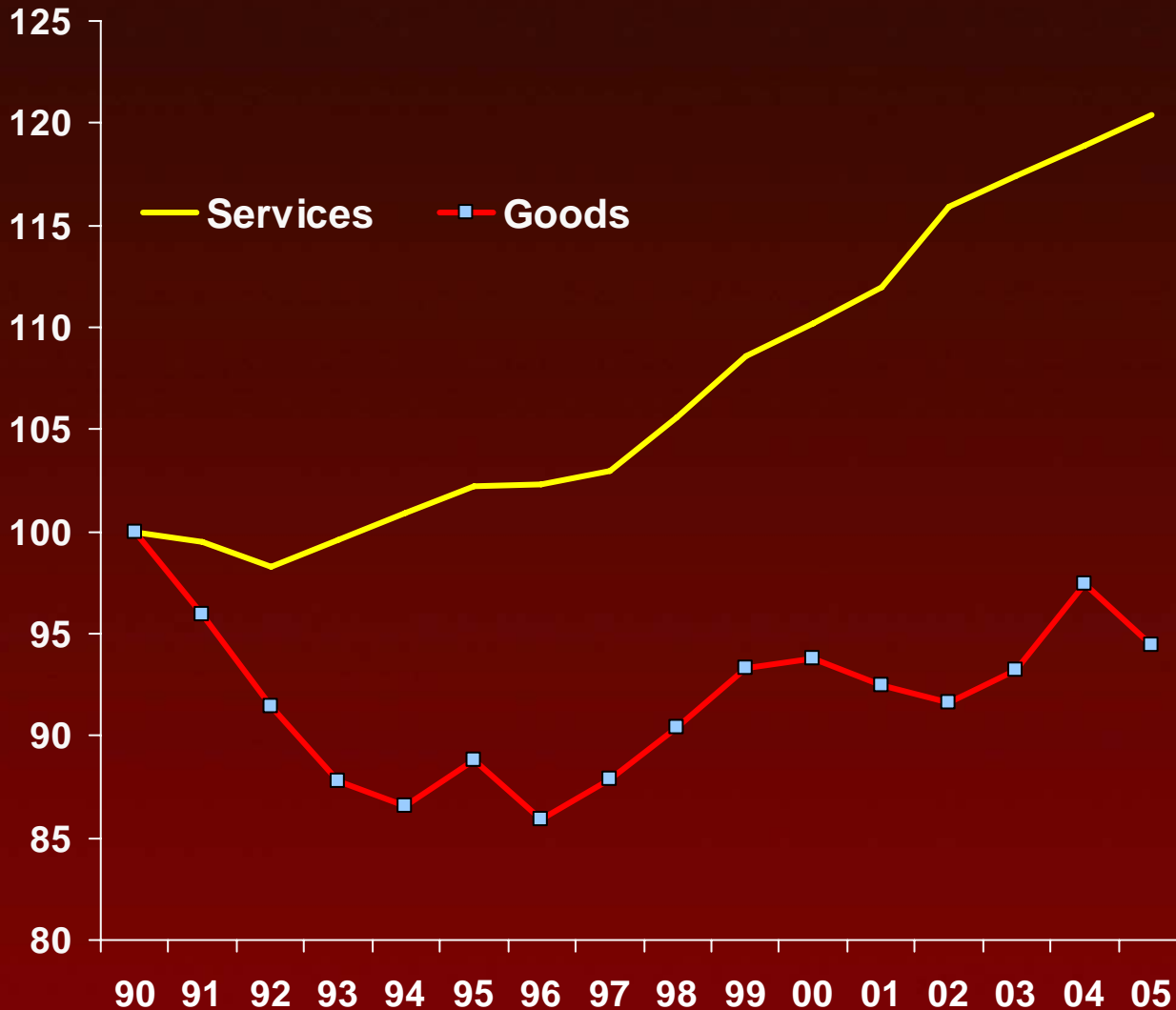
Real GDP per person, chained 1997 Dollars



- Growth in new industries
- Improved employment patterns including reduced seasonality
- Rising skill levels to support shift to knowledge economy

# Service Sector Dominates Job Growth

Employment index, Atlantic Canada (1990=100)

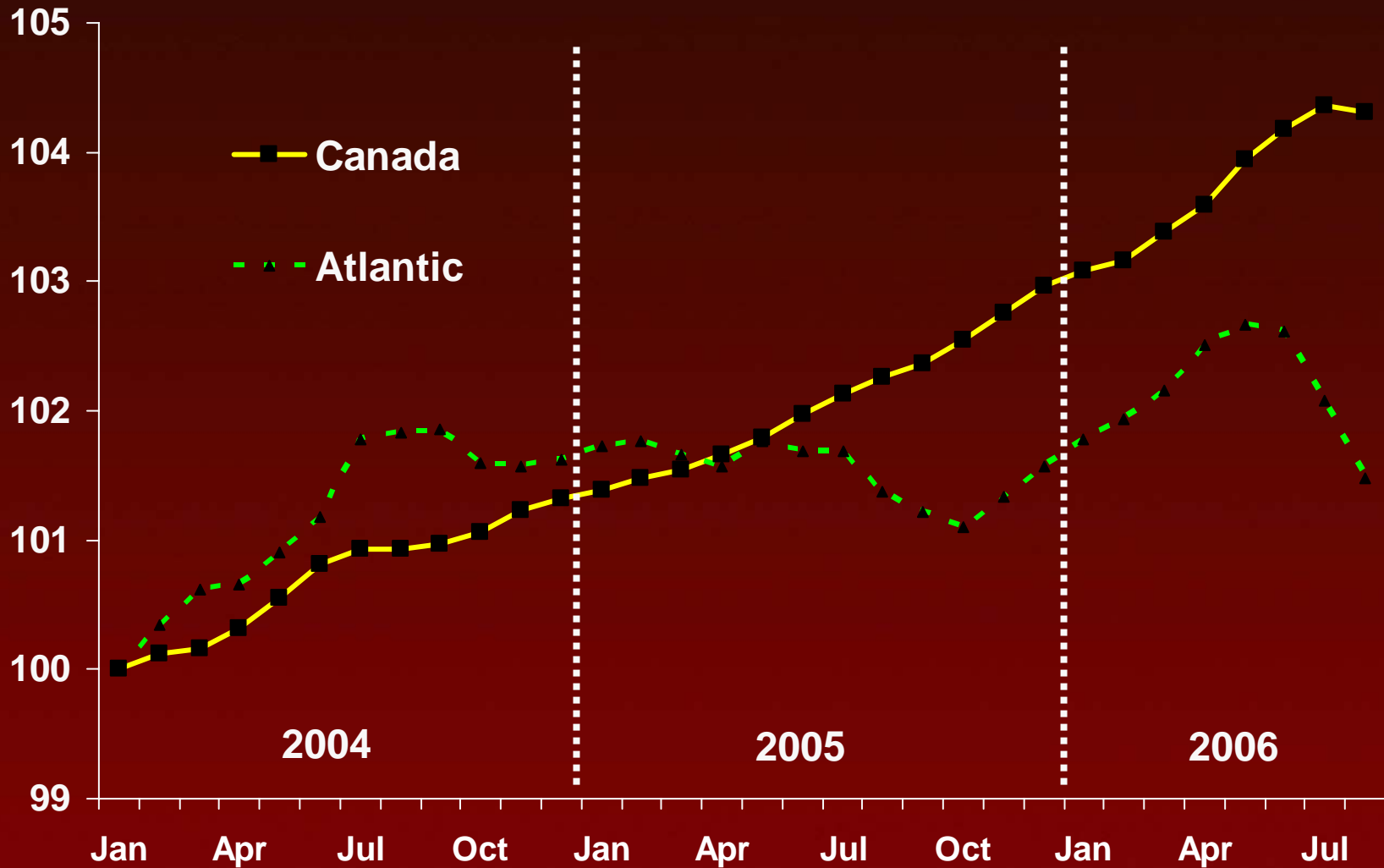


- Since 1990, employment in services has grown by over 20%

- Service industries now employ 4 of every 5 Atlantic Canadians

# But Job Creation in the Region Has Fallen Well Behind National Performance

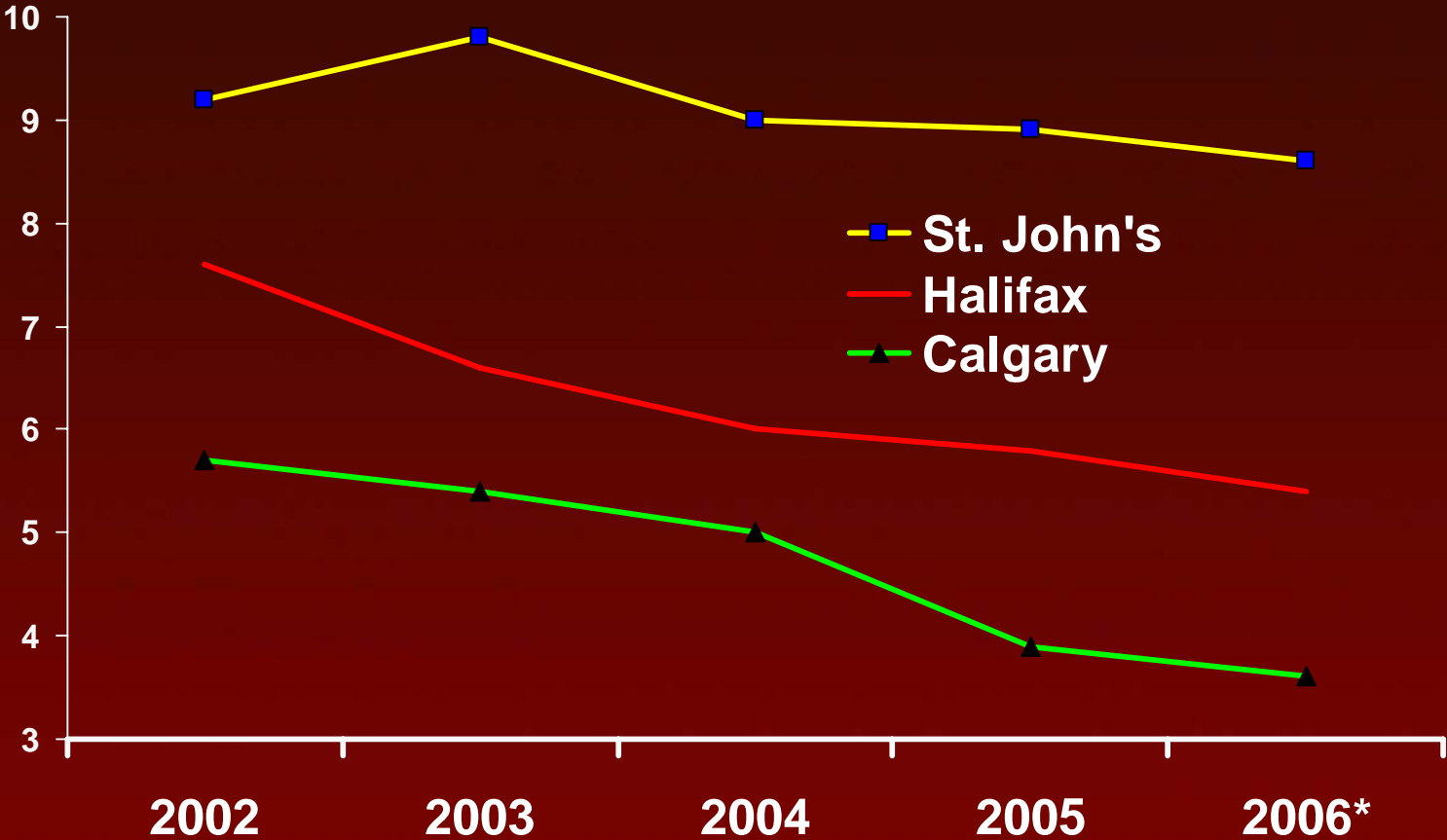
Employment, seasonally adjusted (3MMA, Jan 2004=100)



# Strong Employment Growth in Western Canada Contributing to Skill Shortages in East



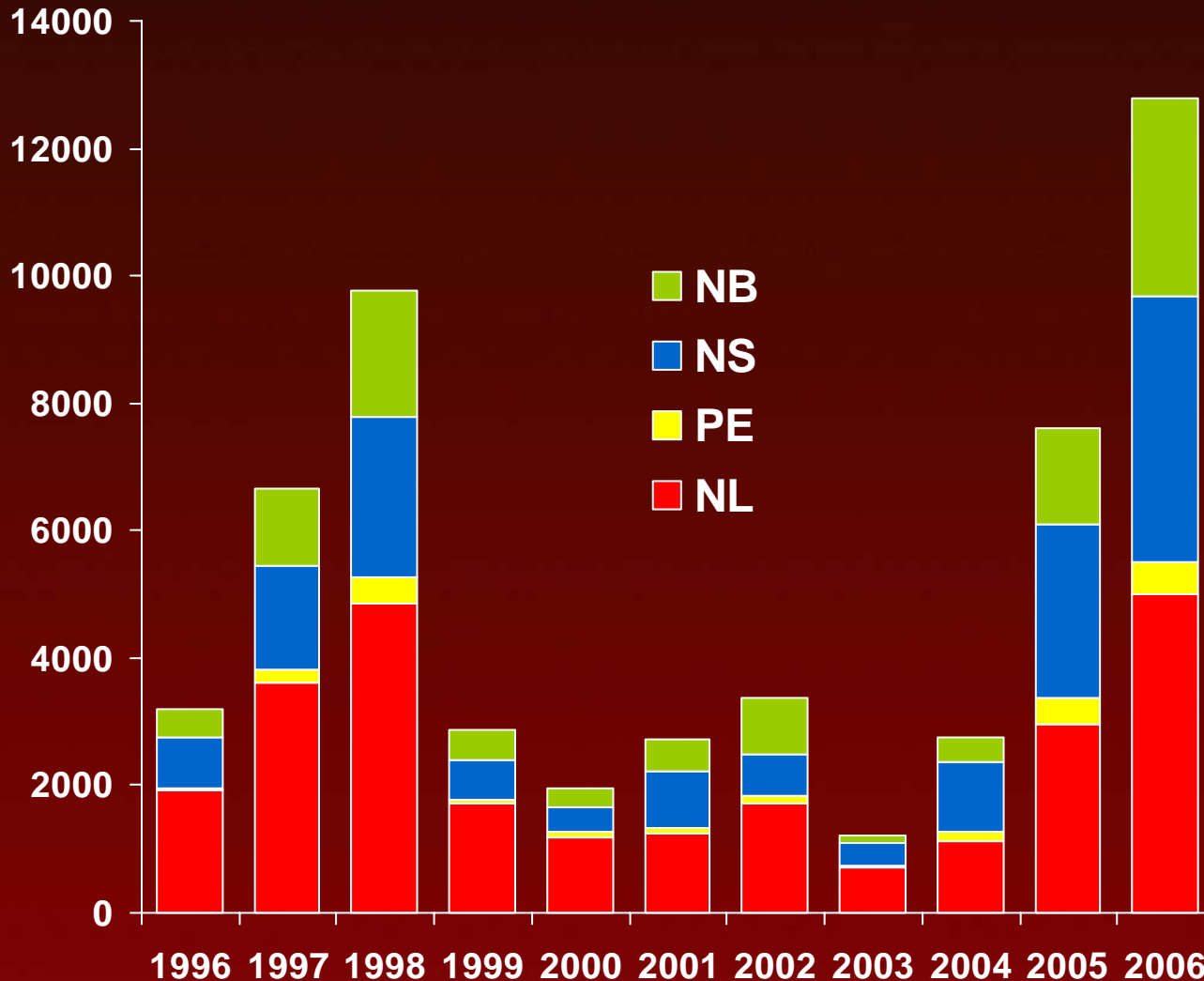
**Unemployment rate (%)**



\*Jan-Sep avg.

# Outmigration to Alberta Rising Rapidly

Net flow of population from Atlantic Canada to Alberta



• In the most recent year there was a net outflow of nearly 14,000 people from Atlantic Canada to Alberta.



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