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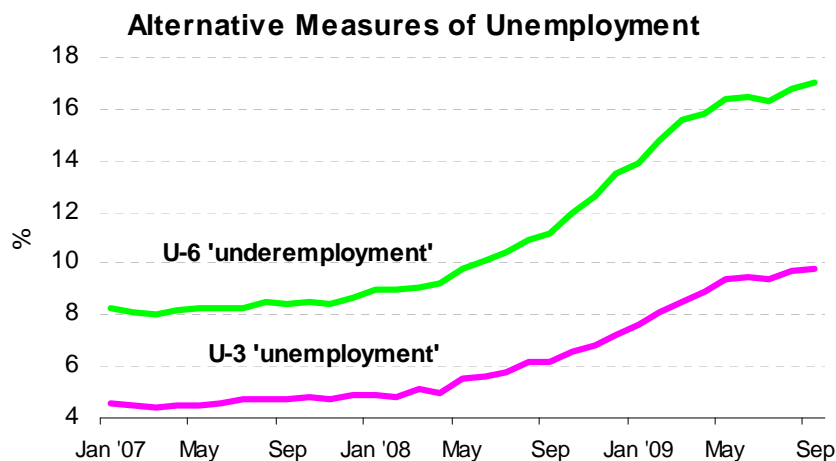
US 'Underemployment' A Sober Reminder

Alberta's unemployment rate has certainly undergone a drastic change during the past year. But as data from the US on 'underemployment' shows, the simple 'unemployment rate' statistic does not necessarily provide a full picture of unemployment in an economy.

As of the most recent survey, the unemployment rate south of the border was a lofty 9.8%, somewhat higher than Alberta's current rate of 7.1%. But according to the US Bureau of Labour Statistics, if you include the number of people who are not actively seeking work but want a job nonetheless, (called marginally attached workers) and those workers who have a part-time position but want to work full-time, the US unemployment rate is currently 17%!

Unfortunately, no similar measure of 'underemployment' exists for Alberta. But considering that part-time employment has risen by almost 20,000 people over the past year while full-time employment has fallen by nearly 60,000, it is likely that there are a great deal more 'underemployed' workers here as well.

This data serves as a reminder that statistics are often presented in a black-and-white type framework: either you have a job or you don't. Unfortunately the job question, as with most things in life, involves many shades of grey. It is important to keep this in mind (particularly so for economists) when interpreting these statistics.



Source: US Bureau of Labour Statistics

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Where there's a way