

Edmonton's employment picture continues to improve

December 4, 2015

Capping seven consecutive months of employment growth, the **Edmonton region** saw a gain of almost 7,000 jobs in November 2015 alone. Strong gains in part-time employment were able to offset a modest reduction in full-time jobs. Employment levels were weakest in construction, professional services and public administration while retail, logistics and educational services experienced solid net gains in employment during November 2015.

Overall, the Edmonton Census Metropolitan Area (CMA) has added more than 28,000 positions during the past 12 months, which is just under a quarter of all net new jobs generated in Canada over that period. Annual employment growth in the Edmonton region in November 2015 was 3.8%—more than five times the national average of 0.7%. Over the same period, Alberta's employment fell by 0.1%.

Even with November's very good job numbers, the Edmonton CMA's unemployment rate rose marginally from 6.0% to 6.1% between October 2015 and November 2015 as the region's labour force continued to expand. The comparable rate for Calgary in November was 6.9%.

Labour Force Survey Results – Edmonton Census Metropolitan Areaⁱ
Three-month moving average – seasonally adjusted

	Nov 2014	Oct 2015	Nov 2015	Oct 2015 to Nov 2015	Nov 2014 to Nov 2015	Oct 2015 to Nov 2015	Nov 2014 to Nov 2015
	(000)	(000)	(000)	(000)	(000)	%	%
Population (15 years and older)	1084.1	1108.3	1109.9	1.6	25.8	0.1	2.4
Labour force	786.2	816.2	824.4	8.2	38.2	1.0	4.9
Employment	745.4	767.1	774	6.9	28.6	0.9	3.8
Unemployment	40.7	49.1	50.4	1.3	9.7	2.6	23.8
Unemployment rate (%)	5.2	6.0	6.1	0.1	0.9
Participation rate (%)	72.5	73.6	74.3	0.7	1.8
Employment rate (%)	68.8	69.2	69.7	0.5	0.9

Source: Statistics Canada

In contrast to Edmonton, employment in **Alberta** fell for the second month in November 2015. The net loss for the province was just under 15,000 jobs. A sharp reduction in part-time employment overwhelmed a small increase in full-time jobs. The primary sources of job losses in

Alberta over the past 12 months were the energy, professional services and manufacturing, sectors. Alberta's unemployment rate moved up from 6.6% to 7.0% between October and November, which is the highest rate since April 2010.

Employment levels were also down at the national level, with significant losses in part-time employment counter balancing gains in full-time jobs for the month of November. Most of **Canada's** job gains were in retail, hospitality and health care sectors. Even with increased employment, Canada's unemployment rate edged up from 7.0% in October 2015 to 7.1% in November. Canada's labour force shrank partially offsetting November's lower job numbers.

Significance

The continuing job losses in energy, manufacturing and logistics demonstrate that the Edmonton's economy is not immune to the impact of lower oil prices. However, the region's diverse economy has so far been able to absorb this negative shock and continue to expand. Moving into the early months of 2016, employment growth will weaken with the unemployment rate rising toward the 6.5% range. If oil prices improve over the next 12 months, Edmonton's unemployment levels will stabilize late 2016.

The continuing growth in the working-age population—up 2.8% from November 2014 to November 2015—highlights Edmonton's relatively good job prospects compared to the rest of Alberta and Canada. Growth in the number of job seekers has been an important factor in moderating wage increases by addressing labour and skill shortages that began to emerge in Edmonton. With Edmonton's unemployment rate now at 6.1% and good job gains in Ontario and British Columbia, net migration into the region will slow down, especially when compared to the volumes seen over the past several years.

The remarkably strong year-over-year growth in the number of employed people as well as job seekers has stressed Edmonton and the region's transportation infrastructure and housing market. While rental vacancy rates have moved up, housing costs are still well above levels seen a year ago. These increased costs are spilling over into the shelter component of the consumer price index, boosting Edmonton's overall inflation rate.

Limitations

Since employment trends, particularly in the full-time category, tend to lag behind developments in overall economic activity they are a better indicator of past, rather than current, conditions in the economy. However, employment trends are useful predictors of future changes in incomes and consumer spending. Statistics Canada publishes a three-month moving average of all labour force values for the Edmonton region, an approach that sometimes results in the number of reported jobs lagging behind developments in the Edmonton region's economy.

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ⁱ Statistics Canada released revised data for the Labour Force Survey in January 2015. As a result, historical data reported in this table may vary from that presented in earlier versions of this report.