

## Edmonton sees modest job gains, in contrast to Alberta

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**Edmonton** has begun 2016 with modest job gains—**1,000 new jobs** in January 2016. Education, service and health care sectors saw full-time employment gains while manufacturing and construction sectors saw full-time job losses. Edmonton virtually saw no part-time job gains in January; however, part-time job losses were registered in the services, professional services and public administration sectors.

Overall, the **Edmonton Census Metropolitan Area (CMA)** has added approximately 27,500 positions year over year, which accounts to 3.7% in annual job growth. Meanwhile, on an annual basis, jobs grew by 0.8% at the national level and fell by 0.8% at the provincial level.

Despite modest gains in employment in January, the Edmonton CMA's unemployment rate rose from 6.3% in December 2015 to 6.5% in January 2016 as the region's labour force continued to expand. The comparable rate for Calgary in January was 7.7%.

**Labour Force Survey Results – Edmonton Census Metropolitan Area<sup>i</sup>**  
Three-month moving average – seasonally adjusted

	Jan 2015	Dec 2015	Jan 2016	Dec 2015 to Jan 2016	Jan 2015 to Jan 2016	Dec 2015 to Jan 2016	Jan 2015 to Jan 2016
	(000)	(000)	(000)	(000)	(000)	%	%
Population (15 years and older)	1,088	1,111.3	<b>1,112.5</b>	1.2	24.5	0.1	2.3
Labour force	787.6	827.2	<b>830.9</b>	3.7	43.3	0.4	5.5
Employment	749.3	775.8	<b>776.8</b>	1.0	27.5	0.1	3.7
Unemployment	38.3	51.6	<b>54.1</b>	2.5	15.8	4.4	41.3
Unemployment rate (%)	4.9	6.3	<b>6.5</b>	0.2	1.6	...	...
Participation rate (%)	72.4	74.5	<b>74.7</b>	0.2	2.3	...	...
Employment rate (%)	68.9	69.8	<b>69.8</b>	0.0	0.9	...	...

Source: Statistics Canada

In contrast to Edmonton, employment in **Alberta** fell for the fourth consecutive month and also shed 10,000 jobs in January alone. A sharp reduction in full-time employment was partially offset by an increase in part-time jobs. The primary sources of job losses in Alberta over the past 12 months were the energy, construction and manufacturing sectors. Alberta's unemployment rate rose to 7.4% between December 2015 and January 2016. This is the highest unemployment rate

since February 1996, and it was higher than the national rate for the first time since December 1988.

Employment levels remained virtually unchanged at the national level, with little change in both full-time and part-time employment in January. Across the nation, Ontario was the only province to post job gains in January. In **Canada**, job gains were in the information, culture and recreation sectors while employment declined in agriculture, manufacturing, transportation and warehousing, and public administration. With little change in employment, the national unemployment rate edged up to 7.2% in January 2016.

## Significance

The continuing job losses in construction, professional services, public administration and manufacturing sectors 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. The unemployment rate in the Edmonton region has now risen to 6.5% and will rise as employment growth continues to weaken and the number of individuals looking for employment rises. If oil prices improve over the next 12 months, Edmonton's unemployment levels will stabilize in late 2016.

The continuing growth in the working-age population—up 2.3% from January 2015 to January 2016—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 6.5% and good job gains in Ontario and British Columbia, net migration into the region has begun to 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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<sup>i</sup> Statistics Canada released revised data for the Labour Force Survey in January 2016. As a result, historical data reported in this table may vary from that presented in earlier versions of this report.