

Edmonton sees job gains, again

November 6, 2015

For the sixth consecutive month the number of jobs in the **Edmonton** region increased. In October 2015, very strong gains in part-time employment were able to offset a modest reduction in full-time jobs. Employment levels were weakest in energy, construction and financial services while retail, hospitality and educational services experienced solid net gains in employment during October 2015.

Overall, the **Edmonton Census Metropolitan Area (CMA)** gained approximately 6,700 new positions in October and more than 23,000 positions during the past 12 months. Annual employment growth in Edmonton in October was 3.1%, which is almost four times the national average of 0.8%. In spite of October's very good job numbers, the Edmonton CMA's unemployment rate rose marginally from 5.9% to 6.0% between September 2015 and October 2015 as the number of job seekers increased. The comparable rate for Calgary in October was 6.7%.

Labour Force Survey Results – Edmonton Census Metropolitan Areaⁱ

Three-month moving average – seasonally adjusted

	Oct 2014	Sept 2015	Oct 2015	Sept 2014 to Oct 2015	Oct 2014 to Oct 2015	Sept 2015 to Oct 2015	Oct 2014 to Oct 2015
	(000)	(000)	(000)	(000)	(000)	%	%
Population (15 years and older)	1082.10	1106.5	1108.3	1.8	26.9	0.2	2.4
Labour force	785.8	808	816.2	8.2	25.8	1.0	3.9
Employment	743.9	760.4	767.1	6.7	20.8	0.9	2.1
Unemployment	41.9	47.6	49.1	1.5	5.1	3.2	17.2
Unemployment rate (%)	5.3	5.9	6.0	0.1	0.5
Participation rate (%)	72.9	73	73.6	0.6	0.6
Employment rate (%)	68.7	68.7	69.2	0.5	0.2

Source: Statistics Canada

In contrast to Edmonton, employment in **Alberta** fell in October 2015. The net loss for the province was just under 11,000 jobs. A sharp reduction in full-time employment overwhelmed a modest increase in part-time jobs. The primary sources of job losses in Alberta over the past 12 months were the manufacturing, professional services and energy sectors. Alberta's unemployment rate moved up from 6.0% to 6.6% between September and October 2015 as

more than 9,000 people left the province's labour force, which softened the negative impact of job losses on the unemployment rate.

Employment levels were up strongly at the national level, with significant gains in full-time employment more than making up for a loss in part-time jobs for the month of October. Most of **Canada's** job gains were in retail, hospitality and health care sectors. Even with increased employment, Canada's unemployment rate edged down from 7.1% in September 2015 to 7.0% in October as Canada's labour force grew more rapidly than employment during the month.

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 last months of 2015, 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 employment levels will begin to accelerate in 2016.

The continuing growth in the working-age population—up 2.4% from October 2014 to October 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 6.0% 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. Low rental vacancy rates have been pushing rental costs up over the past year. These increased housing 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.

Contact

John Rose
Chief Economist
Financial Services and Utilities
780-496-6070

Grace Kahara
Senior Economist
Financial Services and Utilities
780-496-6600

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.