

Edmonton sees job gains for 10 months in a row

April 8, 2015

The **Edmonton Census Metropolitan Area (CMA)** gained 3,500 new jobs in March 2016, which makes it 10 months of expanding employment in the region. Employment in logistics, education and finance was up while construction, manufacturing and energy sectors saw job losses. Even though March's gains were part-time positions, the Edmonton region saw average weekly earnings move up, resulting in a 4.5% gain over March 2015.

Overall, the Edmonton CMA has added approximately 27,000 positions in the past 12 months. This number represents more than 20% of all net new jobs generated in Canada over that period. Annual employment growth in Edmonton in March was 3.6%, which is more than five times the national average of 0.7%. Over the same period, Alberta's employment fell by 0.2%.

Even with March's good job numbers, the Edmonton CMA's unemployment rate edged up from 6.8% to 6.9% between February 2016 and March 2016 as the region's labour force continued to expand. The comparable rate for Calgary in March was 8.6%.

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

	Mar 2015	Feb 2016	Mar 2016	Feb 2016 to Mar 2016	Mar 2015 to Mar 2016	Feb 2016 to Mar 2016	Mar 2015 to Mar 2016
	(000)	(000)	(000)	(000)	(000)	%	%
Population (15 years and older)	1092.1	1113.8	1115.4	1.6	23.3	0.1	2.1
Labour force	797.7	835	839.8	4.8	42.1	0.6	5.3
Employment	754.2	778.1	781.6	3.5	27.4	0.4	3.6
Unemployment	43.4	57	58.3	1.3	14.9	2.3	34.3
Unemployment rate (%)	5.4	6.8	6.9	0.1	1.5
Participation rate (%)	73.0	75	75.3	0.3	2.3
Employment rate (%)	69.1	69.9	70.1	0.2	1.0

Source: Statistics Canada

As was the case in Edmonton, employment in **Alberta** rose significantly in March 2016. The net job gain for the province was just under 19,000 new positions. A strong rise in full-time employment was responsible for most of March's employment growth in Alberta. Nonetheless, on the annual basis, employment in Alberta was down by approximately 6,000 positions

between March 2015 and March 2016. The primary sources of job losses in Alberta over the past 12 months were the energy, construction and manufacturing sectors. Alberta's unemployment fell from 7.9% to 7.1% between February 2016 and March 2016 as employment rose and the number of individuals seeking employment in the province shrank.

Employment levels were also up at the national level, with significant gains in both full-time and part-time jobs for the month of March. Most of **Canada's** job gains were in health care, hospitality and professional services sectors. Canada's unemployment rate fell from 7.3% in February 2016 to 7.1% in March 2016.

Significance

Recent job losses in construction and manufacturing demonstrate that Edmonton's economy is not immune to the impact of decreased 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 second quarter of 2016, employment growth will weaken with the unemployment rate rising toward the 7.0% range. 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 2.1% from March 2015 to March 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 prior to the downturn in energy prices. With Edmonton's unemployment rate now at 6.9% 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 average weekly earnings in Edmonton – up 4.5% in the past year – bodes well for the housing and retail segments of the Edmonton economy. Higher incomes along with growing employment and modest inflation will provide a support to consumer confidence and spending over the next several months.

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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