

Employment in Edmonton down in May

June 8, 2015

The number of jobs in the **Edmonton** region fell in May 2015. Solid gains in full-time employment were not able to offset a sharp drop in part-time jobs. Employment levels were weakest in energy, manufacturing, retail trade and hospitality sectors. On a more positive note, financial and business services, along with public administration, experienced net gains in employment during May 2015.

Overall, the Edmonton Census Metropolitan Area (CMA) lost approximately 3,000 positions in May 2015. Even with these losses, employment has risen in the Edmonton CMA by 6,000 new positions over the past 12 months. April's lower job numbers combined with continuing growth of the region's labour force drove the Edmonton CMA's unemployment rate up from 5.8% to 6.3% between April 2015 and May 2015.

Labour Force Survey Results – Edmonton Census Metropolitan Area¹
Three-month moving average – seasonally adjusted

	May 2014	Apr 2015	May 2015	Apr 2015 to May 2015	May 2014 to May 2015	Apr 2015 to May 2015	May 2014 to May 2015
	(000)	(000)	(000)	(000)	(000)	%	%
Population (15 years and older)	1069	1094.2	1096.5	2.3	27.5	0.2	2.6
Labour force	788.1	800.7	801.7	1.0	13.6	0.1	1.7
Employment	745.4	754.3	751.4	-2.9	6	-0.4	0.8
Unemployment	42.6	46.3	50.3	4	7.7	8.6	18.1
Unemployment rate (%)	5.4	5.8	6.3	0.5	0.9
Participation rate (%)	73.7	73.2	73.1	-0.1	-0.6
Employment rate (%)	69.7	68.9	68.5	-0.4	-1.2

Source: Statistics Canada

Similar to Edmonton, employment in **Alberta** went down in May 2015. The net loss for the province was about 6,400 jobs as a dramatic decrease of more than 26,000 part-time positions more than offset an increase of 20,000 full-time jobs. The primary sources of job losses for Alberta in May 2015 were the logistics, professional services and energy sectors. The net employment loss for the month resulted in Alberta's unemployment rate moving up from 5.5% in April 2015 to 5.8% in May 2015.

In contrast to Edmonton and Alberta, at the national level, employment went up substantially, with gains in both part-time and full-time employment. Most of **Canada's** job gains were in manufacturing, health care, retail trade and public administration. Canada's unemployment rate stayed unchanged at 6.8% in May 2015 as Canada's labour force expanded in step with the increase in employment.

Significance

Edmonton's weak job data for May in areas such as manufacturing, retail and hospitality indicate that the rest of the economy is now beginning to feel the effects of reduced activity in the energy sector. Moving into the second half of 2015, employment will continue to be weak with the unemployment rate rising above 6.5%. However, if oil prices continue their current modest recovery, Edmonton's employment levels will stabilize and begin to improve in 2016.

The continuing growth in the working-age population—up 2.6% from April 2014 to April 2015—highlights Edmonton's good job prospects relative to the rest of 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. However, with Edmonton's unemployment rate now at 6.3% and good job gains in areas such as Ontario, net migration into the region will slow when compared to the volumes seen over the past several years.

Nonetheless, the ongoing 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.

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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.