Edmonton’s employment continues to fall in May

June 5, 2020

Employment in the Edmonton census metropolitan area (CMA) fell by 48,200 positions between April and May 2020. Both full- and part-time employment saw significant declines with broad losses across industries. The region’s employment losses were more concentrated in the services-producing sector, with the largest year-over-year declines in the accommodation and food services and trade (which includes wholesale and retail trade) sectors.

The unemployment rate in Edmonton rose to 13.6 per cent in May 2020 from 10 per cent in April. The month-over-month employment loss in May more than doubled the drop in the region’s labour force, resulting in a more pronounced increase in the unemployment rate relative to previous months. The region’s labour force estimate includes those who are employed, as well as those who are unemployed but are actively looking for work.

### Labour Force Survey Results—Edmonton CMA

Three-month moving average—seasonally adjusted

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</thead>
<tbody>
<tr>
<td>Population (15 years and older)</td>
<td>1,179.4 (000)</td>
<td>1,204.9 (000)</td>
<td>1,206.8 (000)</td>
<td>1.9 %</td>
<td>27.4 %</td>
<td>0.2 %</td>
<td>2.3 %</td>
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<tr>
<td>Labour force</td>
<td>854.1</td>
<td>803.6</td>
<td>781.5</td>
<td>-22.1 %</td>
<td>-72.6 %</td>
<td>-2.8 %</td>
<td>-8.5 %</td>
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<tr>
<td>Employment</td>
<td>795.2</td>
<td>723.6</td>
<td>675.4</td>
<td>-48.2 %</td>
<td>-119.8 %</td>
<td>-6.7 %</td>
<td>-15.1 %</td>
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<tr>
<td>Unemployment</td>
<td>58.9</td>
<td>80.0</td>
<td>106.1</td>
<td>26.1 %</td>
<td>47.2 %</td>
<td>32.6 %</td>
<td>80.1 %</td>
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<tr>
<td>Unemployment rate (%)</td>
<td>6.9</td>
<td>10.0</td>
<td>13.6</td>
<td>3.6</td>
<td>6.7</td>
<td>...</td>
<td>...</td>
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<tr>
<td>Participation rate (%)</td>
<td>72.4</td>
<td>66.7</td>
<td>64.8</td>
<td>-1.9</td>
<td>-7.6</td>
<td>...</td>
<td>...</td>
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<tr>
<td>Employment rate (%)</td>
<td>67.4</td>
<td>60.1</td>
<td>56.0</td>
<td>-4.1</td>
<td>-11.4</td>
<td>...</td>
<td>...</td>
</tr>
</tbody>
</table>

*Source: Statistics Canada, Table 14-10-0294-01*

1 Statistics Canada revised the Labour Force Survey seasonally-adjusted estimates for 2017 to 2019 using the latest seasonal factors.
Like what was observed in Edmonton, a larger month-over-month employment loss in the Calgary CMA relative to its labour force reduction pushed the region’s unemployment rate up to 13.4 per cent in May 2020 from 10.8 per cent in April.

Employment in Alberta turned a corner in May with a net month-over-month employment gain of 28,200 positions. Part-time employment drove the month-over-month gain in provincial employment as full-time employment shed positions. Employment began to recover in many sectors, including manufacturing, trade and personal services. Alberta’s unemployment rate jumped to 15.5 per cent in May from 13.4 per cent in April 2020 as the province’s employment gain was outpaced by growth in the labour force.

Employment in Canada increased by 289,600 positions month-over-month in May 2020. The employment gain was more pronounced in the goods-producing sector, which includes construction and manufacturing. The national unemployment rate ticked up to 13.7 per cent in May from 13 per cent in April in response to a spike in the labour force.

**Significance**

Edmonton’s labour market, like many labour markets globally, is being impacted by the COVID-19 pandemic. However, May provincial and national employment estimates suggest that labour market conditions are beginning to improve in response to re-opening strategies underway.

Given the unprecedented and ever evolving economic circumstances, it remains too soon to assess the pandemic’s full impact on Edmonton’s economy. However, as jurisdictions in Alberta move through the province’s phased relaunch strategy, signs of recovery are expected to emerge. Moving forward, the impact of the COVID-19 pandemic on Edmonton’s labour market will become clearer as more data are released, including data on employment insurance claims.

**Limitations**

Employment trends tend to lag behind developments in overall economic activity. Because of this, they are a better indicator of past, rather than current, conditions in the economy. However, employment trends are still useful predictors of future changes in incomes and consumer spending. Statistics Canada publishes a three-month moving average of all labour force estimates 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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2 For direct comparability to the CMA unemployment rates, the three-month moving average for Alberta’s unemployment rate was 12.5 per cent in May 2020, up from 9.6 per cent in April.