

Economic Indicators

Labour market stabilizes in June

July 5, 2019

Employment in the **Edmonton** Census Metropolitan Area (CMA) ticked down by approximately 600 positions between May and June 2019. These were all part-time positions, as full-time employment increased in June 2019. Gains in trade, health care, and information, culture and recreation were more than offset by reductions in accommodation and food services, educational services, and financial services.

Edmonton's unemployment rate moved up to seven per cent in June 2019 from 6.8 per cent in May, as the number of individuals entering the labour force rose. Solid employment gains in the **Calgary CMA** were balanced by labour force growth, leaving the unemployment rate unchanged at seven per cent in June 2019.

Labour Force Survey Results—Edmonton CMA¹
Three-month moving average—seasonally adjusted

	June 2018	May 2019	June 2019	May 2019 to June 2019	June 2018 to June 2019	May 2019 to June 2019	June 2018 to June 2019
	(000)	(000)	(000)	(000)	(000)	%	%
Population (15 years and older)	1,156.9	1,179.4	1,181.8	2.4	24.9	0.2	2.2
Labour force	830.0	854.8	856.1	1.3	26.1	0.2	3.1
Employment	775.1	796.4	795.8	-0.6	20.7	-0.1	2.7
Unemployment	54.8	58.4	60.2	1.8	5.4	3.1	9.9
Unemployment rate (%)	6.6	6.8	7.0	0.2	0.4
Participation rate (%)	71.7	72.5	72.4	-0.1	0.7
Employment rate (%)	67.0	67.5	67.3	-0.2	0.3

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

¹ Statistics Canada revised the Labour Force Survey seasonally-adjusted estimates for 2016 to 2018 using the latest seasonal factors.

Employment in **Alberta** expanded in June 2019, with over 10,000 new positions when compared to May. Solid employment gains in construction, health care and education more than offset declines in trade, manufacturing, and business, building and other support services. Alberta's unemployment rate edged lower from 6.7 per cent in May 2019 to 6.6 per cent in June 2019² as the rising number of individuals seeking employment in the province was slightly outpaced by the growth in employment.

Canada's overall employment in June 2019 moved down with a month-over-month decrease of about 2,200 positions. Reductions were concentrated in part-time positions in June 2019. Canada's unemployment rate rose to 5.5 per cent in June 2019 from 5.4 per cent in May.

Significance

Despite a month-over-month decline in June 2019, the underlying trend in Edmonton's labour market remains positive, with continued growth in full-time employment. Average weekly wages continued to rise, with a 3.8 per cent year-over-year gain in June 2019. With consumer-based inflation expected to remain in the two per cent range in the coming months in the Edmonton region, this means the average employed person will see gains in their real spending power, sustaining consumer spending over the balance of the year.

For the second half of 2019, employment in Edmonton should see growth in the professional services, health and trade sectors. This will be supported by a slow but steady recovery of employment in manufacturing and construction. However, the unemployment rate is unlikely to move much lower than its current level, as future employment gains are likely to be met by growth in the labour force.

Growth in the working-age population, up year-over-year by 2.2 per cent in June 2019, will be a key factor in addressing labour and skill shortages that may emerge in Edmonton as the local economy continues to recover and the labour market tightens.

Limitations

Employment trends, particularly in the full-time category, 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 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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² For direct comparability to the CMA unemployment rates, the three-month moving average for Alberta's unemployment rate moved lower to 6.6 per cent in June 2019 from 6.7 per cent in May.