

Economic Indicators

Good job gains for Edmonton

December 7, 2018

Employment in the **Edmonton** Census Metropolitan Area (CMA) rose by approximately 3,400 positions in November 2018 from October 2018. The gains were all part-time positions while full-time employment remained essentially unchanged. Gains were concentrated in the manufacturing, health care and education sectors while employment slipped in construction, business services and information and cultural industries.

Edmonton's unemployment rate edged lower to 6.2% in November from 6.3% in October 2018 as employment gains were only modestly higher than additions to the labour force. The unemployment rate for the **Calgary CMA** also moved lower to 7.9% in November 2018 from 8.2% in October.

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

	Nov 2017	Oct 2018	Nov 2018	Oct 2018 to Nov 2018	Nov 2017 to Nov 2018	Oct 2018 to Nov 2018	Nov 2017 to Nov 2018
	(000)	(000)	(000)	(000)	(000)	%	%
Population (15 years and older)	1144.4	1165.5	1167.5	2.0	23.1	0.2	2.0
Labour force	834.0	849.2	851.3	2.1	17.3	0.2	2.1
Employment	772.3	795.4	798.8	3.4	26.5	0.4	3.4
Unemployment	61.7	53.9	52.6	-1.3	-9.1	-2.4	-14.7
Unemployment rate (%)	7.4	6.3	6.2	-0.1	-1.2
Participation rate (%)	72.9	72.9	72.9	0.0	0.0
Employment rate (%)	67.5	68.2	68.4	0.2	0.9

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

¹ Statistics Canada released revised employment data in January 2018. Consequently the historical data in this table will vary from those reported in past months.

Employment in **Alberta** grew by a very solid 23,700 positions in November 2018 from the employment level recorded in October 2018. This growth was driven entirely by full-time positions. Job gains in health care, manufacturing and logistics more than offset a reduction in employment in wholesale and retail trade and educational services. Alberta's unemployment rate moved from 7.3% in October to 6.3% in November 2018.

Canada's overall employment in November 2018 showed a very strong month-over-month gain of 94,100 positions. A solid gain in full-time employment was largely responsible for the higher employment results for November. Canada's unemployment rate moved from 5.8% in October 2018 to 5.6% in November, which is the lowest rate since comparable data became available in 1976.

Significance

Job gains in the Edmonton region continue to demonstrate that the region is recovering from the downturn in 2016. Though essentially unchanged month-over-month in November 2018, the level of full-time employment in the Edmonton region was still higher on a year-over-year basis. This points to businesses' growing confidence as they add to their workforce. Average weekly wages, after stalling in the second and third quarters of 2018, picked up to a respectable 2% on a year-over-year basis. With consumer-based inflation expected to slow in the coming months in the Edmonton region, this means the average employed person could begin to see modest gains in their real spending power, which could sustain consumer spending into 2019.

For the last quarter of 2018, employment in Edmonton should see growth in the manufacturing, health care and education sectors. However, the unemployment rate is unlikely to move much lower than the 6.2% seen in November as individuals who were discouraged by less favourable employment conditions in the first quarter of 2018 return to the active labour force. As well, with Edmonton's unemployment rate still below the provincial average and converging on the national rate, migration into Edmonton from other parts of Alberta and Canada should increase, boosting the growth rate of the working age population and active labour force.

Growth in the working-age population, up by 2.0% from November 2017 to November 2018, 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.

Contact

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

Felicia Mutheardy
Senior Economist
Financial and Corporate Services
780-496-6144