

## Edmonton's employment holds steady

February 8, 2019

Employment in the **Edmonton** Census Metropolitan Area (CMA) saw a marginal reduction of 200 positions in January 2019 from December 2018. The loss was concentrated in full-time positions as part-time positions saw a modest gain. Job gains in the primary, health care, and public administration sectors were more than offset by losses in the construction, financial services, and building support sectors.

Edmonton's unemployment rate moved up slightly to 6.4 per cent in January 2019 from 6.3 per cent in December 2018 as employment saw a slight reduction while the labour force continued to expand. The unemployment rate for the **Calgary** CMA moved lower to 7.3 per cent in January 2019 from 7.5 per cent in December 2018 as employment growth outpaced labour force gains.

**Labour Force Survey Results—Edmonton CMA<sup>1</sup>**  
Three-month moving average—seasonally adjusted

|                                    | Jan<br>2018 | Dec<br>2018 | Jan<br>2019   | Dec<br>2018<br>to Jan<br>2019 | Jan<br>2018<br>to Jan<br>2019 | Dec 2018<br>to Jan<br>2019 | Jan 2018<br>to Jan<br>2019 |
|------------------------------------|-------------|-------------|---------------|-------------------------------|-------------------------------|----------------------------|----------------------------|
|                                    | (000)       | (000)       | (000)         | (000)                         | (000)                         | %                          | %                          |
| Population<br>(15 years and older) | 1147.4      | 1169.4      | <b>1171.4</b> | 2.0                           | 24.0                          | 0.2                        | 2.1                        |
| Labour force                       | 826         | 855.3       | <b>856</b>    | 0.7                           | 30.0                          | 0.1                        | 3.6                        |
| Employment                         | 767.2       | 801.2       | <b>801</b>    | -0.2                          | 33.8                          | 0.0                        | 4.4                        |
| Unemployment                       | 58.9        | 54.1        | <b>54.9</b>   | 0.8                           | -4.0                          | 1.5                        | -6.8                       |
| Unemployment rate<br>(%)           | 7.1         | 6.3         | <b>6.4</b>    | 0.1                           | -0.7                          | ...                        | ...                        |
| Participation rate (%)             | 72.0        | 73.1        | <b>73.1</b>   | 0.0                           | 1.1                           | ...                        | ...                        |
| Employment rate (%)                | 66.9        | 68.5        | <b>68.4</b>   | -0.1                          | 1.5                           | ...                        | ...                        |

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

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

Employment in **Alberta** lost 15,500 positions in January 2019 from the employment level recorded in December 2018. Though part-time employment declined month-over-month in January 2019, the loss was more pronounced for full-time positions. Job losses were largest in the construction, accommodations and food services, and logistics sectors. Alberta's unemployment rate moved from 6.4 per cent in December 2018 to 6.8 per cent in January 2019<sup>2</sup>.

**Canada's** overall employment in January 2019 rose with a month-over-month gain of 66,800 positions. Solid gains were recorded in both full- and part-time employment. Canada's unemployment rate increased to 5.8 per cent in January 2019 from 5.6 per cent in December 2018. Despite the recent increase, the national unemployment rate remains historically low.

### **Significance**

Employment in the Edmonton region continues to demonstrate that the region is recovering from the downturn in 2016. Despite a marginal decline month-over-month in January 2019, 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 continues to build momentum, picking up to a respectable 2.8% on a year-over-year basis in January 2019. 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 first quarter of 2019, 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 within the 6 to 6.5 per cent range 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 slightly 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 per cent from January 2018 to January 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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<sup>2</sup> For direct comparability to the CMA unemployment rates, the three-month moving average for Alberta's unemployment rate declined to 6.5 per cent in January 2019 from 6.6 per cent in December 2018.