

Continuing modest job gains for Edmonton

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Employment in the **Edmonton** Census Metropolitan Area (CMA) rose by approximately 2,400 positions in December 2018 from November 2018. The gains were all part-time positions while full-time employment shrank marginally. Gains were concentrated in the health care and education sectors while employment slipped in construction and financial services.

Edmonton's unemployment rate moved up slightly to 6.3% in December 2018 from 6.2% in November 2018 as employment gains were slightly lower than additions to the labour force. The unemployment rate for the **Calgary CMA** moved lower to 7.6% in December 2018 from 7.9% in November largely as a result of fewer people seeking work.

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

	Dec 2017	Nov 2018	Dec 2018	Nov 2018 to Dec 2018	Dec 2017 to Dec 2018	Nov 2018 to Dec 2018	Dec 2017 to Dec 2018
	(000)	(000)	(000)	(000)	(000)	%	%
Population (15 years and older)	1145.8	1167.5	1169.4	1.9	23.6	0.2	2.1
Labour force	834	851.3	855.2	3.9	21.2	0.5	2.5
Employment	773.7	798.8	801.2	2.4	27.5	0.3	3.6
Unemployment	60.3	52.6	54	1.4	-6.3	2.7	-10.5
Unemployment rate (%)	7.2	6.2	6.3	0.1	-0.9
Participation rate (%)	72.8	72.9	73.1	0.2	0.3
Employment rate (%)	67.5	68.4	68.5	0.1	1.0

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** fell by a substantial 16,900 positions in December 2018 from the employment level recorded in November 2018. This loss was driven entirely by a reduction in full-time positions. Job gains in health care, manufacturing and logistics failed to offset a reduction in employment in wholesale and retail trade, financial services and construction. Alberta's unemployment rate moved from 6.3% in November 2018 to 6.4% in December².

Canada's overall employment in December 2018 was stable with a month-over-month gain of approximately 9,000 positions. A solid gain in part-time employment was counterbalanced by a reduction in full-time jobs. Canada's unemployment rate was unchanged at 5.6% in December 2018. This remains one of the lowest rates 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. Despite a marginal decline month-over-month in December 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 2.6% on a year-over-year basis in December 2018. 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 the 6.3% seen in December 2018 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 2.1% from December 2017 to December 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.

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² For direct comparability to the CMA unemployment rates, the three-month moving average for Alberta's unemployment rate declined to 6.7% in December 2018 from 6.9% in November.