

Employment on the rise in Edmonton

July 6, 2018

Employment in the **Edmonton** Census Metropolitan Area (CMA) rose by approximately 5,900 positions in June 2018 from May 2018. Employment growth was concentrated in full-time positions, as continued gains in construction, manufacturing, and public administration offset job losses in the logistics and finance, insurance and real estate sectors.

Edmonton's unemployment rate ticked higher from 6.5% in May to 6.6% in June as increases to the labour force slightly outpaced employment growth. The unemployment rate for the **Calgary CMA** held steady at 7.7% in June 2018.

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

	June 2017	May 2018	June 2018	May 2018 to June 2018	June 2017 to June 2018	May 2018 to June 2018	June 2017 to June 2018
	(000)	(000)	(000)	(000)	(000)	%	%
Population (15 years and older)	1136.5	1154.8	1156.9	2.1	20.4	0.2	1.8
Labour force	829.9	820.5	827.4	6.9	-2.5	0.8	-0.3
Employment	762.7	766.8	772.7	5.9	10.0	0.8	1.3
Unemployment	67.2	53.7	54.8	1.1	-12.4	2.0	-18.5
Unemployment rate (%)	8.1	6.5	6.6	0.1	-1.5
Participation rate (%)	73.0	71.1	71.5	0.4	-1.5
Employment rate (%)	67.1	66.4	66.8	0.4	-0.3

Source: Statistics Canada

Employment in **Alberta** inched higher in June 2018 with a gain of about 2,000 jobs. The gains were in part-time employment, which more than offset a slight decline in full-time positions.

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.

Alberta's labour force grew by 8,800 people in June. This, combined with moderate growth in employment, resulted in the unemployment rate rising to 6.5% in June from 6.2% in May 2018.

Canada's overall employment in June saw an increase of 31,800 positions with gains in both full- and part-time employment. Job gains were in construction, natural resources and mining, which offset job losses in accommodation and food services, and agriculture. The number of people seeking work rose in June, resulting in an increase in the unemployment rate to 6.0% from 5.8% in May 2018.

Significance

Job gains in the Edmonton region continue to demonstrate that the region is recovering from the downturn in 2016. With further month-over-month increases in June 2018, the Edmonton region's full-time employment gains suggest employer confidence is on the rise as they add to their workforce and increase hours worked.

As well, with the past year's employment growth concentrated in full-time positions, average weekly wages grew 4.1% year-over-year in June 2018. Consequently, workers are seeing very good gains in their income even when inflation is factored in. This boost to real incomes will help to support consumer spending going forward.

In the second half of 2018, employment in Edmonton should see growth in the manufacturing, professional services and financial services sectors. However, the unemployment rate is unlikely to move much lower than the 6.6% seen in June as individuals, discouraged by less favourable employment conditions in the first quarter of 2018, return to the active labour force.

Growth in the working-age population, up by 1.8% from June 2017 to June 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. However, with Edmonton's unemployment rate still well above the national average, net migration to the region has slowed down (especially when compared to the volumes seen from 2010 to 2014), which will slow the growth in the working-age population over the remainder of 2018.

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