

## Solid job gains for Edmonton

June 8, 2018

Employment in the **Edmonton** Census Metropolitan Area (CMA) rose by approximately 4,300 positions in May 2018. The gains were in full-time positions, as good employment gains in construction, manufacturing and public administration largely offset job losses in the logistics and education sectors.

Edmonton's unemployment rate fell marginally, from 6.6% in April to 6.5% in May, as the number of individuals in the active labour force also rose in May. The unemployment rate for the **Calgary CMA** moved down from 8.0% in April to 7.7% in May 2018, as the number of individuals in the active labour force continued to fall.

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

	May 2017	Apr 2018	<b>May 2018</b>	Apr 2018 to May 2018	May 2017 to May 2018	Apr 2018 to May 2018	May 2017 to May 2018
	(000)	(000)	<b>(000)</b>	(000)	(000)	%	%
Population (15 years and older)	1134.6	1152.8	<b>1154.8</b>	2.0	20.2	0.2	1.8
Labour force	832.1	816.3	<b>820.5</b>	4.2	-11.6	0.5	-1.4
Employment	765.5	762.5	<b>766.8</b>	4.3	1.3	0.6	0.2
Unemployment	66.6	53.8	<b>53.7</b>	-0.1	-12.9	-0.2	-19.4
Unemployment rate (%)	8.0	6.6	<b>6.5</b>	-0.1	-1.5	...	...
Participation rate (%)	73.3	70.8	<b>71.1</b>	0.3	-2.2	...	...
Employment rate (%)	67.5	66.1	<b>66.4</b>	0.3	-1.1	...	...

Source: Statistics Canada

Employment in **Alberta** was up slightly in May 2018 with a gain of about 2,900 jobs. This was the result of a gain in full-time employment that was only partially offset by a slight reduction in

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

part-time positions. The number of people seeking work in Alberta fell in May. This, combined with the modest employment gains, caused the unemployment rate for the province to fall from 6.7% in April to 6.2% in May 2018.

In May, **Canada's** overall employment saw a marginal decrease, driven by a reduction in full-time employment. Job losses were focused in construction and manufacturing while job gains were concentrated in logistics, finance and professional services. In spite of the marginal reduction in employment in May 2018, Canada's unemployment rate was unchanged at 5.8%.

### **Significance**

The Edmonton region's job gains in 2017 demonstrated that the region has begun a recovery from the downturn in 2016. With further month-over-month increases in May 2018, strong gains in the Edmonton region's full-time employment over the past 12 months suggest employers are now more confident about adding to their workforce and increasing hours worked.

As well, with the past year's employment growth concentrated in full-time positions, average weekly wages grew 5.2% year-over-year in May 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 6.5% seen in May 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 May 2017 to May 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

