

Edmonton's employment dips in February

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Employment in the **Edmonton** Census Metropolitan Area (CMA) fell by approximately 5,100 positions in February 2018. The losses were in both part-time employment and full-time positions. Modest employment gains in the financial services, professional services and hospitality sectors were more than offset by job losses in construction, logistics, and retail and wholesale trade.

In spite of these job losses, Edmonton's unemployment rate fell from 7.2% in January to 6.9% in February as the number of individuals in the active labour force also fell. The unemployment rate for the Calgary CMA moved up from 7.6% in January to 7.9% in February 2018.

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

	Feb 2017	Jan 2018	Feb 2018	Jan 2018 to Feb 2018	Feb 2017 to Feb 2018	Jan 2018 to Feb 2018	Feb 2017 to Feb 2018
	(000)	(000)	(000)	(000)	(000)	%	%
Population (15 years and older)	1129.6	1147.4	1149.1	1.7	19.5	0.1	1.7
Labour force	821.1	828.6	820.8	-7.8	-0.3	-0.9	0.0
Employment	751.8	769.1	764	-5.1	12.2	-0.7	1.6
Unemployment	69.3	59.4	56.8	-2.6	-12.5	-4.4	-18.0
Unemployment rate (%)	8.4	7.2	6.9	-0.3	-1.5
Participation rate (%)	72.7	72.2	71.4	-0.8	-1.3
Employment rate (%)	66.6	67	66.5	-0.5	-0.1

Source: Statistics Canada

Employment in **Alberta** was up slightly in February 2018 with a gain of about 2,300 jobs. This was the result of a large increase in part-time employment that was only partially offset by a

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.

contraction in full-time jobs. The number of people seeking work in Alberta was also down in February. Consequently, the unemployment rate for the province fell from 7% in January to 6.7% in February 2018.

In January, **Canada's** overall employment rose modestly, gaining 15,400 positions. This gain was driven by a large increase in part-time employment. Job gains were concentrated in the education, health care, professional services and logistics sectors. The national unemployment rate edged lower from a revised 5.9% in January 2018 to 5.8% in February 2018.

Significance

The Edmonton region's job gains in 2017 demonstrated that the region has begun a recovery from the downturn in 2016. Despite the month-over-month decrease in February, gains in the Edmonton region's full-time employment since January 2017 suggest employers are now more confident about adding to their workforce.

As well, with the past year's employment growth concentrated in full-time positions, average weekly wages grew 4.8% year-over-year in February 2018. Consequently, workers are seeing very good gains in their income, which will help to boost consumer spending going forward.

In the first half of 2018, employment in Edmonton should see growth in the manufacturing, professional services and logistics sectors. However, the unemployment rate is unlikely to move much lower than the 6.9% seen in February as individuals, discouraged by very difficult employment conditions in January and February of 2018, return to the active labour force.

Growth in the working-age population, up by 1.7% from February 2017 to February 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

Since employment trends, particularly in the full-time category, tend to lag behind developments in overall economic activity, they are a better indicator of past, rather than current, conditions in the economy. However, employment trends are 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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