Edmonton’s employment rises in April

May 11, 2018

Employment in the Edmonton Census Metropolitan Area (CMA) rose by approximately 700 positions in April 2018. The gains were in part-time positions, as modest employment gains in the construction, manufacturing and public administration were largely offset by job losses in logistics, retail and wholesale trade as well as accommodation and food sectors.

Edmonton’s unemployment rate fell marginally from 6.7% in March to 6.6% in April as the number of individuals in the active labour force fell. The unemployment rate for the Calgary CMA also moved down from 8.2% in March to 8.0% in April 2018, as the number of individuals in the active labour force shrank.

<table>
<thead>
<tr>
<th>Labour Force Survey Results—Edmonton CMA¹</th>
<th>Three-month moving average—seasonally adjusted</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Apr 2017</td>
</tr>
<tr>
<td>Population (15 years and older)</td>
<td>1132.8 (000)</td>
</tr>
<tr>
<td>Labour force</td>
<td>830.5</td>
</tr>
<tr>
<td>Employment</td>
<td>762.3</td>
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<tr>
<td>Unemployment</td>
<td>68.1</td>
</tr>
<tr>
<td>Unemployment rate (%)</td>
<td>8.2</td>
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<tr>
<td>Participation rate (%)</td>
<td>73.3</td>
</tr>
<tr>
<td>Employment rate (%)</td>
<td>67.3</td>
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</tbody>
</table>

Source: Statistics Canada

Employment in Alberta was down slightly in April 2018 with a loss of about 1,800 jobs. This was the result of a reduction in part-time employment. The number of full-time jobs was up.

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.
The number of people seeking work in Alberta also rose in April. This, combined with the modest employment losses, caused the unemployment rate for the province to increase from 6.3% in March to 6.7% in April 2018.

In April, Canada’s overall employment was essentially unchanged. A small loss in jobs was driven by a reduction in part-time employment. Job gains were focused in professional services while job losses were concentrated in wholesale and retail. In spite of the marginal reduction in employment in April 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. Despite the month-over-month decrease in April 2018, very 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.

As well, with the past year’s employment growth concentrated in full-time positions, average weekly wages grew 5.5% year-over-year in April 2018. Consequently, workers are seeing very good gains in their income even when inflation is factored in. This boost to 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 April as individuals, discouraged by less favourable employment conditions in in the first quarter of 2018, return to the active labour force.

Growth in the working-age population, up by 1.8% from April 2017 to April 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.

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