Edmonton sees strong gains in full-time employment

November 3, 2017

Employment in the Edmonton Census Metropolitan Area (CMA) rose by more than 6,000 positions in October 2017. The gains were entirely in full-time employment in sectors such as construction, education and logistics. Employment gains in these sectors more than made up for losses in manufacturing and public administration.

While the working-age population and active labour force continued to expand, October’s gain in employment was large enough to bring Edmonton’s unemployment rate down from 8.5% in September 2017 to 8.2% in October 2017. The unemployment rate for the Calgary CMA was also down, falling from 8.5% in September 2017 to 8.3% in October 2017.

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<tbody>
<tr>
<td>Population (15 years and older)</td>
<td>1125.8 (000)</td>
<td>1141.4 (000)</td>
<td>1143 (000)</td>
<td>1.6 (000)</td>
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<tr>
<td>Labour force</td>
<td>806.2 (000)</td>
<td>835.8 (000)</td>
<td>839.2 (000)</td>
<td>3.4 (000)</td>
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<tr>
<td>Employment</td>
<td>750.5 (000)</td>
<td>764.5 (000)</td>
<td>770.6 (000)</td>
<td>6.1 (000)</td>
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<tr>
<td>Unemployment</td>
<td>55.7 (000)</td>
<td>71.3 (000)</td>
<td>68.6 (000)</td>
<td>-2.7 (000)</td>
</tr>
<tr>
<td>Unemployment rate (%)</td>
<td>6.9 (000)</td>
<td>8.5 (000)</td>
<td>8.2 (000)</td>
<td>-0.3 (000)</td>
</tr>
<tr>
<td>Participation rate (%)</td>
<td>71.6 (000)</td>
<td>73.2 (000)</td>
<td>73.4 (000)</td>
<td>0.2 (000)</td>
</tr>
<tr>
<td>Employment rate (%)</td>
<td>66.7 (000)</td>
<td>67 (000)</td>
<td>67.4 (000)</td>
<td>0.4 (000)</td>
</tr>
</tbody>
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Source: Statistics Canada

Employment in Alberta was also up in October 2017 with an increase of 11,900 jobs. A solid increase in full-time employment more than offset a significant fall in part-time jobs. The number of people seeking work in Alberta was also up in October. Consequently, in spite of Alberta’s higher employment levels, the unemployment rate only fell marginally from 7.9% in September 2017 to 7.8% in October 2017.
In October, Canada's overall employment rose by slightly more than 35,000 positions. This gain was driven by an expansion in full-time positions, which more than offset declines in part-time positions. Job growth was concentrated in the construction and information, culture and recreation industries. The national unemployment rate was up marginally in October 2017 at 6.3% compared to 6.2% in September 2017.

**Significance**

The Edmonton region’s job losses during 2016 in the goods-producing sector demonstrated that the region was not immune to the impact of decreased oil prices. Nonetheless, 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 employment growth concentrated in full-time positions, average weekly wages grew 2.6% year over year. This increase is well above the consumer price index, which was up by 1.1% over the previous 12 months. Consequently, workers are seeing real gains in their income, which will help to boost consumer spending going forward.

Over the remainder of 2017, 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 8.2% seen in October as the local labour force continues to expand and individuals, discouraged by very difficult employment conditions in the second half of 2016, return to the active labour force.

Growth in the working-age population, up by 1.5% from October 2016 to October 2017, has been a key factor in addressing labour and skill shortages that began to emerge in Edmonton prior to the downturn in energy prices in 2014. However, with Edmonton’s unemployment rate 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 2017.

**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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