

Economic Indicators

Employment down in Edmonton

August 9, 2019

Employment in the **Edmonton** Census Metropolitan Area (CMA) moved down by approximately 5,700 positions between June and July 2019. These were largely part-time positions, as full-time employment also fell by a nominal amount. Gains in trade and information, culture and recreation were more than offset by reductions in the accommodation and food services, educational services, and energy sectors.

Edmonton's unemployment rate moved up to 7.5 per cent in July 2019 from seven per cent in June, as the number of employed persons in Edmonton fell. Very modest employment gains in the **Calgary CMA** were largely balanced by labour force growth, bringing the unemployment rate down slightly to 6.9 per cent in July 2019 from seven per cent in June.

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

	July 2018	June 2019	July 2019	June 2019 to July 2019	July 2018 to July 2019	June 2019 to July 2019	July 2018 to July 2019
	(000)	(000)	(000)	(000)	(000)	%	%
Population (15 years and older)	1,159.0	1,181.8	1,181.4	2.6	25.4	0.2	2.2
Labour force	837.1	856.1	854.4	-1.7	17.3	-0.7	2.1
Employment	782.8	795.8	790.1	-5.7	7.3	-0.72	0.9
Unemployment	54.2	60.2	64.2	4.0	10.0	6.6	18.5
Unemployment rate (%)	6.5	7.0	7.5	0.5	1.0
Participation rate (%)	72.2	72.4	72.1	-0.3	-0.1
Employment rate (%)	67.5	67.3	66.7	-0.6	-0.8

Source: Statistics Canada, Table 14-10-0294-01

¹ Statistics Canada revised the Labour Force Survey seasonally-adjusted estimates for 2016 to 2018 using the latest seasonal factors.

Employment in **Alberta** fell significantly in July 2019, with over 14,000 positions lost when compared to June. Good employment gains in construction and professional services were overshadowed by losses in energy, logistics, and accommodation and food services. As a result, Alberta's unemployment rate moved up from 6.6 per cent in June 2019 to seven per cent in July².

Canada's overall employment in July 2019 was also down with a month-over-month decrease of about 24,000 positions. Reductions were spread evenly between part-time and full-time jobs in July 2019. Canada's unemployment rate rose to 5.7 per cent in July 2019 from 5.5 per cent in June.

Significance

Despite a month-over-month decline in July 2019, the underlying trend in Edmonton's labour market remains positive, with continued strength in full-time employment. Average weekly wages continued to rise, with a 2.5 per cent year-over-year gain in July 2019. With consumer-based inflation expected to remain in the two per cent range in the coming months in the Edmonton region, this means the average employed person will continue to see gains in their real spending power, sustaining consumer spending over the balance of the year.

For the remainder of 2019, employment in Edmonton should see growth in the professional services, health and trade sectors. This will be supported by a slow but steady recovery of employment in manufacturing and construction. However, the unemployment rate is unlikely to move much lower than its current level, as future employment gains are likely to be met by growth in the labour force.

Growth in the working-age population, up year-over-year by 2.2 per cent in July 2019, 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.

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

² For direct comparability to the CMA unemployment rates, the three-month moving average for Alberta's unemployment rate moved higher to 6.8 per cent in July 2019 from 6.6 per cent in June.