

Economic Indicators

Employment growth continues in the Edmonton Region

October 5, 2018

Employment in the **Edmonton** Census Metropolitan Area (CMA) rose by approximately 3,000 positions in September 2018 from August 2018. The gains were in both full- and part-time positions, as growth in the primary, construction, logistics and public administration sectors offset job losses in the healthcare, education, accommodation and food services sectors.

Edmonton's unemployment rate edged lower, from 6.4% in August to 6.3% in September 2018, as employment gains outpaced additions to the labour force. The unemployment rate for the **Calgary CMA** was unchanged in September 2018 at 8.2%.

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

	Sep 2017	Aug 2018	Sep 2018	Aug 2018 to Sep 2018	Sep 2017 to Sep 2018	Aug 2018 to Sep 2018	Sep 2017 to Sep 2018
	(000)	(000)	(000)	(000)	(000)	%	%
Population (15 years and older)	1141.4	1161.2	1163.4	2.2	22	0.2	1.9
Labour force	833.7	842.1	844.2	2.1	10.5	0.2	1.3
Employment	765.4	788	791	3.0	25.6	0.4	3.3
Unemployment	68.3	54.1	53.2	-0.9	-15.1	-1.7	-22.1
Unemployment rate (%)	8.2	6.4	6.3	-0.1	-1.9
Participation rate (%)	73	72.5	72.6	0.1	-0.4
Employment rate (%)	67.1	67.9	68	0.1	0.9

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

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.

Employment in **Alberta** fell by approximately 2,900 positions in September 2018 compared to August 2018. While the number of full-time positions increased in September 2018 month-over-month, employment losses in part-time positions largely offset those gains. Alberta's unemployment rate moved up from 6.7% in August 2018 to 7.0% in September.

Canada's overall employment increased in September 2018 with a gain of 63,000 positions compared to the month prior. The increase was concentrated in part-time positions. Job gains were in the construction; finance, insurance, real estate, rental and leasing; public administration; and agriculture sectors. Canada's unemployment rate moved lower from 6.0% in August to 5.9% in September 2018.

Significance

Job gains in the Edmonton region continue to demonstrate that the region is recovering from the downturn in 2016. With continuing month-over-month increases in September 2018, the Edmonton region's full-time employment gains point to businesses' growing confidence as they add to their workforce and increase hours worked. As well, with the past year's employment growth concentrated in full-time positions, average weekly wages edged up by about 0.5% year-over-year in September 2018.

For the last quarter 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 6.3% seen in September as individuals discouraged by less favourable employment conditions in the first quarter of 2018 return to the active labour force. As well, with Edmonton's unemployment rate now well below the provincial average and converging on the national rate, migration into Edmonton from other parts of Alberta and Canada should increase, boosting the growth rate of the working age population and active labour force.

Growth in the working-age population, up by 1.9% from September 2017 to September 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.

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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