

Economic Indicators

Edmonton region sees further job gains

November 2, 2018

Employment in the **Edmonton** Census Metropolitan Area (CMA) rose by approximately 4,400 positions in October 2018 from September 2018. The gains were all full-time positions while part-time employment edged slightly lower. Gains were concentrated in the manufacturing, accommodation and food, and education sectors while employment slipped in professional and business services.

Edmonton's unemployment rate was unchanged at 6.3% between September and October 2018 as employment gains were matched by additions to the labour force. The unemployment rate for the **Calgary CMA** was also unchanged in October 2018 at 8.2%.

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

	Oct 2017	Sep 2018	Oct 2018	Sep 2018 to Oct 2018	Oct 2017 to Oct 2018	Sep 2018 to Oct 2018	Oct 2017 to Oct 2018
	(000)	(000)	(000)	(000)	(000)	%	%
Population (15 years and older)	1143.0	1163.4	1165.5	2.1	22.5	0.2	2.0
Labour force	836.2	844.2	849.2	5.0	13.0	0.6	1.6
Employment	770.7	791.0	795.4	4.4	24.7	0.6	3.2
Unemployment	65.5	53.2	53.9	0.7	-11.6	1.3	-17.7
Unemployment rate (%)	7.8	6.3	6.3	0.0	-1.5
Participation rate (%)	73.2	72.6	72.9	0.3	-0.3
Employment rate (%)	67.4	68.0	68.2	0.2	0.8

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 2,700 positions in October 2018 compared to September 2018. While the number of full-time positions increased in October 2018 month-over-month, losses in part-time positions led total employment lower. Job reductions in agriculture, logistics and financial services were the key drivers of this reduction in employment. Alberta's unemployment rate moved up from 7.0% in September to 7.3% in October 2018.

Canada's overall employment increased slightly in October 2018 with a small gain of 11,200 positions compared to the month prior. A solid gain in full-time employment was largely offset by a drop in part-time positions. Canada's unemployment rate moved marginally lower from 5.9% in September to 5.8% in October 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 October 2018, the Edmonton region's full-time employment gains point to businesses' growing confidence as they add to their workforce and increase hours worked. However, average weekly wages have leveled off with a gain of only 0.6% in the past twelve months. With consumer inflation running at 3.3% in the Edmonton region this means that the average employed person has seen a reduction in their spending power which could constrain consumer spending going forward into 2019.

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 October 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 2.0% from October 2017 to October 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.

Contact

John Rose
Chief Economist
Financial and Corporate Services
780-496-6070

Felicia Mutheardy
Senior Economist
Financial and Corporate Services
780-496-6144