

Economic Indicators

Employment falls by 21,000 positions in March

April 9, 2020

Employment in the **Edmonton** Census Metropolitan Area (CMA) dropped by 21,200 positions in March 2020 compared to February. Employment fell for both full-time and part-time positions. Job losses were relatively broad, with a majority of sectors reporting losses.

Edmonton's unemployment rate ticked up to 7.9 per cent in March 2020 from 7.8 per cent in February. A combination of a sharp month-over-month decline in the labour force and an almost equal drop in employment resulted in the region's unemployment rate moving up.

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

	Mar 2019	Feb 2020	Mar 2020	Feb 2020 to Mar 2020	Mar 2019 to Mar 2020	Feb 2020 to Mar 2020	Mar 2019 to Mar 2020
	(000)	(000)	(000)	(000)	(000)	%	%
Population (15 years and older)	1,175.2	1,200.9	1,203.0	2.1	27.8	0.2	2.4
Labour force	856.8	856.4	834.4	-22	-22.4	-2.6	-2.6
Employment	795.8	789.5	768.3	-21.2	-27.5	-2.7	-3.5
Unemployment	61.0	66.8	66.1	-0.7	5.1	-1.1	8.4
Unemployment rate (%)	7.1	7.8	7.9	0.1	0.8
Participation rate (%)	72.9	71.3	69.4	-1.9	-3.5
Employment rate (%)	67.7	65.7	63.9	-1.8	-3.8

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

The **Calgary CMA** unemployment rate jumped to 8.6 per cent in March 2020 from 7.4 per cent in February. Though Calgary's labour force saw a reduction on a month-over-month basis in March, the reduction was outpaced by a drop in the region's employment, resulting in a more pronounced increase in the unemployment rate.

¹ Statistics Canada revised the Labour Force Survey seasonally-adjusted estimates for 2017 to 2019 using the latest seasonal factors.

Employment in **Alberta** fell by 117,100 positions from February to March 2020. Gains in the natural resources and construction sectors were more than outnumbered by broad-based losses in most of the remaining sectors. Alberta's unemployment rate rose to 8.7 per cent in March 2020 from 7.2 per cent in February².

Canada's labour market weakened in March 2020 with a month-over-month employment loss of slightly over one million positions. The monthly decline in March represents the largest loss in employment since comparable data became available in 1976. The unemployment rate increased to 7.8 per cent in March from 5.6 per cent in February.

Significance

Edmonton's labour market is being impacted by the COVID-19 pandemic as demonstrated by the sharp loss in March's employment estimate. Physical distancing measures in place have limited economic activity, affecting both households and businesses. While the unemployment rate saw a marginal month-over-month uptick in March 2020, the monthly decline in employment paints a different picture. In March, Edmonton's employment saw the largest monthly decline since comparable data became available in 2001. However, a corresponding decline in the labour force helped to prevent a significant increase in the region's unemployment rate. It is important to note that the labour force shrank as individuals who are without work may also not be actively looking for work given these unprecedented economic circumstances. At this time, it is too soon to tell how the pandemic is impacting Edmonton's labour market as estimates are based on Labour Force Survey responses collected over the course of one week from a relatively small sample of households. Moving forward, the impact of the COVID-19 pandemic on Edmonton's labour market will become clearer as more data are released, including data on employment insurance claims.

Limitations

Employment trends 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 estimates 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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² For direct comparability to the CMA unemployment rates, the three-month moving average for Alberta's unemployment rate rose to 7.7 per cent in March from 7.2 per cent in February.