

Economic Indicators

Employment continues to recover in August

September 4, 2020

Seasonally adjusted employment in the **Edmonton** census metropolitan area (CMA) continued its recovery in August, gaining 24,400 positions month-over-month. Both full- and part-time employment numbers (unadjusted for seasonal factors) rose in August. However, unadjusted employment was almost 69,000 positions lower compared to August 2019, with lower employment in most sectors.

Edmonton's labour force continued to grow, though at a reduced pace in August 2020, adding 14,800 individuals from the previous month. Employment gains outpacing labour force growth brought down the seasonally adjusted unemployment rate in Edmonton to 13.6 per cent in August. The region's labour force estimate includes those who are employed, as well as those who are unemployed but are actively looking for work.

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

	August 2019	July 2020	August 2020	July to August 2020	August 2019 to August 2020	July to August 2020	August 2019 to August 2020
	(000)	(000)	(000)	(000)	(000)	%	%
Population (15 years and older)	1,187.0	1,210.1	1,211.6	1.5	24.6	0.1	2.1
Labour force	848.8	814.6	829.4	14.8	-19.4	1.8	-2.3
Employment	785.7	692.4	716.8	24.4	-68.9	3.5	-8.8
Unemployment	63.1	122.2	112.6	-9.6	49.5	-7.9	78.4
Unemployment rate (%)	7.4	15.0	13.6	-1.4	6.2
Participation rate (%)	71.5	67.3	68.5	1.2	-3.0
Employment rate (%)	66.2	57.2	59.2	2.0	-7.0

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

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

The seasonally adjusted unemployment rate in the **Calgary CMA** came down to 14.4 per cent in August 2020 from 15.5 per cent in July as a result of employment growth outpacing labour force growth.

Seasonally adjusted employment in **Alberta** gained 9,700 in August 2020, the lowest monthly addition since the provincial relaunch strategy came into effect. Both full- and part-time employment levels rose, though gains were largely concentrated in full-time work. Employment continued to recover across sectors on a month-over-month basis in August. However, excluding the finance, insurance, real estate, rental and leasing and health care and social assistance sectors, employment levels across sectors remained lower in August year-over-year. Alberta's unemployment rate in August was 11.8 per cent², a decline from 12.8 per cent as the provincial labour force was relatively unchanged in August.

Employment in **Canada** continued to expand in August, rising by 245,800 month-over-month on a seasonally adjusted basis. Gains were concentrated in full-time work as changes in part-time employment were small. Employment gains in the services-producing sector (e.g. accommodation and food services, retail trade, and educational services) accounted for about 89 per cent of overall net additions with the educational services, accommodation and food services and other services sectors seeing the largest month-over-month increases. The national unemployment rate ticked down to 10.2 per cent in August from 10.9 per cent in July.

Significance

Employment in the Edmonton CMA appears to be recovering, with August employment levels estimated to be at almost 91 per cent of February's (pre-COVID) estimates. Sectors that were hardest hit in employment by containment measures, such as trade and accommodation and food services, have been improving, which has helped to close the year-over-year negative differential in levels. Part-time employment has recovered faster than full-time work with employment levels up on a year-over-year basis. This faster recovery can be explained by improving employment in sectors like retail trade and accommodation and food services, which tend to have a larger representation of part-time workers.

It is important to keep in mind that labour force data for the Edmonton region are three-month moving averages so monthly data estimates carry an even greater lag when it comes to assessing rapidly changing labour market conditions due to the COVID-19 pandemic. Provincial estimates can provide some early indication as to what to expect in monthly regional releases, though if a slowdown in provincial employment growth (as indicated in the August release) is sustained, this may mean slower employment growth for Edmonton in the coming months.

Limitations

Employment trends tend to lag 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, which sometimes results in the number of reported jobs lagging developments in the Edmonton region's economy.

² For direct comparability to the CMA unemployment rates, the three-month moving average for Alberta's unemployment rate was 13.4 per cent in August, down from 14.6 per cent in July.

Contact

Felicia Mutheardy
Chief Economist (acting), Financial and Corporate Services
780-496-6144

Contact for media inquiries

Matt Pretty
Communications Advisor
780-442-0970