

City of Edmonton

Q4 2025 Economic Update

City of Edmonton Corporate Economics

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Q4 2025 Economic Overview

Key indicators suggest that the Edmonton census metropolitan area (CMA) economy continued to strengthen in Q4 2025. Edmonton CMA quarter-over-quarter employment growth accelerated in Q4 2025, eclipsing the expansion in the labour force and pushing down the unemployment rate by over a percentage point. The employment growth was matched by continued strength in annualized wage growth, which outpaced consumer price inflation for the second consecutive quarter even as the Edmonton CMA saw a mild increase in price inflation. The fourth quarter also saw continued strength in new housing construction in Edmonton, especially for multi-family dwellings (i.e. semi-detached, row and apartments). However, developments in the existing home and rental markets suggest softening housing demand.

Details of 2025 demographic trends, and Q4 2025 developments in the Edmonton CMA labour market, CMA price inflation and building construction and housing market trends are provided below.

Demographic Trends

Between 2024 and 2025, Edmonton's population grew 3.4 per cent to reach an estimated 1,238,295 by July 1, 2025. This marks a notable moderation in growth, especially compared to annualized growth in 2023 (+4.9 per cent) and 2024 (+6.3 per cent).¹ Net migration was the largest contributor to Edmonton's growth between 2024 and 2025, particularly from other provinces and outside Canada. Compared to other Canadian cities with a population over one million, Edmonton's growth was the fastest in 2025, followed by Ottawa (+2.6 per cent).

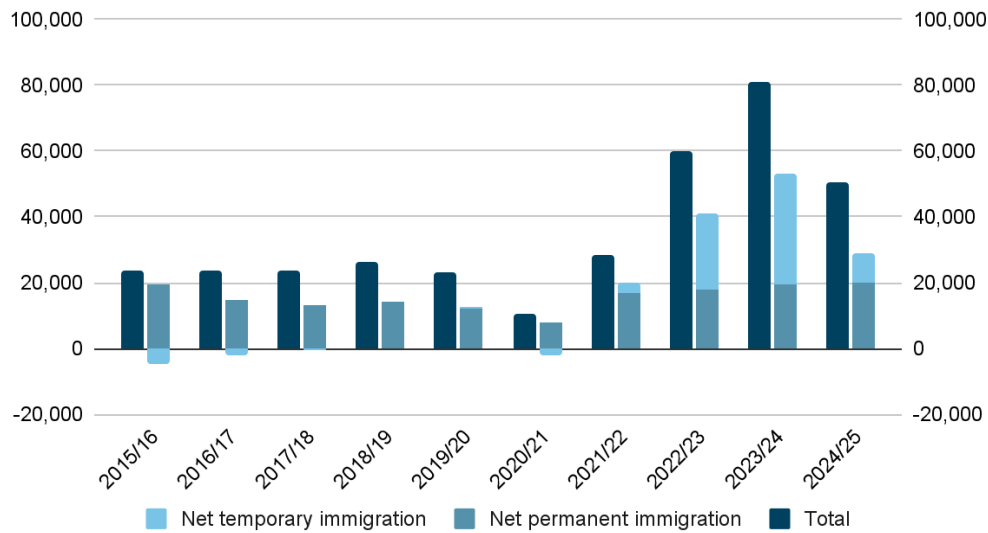
The CMA population grew 3.1 per cent between 2024 and 2025. Over this period, net migration was the largest contributor to the CMA's population change, particularly net international migration with levels exceeding that of domestic migration.² However, the levels of both net domestic and international migration were lower compared to the 2023 to 2024 period. The reduction in net international migration was solely attributed to lower net temporary immigration, a result of changes in federal immigration policy.³ These developments align with national and provincial demographic trends.

¹ Statistics Canada's 2025 sub-provincial population estimates release contained preliminary postcensal population estimates as of July 1, 2025, and revised estimates as of July 1 for the years 2021 to 2024.

² Net domestic migration is the sum of net interprovincial (between Alberta and other provinces) and net intraprovincial (between regions within Alberta) migration. Net international migration includes permanent immigration, less net emigration, and temporary immigration, which includes international students and temporary foreign workers.

³ [Supplementary Information for the 2026-2028 Immigration Levels Plan](#)

Population change - Edmonton CMA

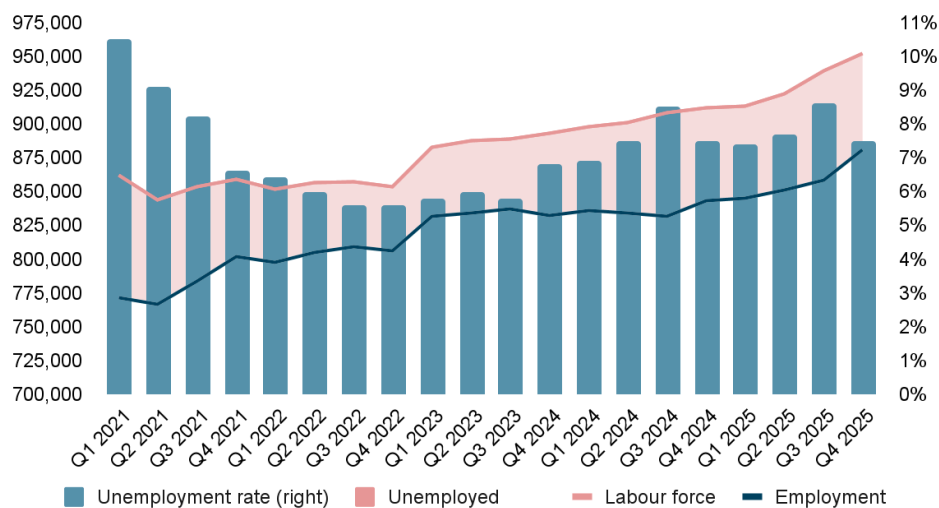


Source: Statistics Canada

Labour Market

Employment in the Edmonton CMA extended the trend of accelerating growth to three quarters to close 2025, with seasonally adjusted employment growing 2.6 per cent between Q3 and Q4. The employment growth exceeded labour force growth (+1.4 per cent), which lowered the unemployment rate from 8.6 per cent in Q3 to 7.5 per cent. Labour force growth outpaced growth in the working age population (+0.9 per cent) for the second straight quarter, as lower federal immigration targets continued to impact population growth. The result was a modest recovery in the participation rate, which reached 69.5 per cent in Q4 2025, the highest rate in over two years. The surge in employment growth in the second half of 2025 resulted in robust annual employment growth of 2.7 per cent in the Edmonton CMA in 2025, which marginally trailed annual labour force growth (+2.9 per cent) and led to a small increase in the unemployment rate, which averaged 7.7 per cent in 2025.

Labour market indicators - Edmonton CMA

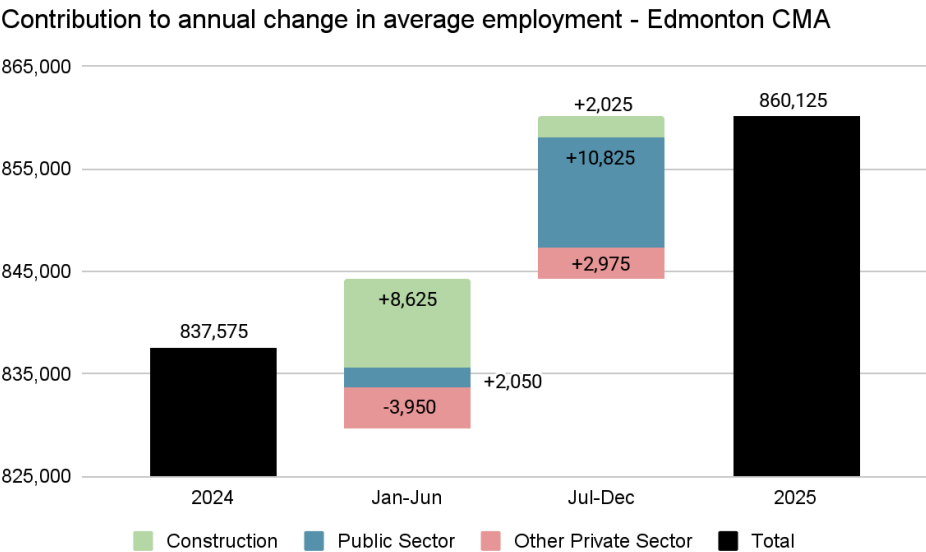


Source: Statistics Canada, seasonally adjusted

Edmonton CMA annualized employment saw 4.4 per cent growth in Q4 2025. This increase was concentrated in the core working age (25-54 years of age) population, which grew by 7.1 per cent to almost 630,000 people. Within the core working age employment, women (+10.0 per cent) saw the largest gains but deep declines in employment for women 15-24 years of age and 55 years of age and older weakened the overall employment growth for women (+3.1 per cent), which trailed men (+5.6 per cent). With these employment increases concentrated in full-time employment (+6.2 per cent) there are indications attachment to the labour market is increasing for Edmonton CMA workers, as the share of employment in full-time work (83.0 per cent) was the highest for Q4 since 2015. On an annual basis full-time employment growth (+3.2 per cent) outpaced overall employment growth. This was also the case for annual employment growth among men (+3.8 per cent). Weakness in employment growth in the first half of the year weighed on annual employment growth for women (+1.5 per cent) despite the significant annualized gains to close the year.

On a sectoral basis, Q4 2025 saw annualized growth strongest in the goods sector (+8.1 per cent), where the utilities and other primary sectors' growth rates led all sectors and added a combined 12,000 employees over Q4 2024. The services sector (+3.5 per cent) also saw strong annualized employment growth, led by health care and social assistance (+22.8 per cent). This was the fifth straight quarter health and social assistance saw a strengthening in the annualized employment growth rate. On an annual basis, both goods and services employment expanded, but the growth was really a story of two sectors, one that dominated the first half of the year and one that dominated the second half. Construction employment grew 12.1 per cent in 2025, reflecting the strength in housing starts and non-residential investment, and the public sector grew 7.2 per cent, which would have captured much of the

strength in health and social assistance but also gains in public administration. For the construction sector, the bulk of its contribution came over the first half of 2025, as annualized growth slowed from 25.2 per cent in Q2 to 2.4 per cent in Q4. Driven by the surge in health and social assistance employment, annualized growth in the public sector climbed from 1.0 per cent in Q1 to 9.8 per cent in Q4, with a peak of 14.3 per cent in Q3. While other sectors (e.g. utilities, accommodation and food services) saw stronger growth rates, the size of these two sectors meant their combined growth alone would have accounted for the 2.7 per cent annual growth observed in 2025. Growth across the remaining sectors essentially cancelled each other out.



Source: Statistics Canada

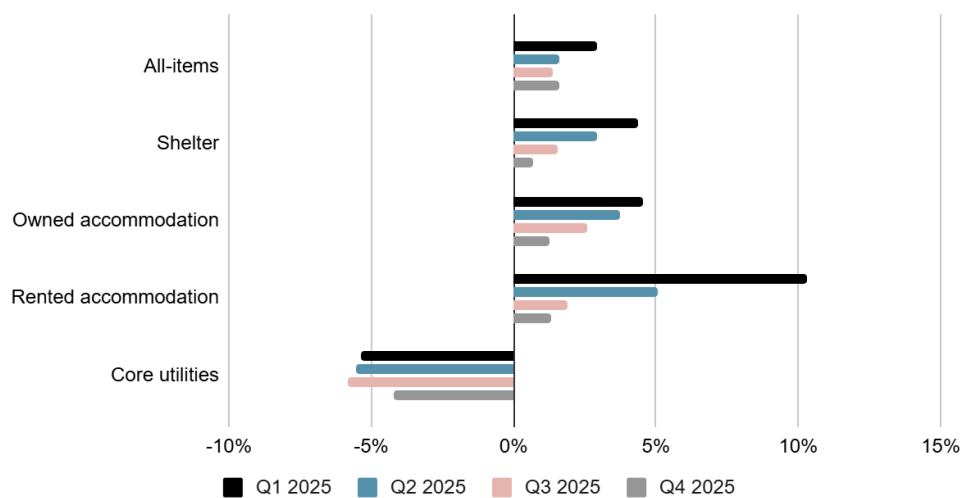
Notes: Contributions based on sector year-over-year changes for reference time period, divided by two for contribution to annual average change; Public sector includes employees in federal, provincial, territorial, and Indigenous administrations, as well as in Crown corporations, liquor control boards, and other government institutions such as schools (including universities), hospitals, and public libraries; Other private sector calculated as a residual after subtracting construction and public sector employment from total employment.

The strength in the Edmonton CMA labour market has been accompanied by solid wage growth. Following annualized growth of 4.6 per cent in Q3, year-over-year growth in the average weekly wage rate in the Edmonton CMA remained elevated in Q4 at 4.0 per cent. For the second consecutive quarter this wage growth exceeded annualized consumer price inflation (+1.6 per cent), helping lift purchasing power for Edmonton CMA employees. The wage increases in Q3 and Q4 followed negligible annualized growth of 0.5 per cent in the first half of the year and helped push annual wage growth to 2.4 per cent for 2025, resulting in an average weekly wage rate for the year of \$1,360.

Consumer Inflation

While shelter inflation in the Edmonton CMA continued to moderate in the final quarter of 2025, annualized all-items consumer inflation accelerated, climbing from 1.4 per cent in Q3 2025 to 1.6 per cent in Q4 2025. Annualized shelter inflation (+0.7 per cent) was a significant moderating influence on consumer inflation as it fell to its slowest pace since the closing quarter of 2020. Within shelter inflation, core utilities (-4.2 per cent) continued to see annualized deflation while rented (+1.3 per cent) and owned (+1.2 per cent) accommodation both saw annualized inflation slow below 1.5 per cent. Based on provincial data for Alberta, the continued tempering of shelter inflation could not offset accelerating inflation across almost all other major components of consumer expenditures. Across seven categories, only Alberta annualized inflation for alcoholic beverages and tobacco products did not see an acceleration between Q3 and Q4 2025. This included food, household operations, furnishings and equipment, and health and personal care all seeing annualized inflation above 3.0 per cent in Q4.

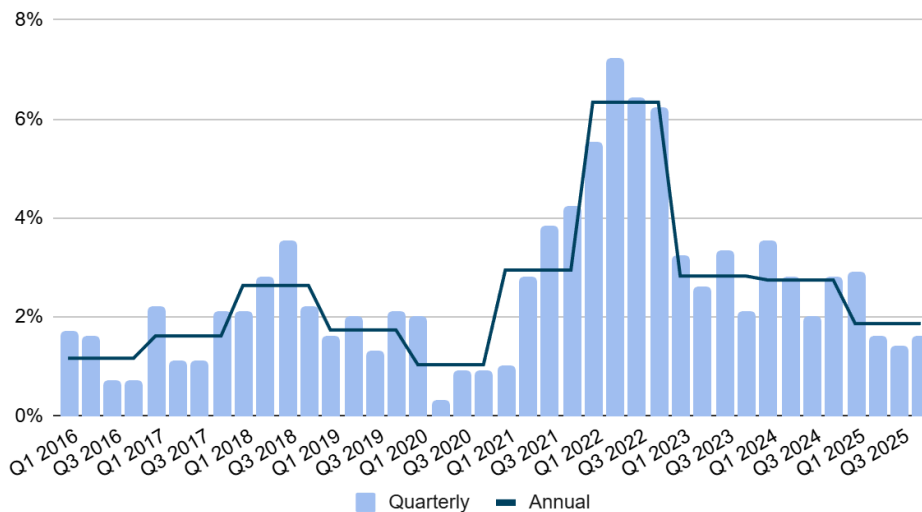
Annualized consumer inflation - Edmonton CMA



Source: Statistics Canada

While annualized consumer inflation accelerated in Q4 2025, on an annual basis consumer prices in the Edmonton CMA rose 1.9 per cent in 2025, the slowest pace since 2020 as annualized inflation was under two per cent in each of the final three quarters of the year. Rented and owned accommodation inflation moderated throughout the year and core utilities (-5.2 per cent) saw substantial deflation on an annual basis, driving much of the slowing in annual consumer inflation. Transportation inflation, as measured at the provincial level, was also a significant contributor, seeing a marginal 0.4 per cent increase in 2025, which was assisted by the removal of the consumer carbon tax by the Government of Canada early in 2025.

Annualized consumer inflation - Edmonton CMA



Source: Statistics Canada

With the easing in shelter inflation Edmonton CMA consumer price pressures remained weaker than elsewhere in Canada. The Edmonton CMA's Q4 2025 annualized inflation rate of 1.6 per cent was the lowest of the 16 CMAs that Statistics Canada produces CPI estimates for, and one of only five where annualized inflation was less than 2.0 per cent. On an annual basis, the Edmonton CMA's 2025 inflation rate of 1.9 per cent was sixth lowest, 0.6 percentage points higher than St. John's, Newfoundland and Labrador, where prices rose at the slowest rate among the 16 CMAs.

Housing Market and Building Construction Trends

According to the Canadian Real Estate Association, Edmonton region residential sales activity declined in Q4 2025, posting an annualized 13.1 per cent reduction. Sales for all dwelling types posted double-digit annualized declines in Q4, with the largest proportional decline in apartments (-18.0 per cent). New listings in Q4 increased 8.9 per cent year-over-year, which, coupled with lower sales activity, brought the sales-to-new listings ratio (SNLR) lower, from an average of 88.6 per cent in Q4 2024 to 70.6 per cent in Q4 2025. In Q4, Greater Edmonton Area MLS Home Price Index (HPI) benchmark prices increased for all types on an annualized basis, although at the slowest rate out of the year's four quarters. The MLS HPI composite benchmark price in the Greater Edmonton Area was \$410,900 in Q4 2025, up 4.1 per cent over Q4 2024. Meanwhile, the benchmark price for a single-family home, the highest priced housing type, grew 6.0 per cent to \$493,600. The sharp reduction in the Q4 SNLR between 2024 and 2025 from reduced sales and growing supply, coupled with much softer price growth in benchmark prices, suggest the market is moving towards balanced conditions,

even as the SNLR remains above 60.0 per cent, which typically suggests market conditions favouring sellers.⁴

According to the Canada Mortgage and Housing Corporation (CMHC) 2025 Rental Market Report, Edmonton's rental market appears to have softened in 2025 as supply expansions outstripped demand growth. As a result, Edmonton's purpose-built rental apartment vacancy rate rose from 3.0 per cent in October 2024 to 3.8 per cent in October 2025. The vacancy rate moving higher coincided with a 5.5 per cent expansion to Edmonton's purpose-built rental apartment universe between October 2024 and 2025, translating to an additional 4,247 units. Of these units, two-bedroom units accounted for the largest share, followed by one-bedroom units; these two unit types combined accounted for 93.5 per cent of additions between 2024 and 2025. Overall average rent growth from a fixed sample of rental properties in Edmonton decelerated from 7.2 per cent in October 2024 to 3.3 per cent in October 2025.

The value of residential and non-residential building permits issued by the City of Edmonton in Q4 2025 was a combined \$1.2 billion, a 10.0 per cent increase over Q4 2024.⁵ For non-residential structures, issued building permits in Q4 were valued at \$394 million, translating to a 28.4 per cent gain over the prior year. This gain was solely attributed to permits for commercial structures, the value of which more than offset Q4 annualized declines in industrial and institutional building permits. Residential building permits issued in Q4 were valued at \$776 million, a 2.6 per cent gain over Q4 2024. Of these, building permits issued for new residential dwelling construction contributed \$698 million. Across dwelling types, building permits issued in Q4 2025 signal greater intentions for semi-detached, row housing and apartments relative to Q4 2024.

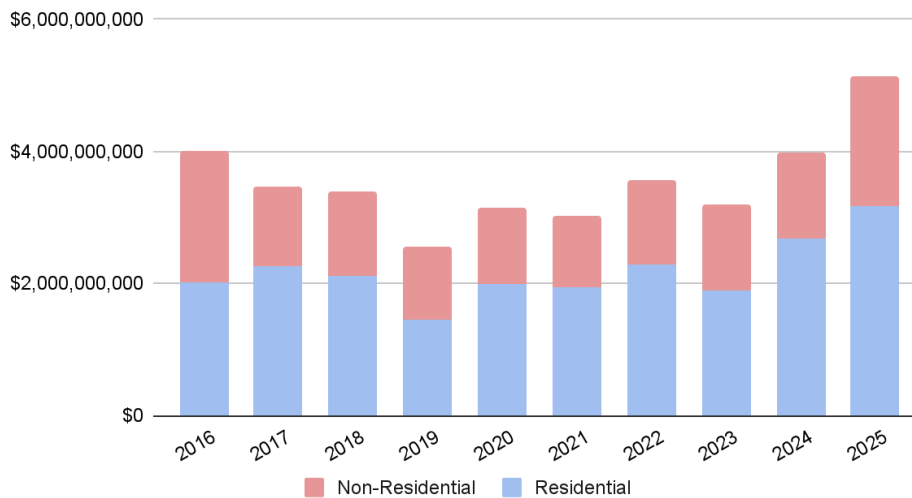
In 2025, the value of residential and non-residential building permits issued by the City of Edmonton gained 29.3 per cent over 2024 to reach \$5.1 billion, with double-digit growth in both residential and non-residential permit values. Growth was strongest in institutional building permit values, which more than doubled in 2025 from the previous year. This was

⁴ A sales-to-new listings ratio between 40.0 and 60.0 per cent tends to indicate balanced market conditions (i.e., balanced negotiating power between sellers and buyers). A ratio above 60.0 per cent tends to indicate seller's market conditions, and buyer's market conditions when the ratio is below 40.0 per cent.

⁵ City of Edmonton building permit analysis in prior reports was based on data from [City of Edmonton Monthly Building Permit Summary](#) reports, which provide a point-in-time snapshot of building permit data. The figures in those reports are static and not updated to reflect subsequent changes or revisions to building permit records, including permit revisions, cancellations, or other administrative changes. The analysis in this report draws from an internal master dataset that is periodically updated to capture all historical and ongoing changes made to City of Edmonton building permit records. As a result, there may be differences in data references contained in this report and prior versions.

followed by commercial building permit values, which increased 60.4 per cent in 2025. Residential building permit values grew 18.6 per cent in 2025. A key driver of residential permit value growth came from permits for new dwellings, which rose 18.3 per cent over 2024.

Value of building permits issued - Edmonton

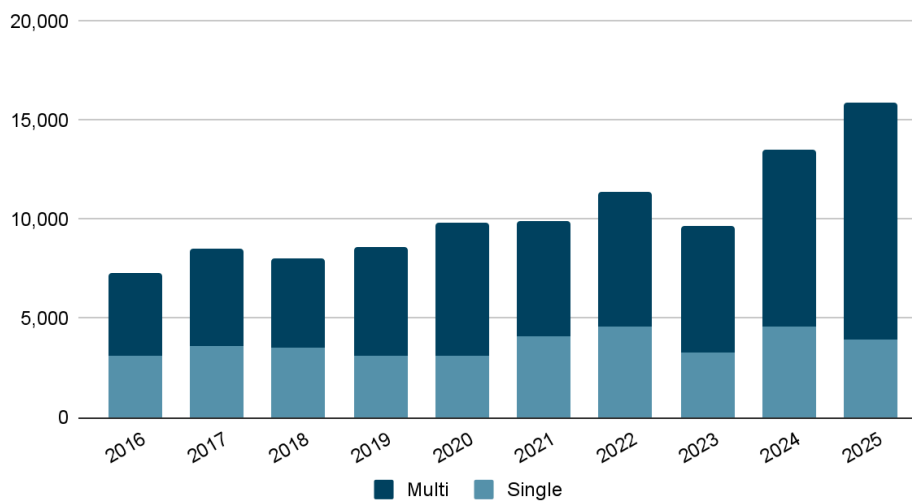


Source: City of Edmonton

Notes: residential includes single, semi-detached, row and apartment structures, as well as miscellaneous residential building activity; and non-residential includes commercial, industrial and institutional structures.

In Q4 2025, there were 3,797 housing starts in Edmonton, a 9.1 per cent increase over Q4 2024. Apartment starts in Q4 accounted for 58.8 per cent of total housing starts in Edmonton, with 76.3 per cent of those starts intended for the purpose-built rental market. Q4 2025 marks the third consecutive quarter in which the apartment share of total housing starts was at least 50.0 per cent. Across dwelling types, semi-detached starts posted the strongest annualized growth in Q4 (+60.9 per cent), followed by apartment starts (+48.5 per cent). These gains more than offset annualized reductions in single and row starts in Q4. Within the broader CMA, housing starts in Q4 posted a 3.4 per cent annualized reduction, a first since Q2 2023. Similar to Edmonton, there was an annualized reduction in single starts (-32.8 per cent), which outweighed gains in semi-detached, row and apartment starts.

Housing starts - Edmonton

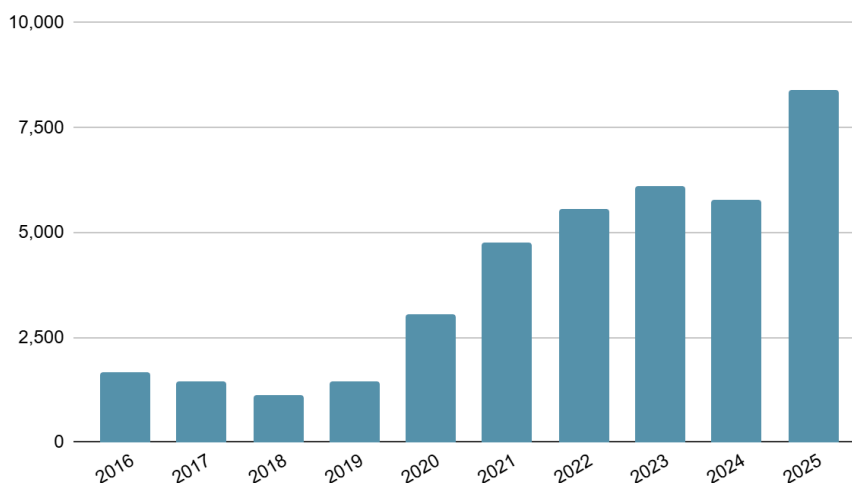


Source: CMHC

Note: multi includes semi-detached, row and apartment dwellings.

In 2025, there were 15,902 housing starts in Edmonton. This not only represents a 17.9 per cent increase over 2024, but the highest annual level of starts since at least 1990. Across dwelling types, apartments accounted for the greatest share of total starts in 2025 at 55.3 per cent, followed by singles (24.7 per cent). Rentals, primarily apartments, accounted for 50.2 per cent of total housing starts in 2025. This represents an increase from 2024, in which rentals accounted for 46.8 per cent of total starts. At the end of 2025, there were 8,412 rental units under construction, 92.0 per cent of which were rental apartments and a 45.2 per cent increase over the end of 2024.

Under construction inventory (rentals) - Edmonton (all dwelling types)



Source: CMHC

Note: under construction inventory levels reflect figures at the end of each period.

Information Sources by Concept

Demography

- Alberta Treasury Board and Finance. Edmonton components of population change, custom request.
- Statistics Canada. [Table 17-10-0148-01 Population estimates, July 1, by census metropolitan area and census agglomeration, 2021 boundaries.](#)
- Statistics Canada. [Table 17-10-0149-01 Components of population change by census metropolitan area and census agglomeration, 2021 boundaries.](#)
- Statistics Canada. [Table 17-10-0155-01 Population estimates, July 1, by census subdivision, 2021 boundaries.](#)

Housing and Residential Building Construction

- City of Edmonton Master Building Permit Dataset, custom request.
- CMHC. [2025 Rental Market Report.](#)
- CMHC Starts and Completions and Market Absorption Surveys via the [Housing Market Information Portal.](#)
- [Canadian Real Estate Association](#), including time series via Macrobond.

Labour and Employment

- Statistics Canada. Labour Force Survey average weekly wages, Edmonton CMA, custom order.
- Statistics Canada. [Table 14-10-0458-01 Labour force characteristics by census metropolitan area, three-month moving average, unadjusted for seasonality.](#)
- Statistics Canada. [Table 14-10-0459-01 Labour force characteristics by census metropolitan area, three-month moving average, seasonally adjusted.](#)
- Statistics Canada. [Table 14-10-0467-01 Employment characteristics by census metropolitan area, three-month moving average, unadjusted for seasonality.](#)

Prices

- Statistics Canada. [Table 18-10-0004-01 Consumer Price Index, monthly, not seasonally adjusted.](#)