

Labour Market Notes

Alberta's employment surges ahead

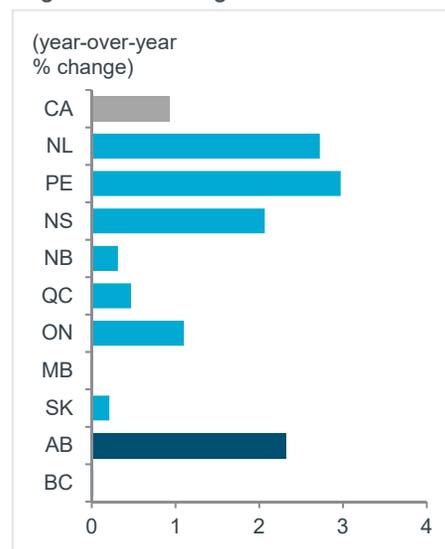
Alberta

- **Strong employment gains.** After a pause in July, Alberta's employment jumped by 16,200 in August.
- **Gains concentrated in the service sector.** The monthly gain was concentrated in the service sector (+15,400) while employment in the goods sector (+700) held steady. The gain in the service sector was led by business, building and other support services (+6,300), and professional, scientific and technical services (+4,700) which rebounded following a decline in July.
- **Majority of job growth in full-time.** Full-time employment increased (+11,000) after declining in July, while part-time employment increased (+5,300) for the third month in a row. Since the June 2016 low, full-time positions have accounted for 84,800 of the 94,000 job gains.
- **Rebound in the private sector.** The monthly gain was driven by a surge in private sector (+31,800) employment, which reversed recent weakness. This was mitigated by a decline in self-employment (-19,500) which retreated from a high.
- **Unemployment rate holds steady.** The unemployment rate was unchanged at 6.7% as the employment gains were matched by an increase in the labour force. The labour force grew as the participation rate jumped 0.4 percentage points to 72.1%, a seven month high.
- **Solid year-over-year job growth.** With the monthly increase, employment was up 53,200, or 2.3%, year-over-year. This was the third highest annual growth among the provinces and higher than the Canadian rate of 0.9%.
- **Board based employment growth.** Over the last year, employment in both the goods-producing (+18,900) and service (+34,300) sectors have grown, with 12 of the 16 industry expanding.
- **More balance gains.** With strong monthly gains in the private sector and a pullback in self-employment, job gains have become more balanced. Employment in both the private (+24,300) and public (+11,100) sector and self-employment (+17,900) have all increased over the last 12 months.
- **Earnings slip.** Average weekly earnings (AWE) fell 0.2% in June to \$1,143. Compared to a year ago, they were up 0.7%.

Canada

- **Losses in part-time and in Ontario.** After a strong gain in July, Canada lost 50,100 jobs in August. The decline was the result of a reversal in Ontario (-80,100) and part-time employment (-92,000) after a strong gain in July. This was offset by gains in full-time (+40,400) and gains in Alberta (+16,200) and BC (+9,900). Over the last 12 months, Canada has added 171,700 jobs for a year-over-year gain of 0.9%.
- **Unemployment rate ticks down.** The Canadian unemployment rate reversed last month dip increasing 0.2 percentage points to 6.0%.
- **Canadian earnings increase.** Canadian AWE improved 0.3% in June to \$1,000, 2.8% higher than a year ago.

Employment Growth by Province, August 2018 vs. August 2017



Source: Statistics Canada

Alberta Labour Market Indicators

Indicator	Latest*
Employment	2,320,800
month-over-month change	16,200
year-over-year % change	2.3%
Alberta Unemployment Rate (UR)	6.7%
Edmonton UR**	6.4%
Calgary UR**	8.2%
Participation Rate	72.1%
Average Weekly Earnings (AWE)	\$1,142.75
year-over-year % change	0.7%
Average Hourly Wage	\$30.35
year-over-year % change	0.8%
Job Vacancy Rate***	2.0%

Source: Statistics Canada

* All data is from the August 2018 Labour Force Survey, except AWE which is the June 2018 Survey of Employment, Payrolls and Hours, and the Job Vacancy Rate is for May 2017.

** This indicator is calculated as a three-month moving average and is seasonally adjusted.

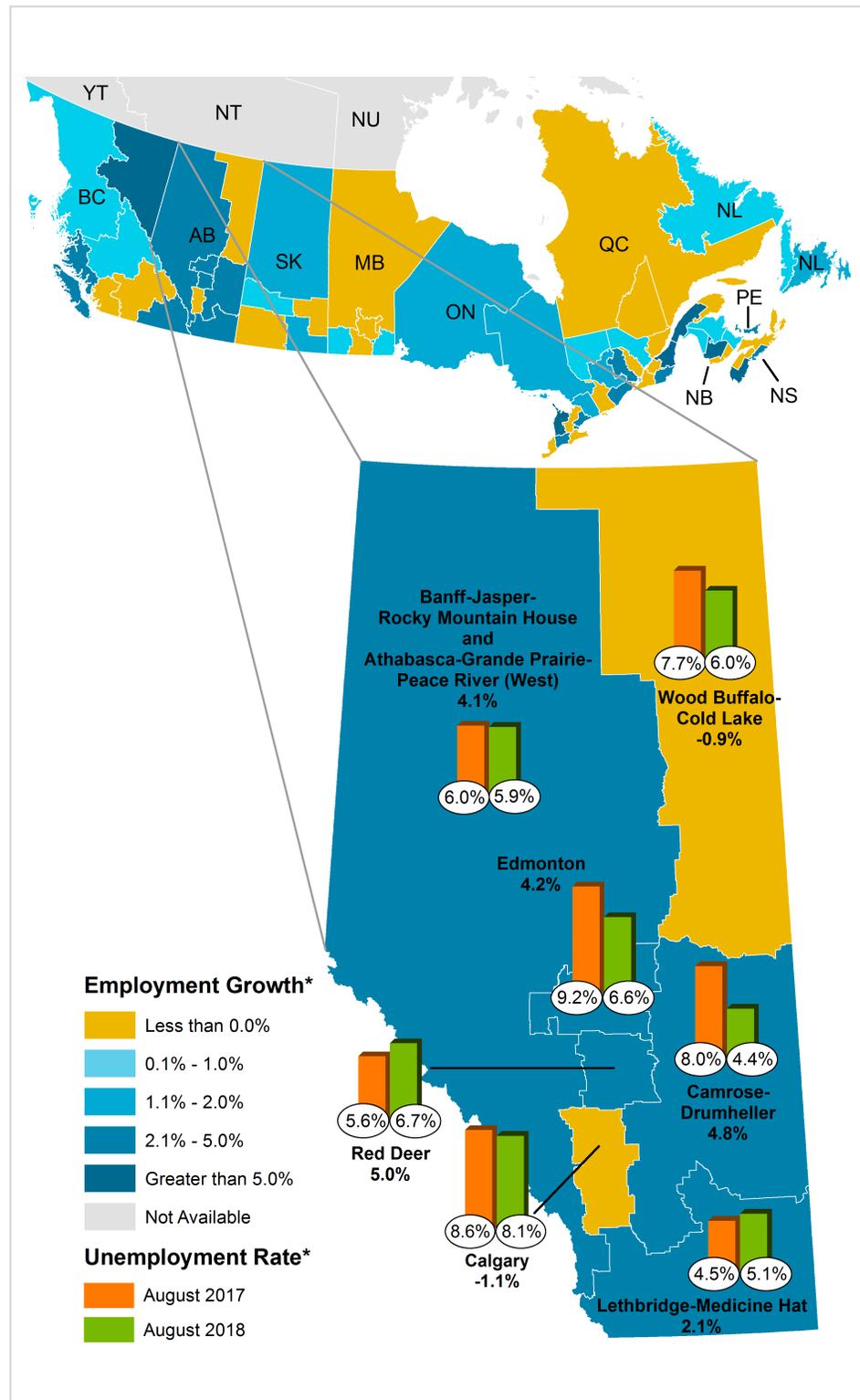
*** This indicator is calculated as a three-month moving average and is not seasonally adjusted.

Regional labour market indicators

	2016	2017	2018 YTD
Alberta			
Population	1.3	0.9	1.1
Labour Force	0.6	0.7	0.1
Employment	-1.6	1.0	1.9
Unemployment Rate	8.1	7.8	6.7
Calgary			
Population	1.9	1.4	1.7
Labour Force	1.3	1.8	-0.3
Employment	-1.7	2.7	1.2
Unemployment Rate	9.2	8.4	7.6
Edmonton			
Population	1.7	1.3	1.6
Labour Force	1.3	0.9	-0.2
Employment	-0.2	0.1	1.7
Unemployment Rate	7.4	8.1	6.7
West			
Population	0.0	-0.5	-0.4
Labour Force	-4.2	0.1	3.2
Employment	-5.3	0.5	4.3
Unemployment Rate	6.9	6.4	5.9
Lethbridge - Medicine Hat			
Population	0.0	-0.2	0.2
Labour Force	3.4	-4.4	-0.2
Employment	1.2	-3.3	-0.1
Unemployment Rate	6.9	5.7	5.7
Red Deer			
Population	1.2	0.5	0.5
Labour Force	-1.8	-0.1	1.8
Employment	-4.3	1.7	4.7
Unemployment Rate	8.6	6.9	5.5
Camrose - Drumheller			
Population	-0.3	-0.8	-0.7
Labour Force	-0.1	-0.6	-0.3
Employment	-3.4	-0.7	4.5
Unemployment Rate	7.8	8.0	4.3
Wood Buffalo - Cold Lake			
Population	0.9	-0.8	-2.0
Labour Force	-2.6	0.0	-0.5
Employment	-4.0	1.8	1.9
Unemployment Rate	9.3	7.7	6.2

Employment growth by economic region

Percent change in year-over-year employment



Source: Statistics Canada

All number are percent growth, except unemployment rates

*Based on three month moving averages

Immigrants in the Alberta labour market

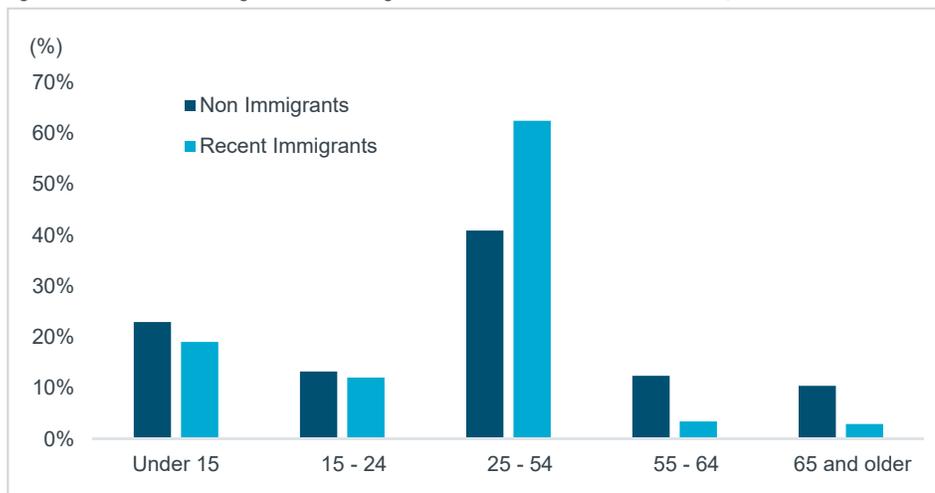
Statistics Canada provides data on two classifications of the labour population: those born in Canada and landed immigrants, which comprises naturalized citizens or permanent residents of Canada. This labour market InSight highlights some labour trends for immigrants in Alberta.

Strong growth in immigrant population

The immigrant working age population (15 years or older) in Alberta has grown significantly over the past decade and has become a larger share of Alberta's labour market. Immigrants comprise almost one in every four working-age Albertans in 2018 relative to nearly one in five in 2008. Alberta's population growth during the 2015-16 recession was supported by solid levels of immigration, which was bolstered by the Express Entry program and higher Federal immigration targets.

Chart 1: Immigrants are more heavily weighted in the core working age group

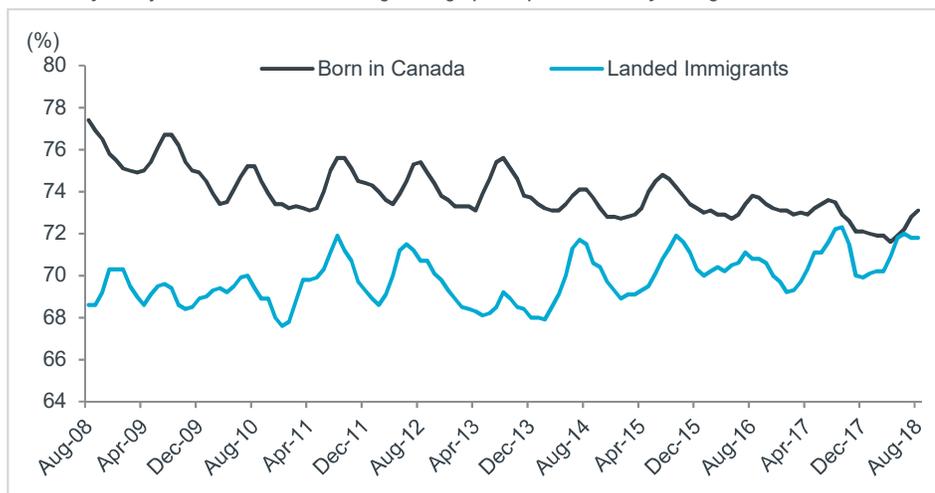
Age structure of non-immigrants and immigrants landed between 2011 and 2016, Alberta



Source: Statistics Canada Census 2016

Chart 2: Immigrant participation rates are converging

Seasonally unadjusted three-month moving average participation rates by immigrant status in Alberta



Source: Statistics Canada, Labour Force Survey

Immigrants tend to be younger

Changes to the immigration program have resulted in a greater proportion of economic class immigrants coming to Alberta. Approximately 68% of admissions between 2011 and 2016 were in this category, up from 61% between 2006 and 2011. The targeting of the economic class has attracted younger, skilled immigrants. According to Census 2016, 62% of those admitted between 2011 and 2016 were within the core working age group 25 to 54 years old, relative to 41% for non-immigrants in the same age group (Chart 1).

Immigrants highly engaged

Immigrant participation in the labour force is increasing. The immigrant participation rate is close to 72% in August 2018, up from around 69% a decade ago. It is trending closer to that of Canadian-born (Chart 2), which has been drifting lower for nearly a decade, mainly due to population aging. Immigrant participation is being boosted by those core working age, economic class immigrants, as well as those who landed between 1990 and 2008 that are now more established in the labour market and are contributing to higher participation rates.

Resilience during the downturn

A larger proportion of immigrants work in sectors that were less affected by the downturn or continued to grow, such as food and accommodations, and healthcare. As a result, employment growth for immigrants remained solid during the downturn. This, along with a growing number of immigrants, led to an increase in the share of immigrant employment. However, the strong growth in the labour force put upward pressure on the unemployment rate of immigrants, which tends to be higher than for those born in Canada. The unemployment rate increased during the recession to 10.7% before falling back to 7.1% in August.

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Have a question or idea? Send us an [email](#)