

Labour Market Notes

COVID-19 disruptions hit Alberta's labour market

Alberta

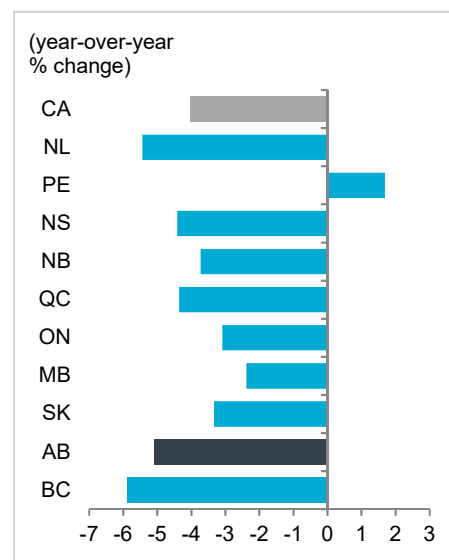
- **Large number of job losses.** The Alberta economy shed more than 117,000 jobs in March, the largest monthly decline on record.
- **Unemployment rate surges.** Alberta's unemployment rate jumped 1.5 percentage points to 8.7 per cent. The increase was moderated by a decline in the participation rate, as many unemployed people chose not to look for work.
- **More Albertans drop out of the labour force.** The number of Albertans not in the labour force increased by 138,200 year-over-year. This includes 38,900 that had worked in the month.
- **All losses in the service sector.** Job losses were entirely in the service sector (-129,400), with accommodation and food services (-43,700 or -28%) and retail and wholesale trade (-27,500 or -8.1%) accounting for more than half of the job losses in that sector. These were accompanied by large declines in information, culture and recreation (-26%) and other services, which includes personal services.
- **Reductions primarily in part-time positions.** Part-time positions fell 73,600 or 17%, while losses in full-time jobs were less severe (-43,500 or -2.3%). This is largely a reflection of the industries that were impacted by COVID-19 closures.
- **Goods sector employment manages to grow.** The goods sector added 12,400 jobs in March after declining for four consecutive months. The employment gains were in the forestry, mining, oil and gas (+8,700) and construction (+5,300), which both saw declines over the last year.
- **Weak employment growth turns lower.** Prior to March, employment growth had stalled. With the large monthly decline, employment was down 118,400 year-over-year, or -5.1%.
- **Many Albertans laid off in March.** Compared to a year ago, 112,700 more Albertans were laid off, with 47,400 temporary and over 65,000 permanent layoffs.
- **Those employed were also impacted.** Many employed were also impacted by the COVID-19 disruptions, with over 168,000 missing the full week of work and nearly 200,000 missing more than 50% of their usual hours during the workweek.
- **Solid earnings growth.** Average weekly earnings (AWE) jumped \$17.94 in January to \$1,190. Earnings were up 3.8% from January 2019.

Canada

- **Historical employment losses.** Employment in Canada fell by 1,010,700 in March, larger than in any of three significant recessions experienced since 1980. Employment fell in all provinces, with the largest declines in Ontario (-403,000 or -5.3%), Quebec (-264,000 or -6.0%) and British Columbia (-132,000 or -5.2%).
- **Unemployment rate edges up.** The national unemployment rate increased 2.2 percentage points to 7.8%. This was the largest one-month increase on record.
- **Canadian earnings continue to improve.** Canadian AWE increased by \$6.40 to \$1,051 in January, with year-over-year growth of 4.0%.

Employment Growth by Province

March 2020 vs. March 2019



Source: Statistics Canada

Alberta Labour Market Indicators

| Indicator | Latest* |
|--------------------------------|------------|
| Employment | 2,212,800 |
| month-over-month change | -117,100 |
| year-over-year % change | -5.1% |
| Alberta Unemployment Rate (UR) | 8.7% |
| Edmonton UR** | 7.9% |
| Calgary UR** | 8.6% |
| Participation Rate | 67.9% |
| Average Weekly Earnings (AWE) | \$1,189.72 |
| year-over-year % change | 3.8% |
| Average Hourly Wage | \$32.76 |
| year-over-year % change | 3.9% |
| Job Vacancy Rate*** | 2.6% |

Source: Statistics Canada

* All data is from the March 2020 Labour Force Survey, except AWE which is the January 2020 Survey of Employment, Payrolls and Hours, and the Job Vacancy Rate which is the third quarter 2019 Job Vacancy and Wage Survey.

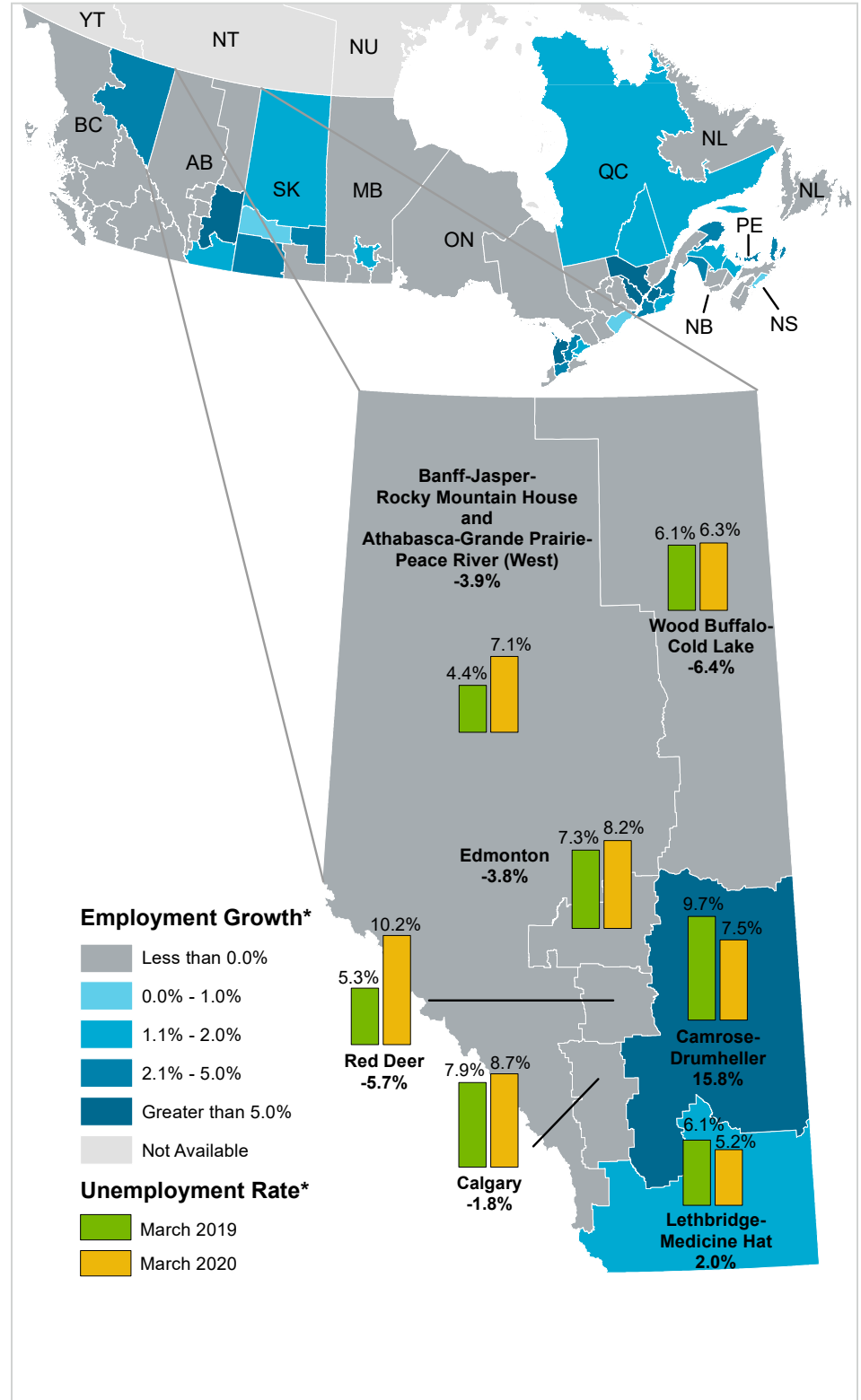
** This indicator is calculated as a three month moving average and is seasonally adjusted.

*** This indicator is reported quarterly.

Regional labour market indicators

| | 2017 | 2019 | 2020 YTD |
|----------------------------------|------|------|----------|
| Alberta | | | |
| Population | 1.2 | 1.6 | 1.7 |
| Labour Force | 0.5 | 0.9 | -0.2 |
| Employment | 1.9 | 0.5 | -0.9 |
| Unemployment Rate | 6.6 | 6.9 | 7.4 |
| Calgary | | | |
| Population | 1.8 | 2.3 | 2.4 |
| Labour Force | 0.0 | 2.5 | 0.2 |
| Employment | 0.9 | 3.0 | 0.0 |
| Unemployment Rate | 7.6 | 7.1 | 7.6 |
| Edmonton | | | |
| Population | 1.8 | 2.1 | 2.2 |
| Labour Force | 0.7 | 1.7 | -0.9 |
| Employment | 2.6 | 0.7 | -2.1 |
| Unemployment Rate | 6.4 | 7.3 | 7.9 |
| West | | | |
| Population | -0.4 | -0.4 | -0.4 |
| Labour Force | 2.9 | -1.2 | -0.7 |
| Employment | 3.9 | -1.1 | -2.8 |
| Unemployment Rate | 5.6 | 5.5 | 6.8 |
| Lethbridge - Medicine Hat | | | |
| Population | 0.4 | 1.0 | 1.0 |
| Labour Force | -0.6 | 0.1 | 2.0 |
| Employment | 0.0 | -0.8 | 3.1 |
| Unemployment Rate | 5.1 | 6.0 | 4.8 |
| Red Deer | | | |
| Population | 0.6 | 0.9 | 0.9 |
| Labour Force | 3.1 | -4.8 | -4.5 |
| Employment | 4.8 | -6.2 | -8.5 |
| Unemployment Rate | 5.5 | 6.7 | 8.7 |
| Camrose - Drumheller | | | |
| Population | -0.6 | -0.3 | -0.2 |
| Labour Force | -0.2 | -7.1 | 10.1 |
| Employment | 2.8 | -8.4 | 13.0 |
| Unemployment Rate | 5.1 | 6.5 | 6.3 |
| Wood Buffalo - Cold Lake | | | |
| Population | -2.1 | -2.3 | -2.3 |
| Labour Force | -2.0 | -0.9 | -5.2 |
| Employment | -0.2 | -0.6 | -5.1 |
| Unemployment Rate | 5.9 | 5.6 | 5.8 |

Employment growth by economic region Per cent change in year-over-year employment



Source: Statistics Canada
All numbers are percent growth, except unemployment rates.

*Based on three-month moving averages.

Contact [Robert Van Blyderveen](mailto:Robert.VanBlyderveen@alberta.ca) at 780.638.5628

Have a question? Send us an email