

Weekly Economic Review

Alberta earnings glide higher in February

Average Weekly Earnings

Energy sector lifts earnings to a three-year high

Earnings in Alberta picked up in February after holding steady for the last three months. Average weekly earnings (AWE) increased 1.1% month-over-month (m/m) to a three-year high of \$1,158, reflecting higher earnings in both goods (+2.7%) and services (+1.2%) sectors. The increase was largely driven by the mining, oil and gas sector (+6.4%), which saw its largest monthly gain on record (Chart 1). This was supported by strong growth in professional, scientific and management of companies, as well as ongoing gains in retail trade. Compared to a year ago, AWE was up 4.3%. Goods sector earnings have improved since bottoming out in the first half of 2017, while services sector earnings continued to move higher. Alberta continues to have the highest AWE in the country, 16% above the national average.

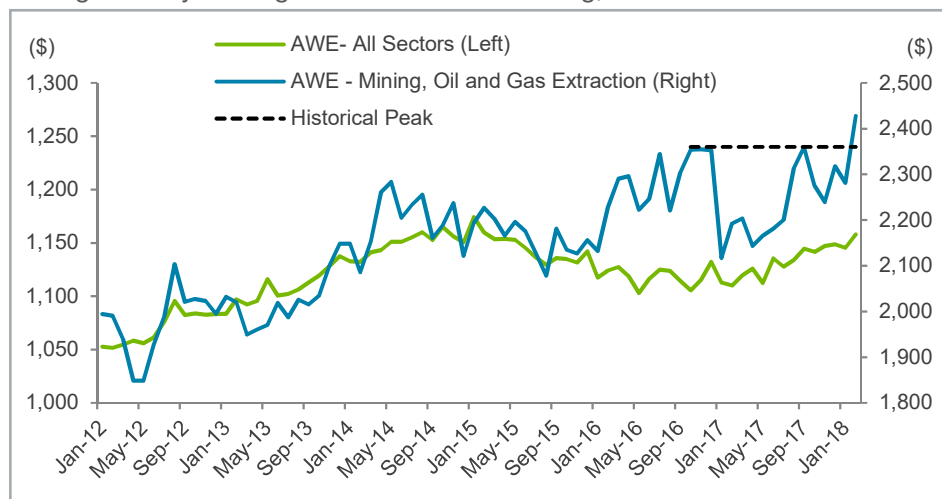
Job Vacancies

Job openings edge higher

After sliding in the last two months of 2017, the number of job vacancies ticked up in Alberta. There were 34,800 unfilled employment positions in the three-month period ending in January, up 1,100 from the previous month. While the number of unfilled job openings has pulled back from the recent peak in August 2017, it remains significantly higher than a year ago. With more job openings, the number of unemployed Albertans for every job vacancy ticked down to 4.8, matching its two-year low.

Chart 1: AWE in mining, oil and gas extraction industry surge

Average Weekly Earnings in All Sectors and Mining, Oil and Gas Extraction Sector



Source: Statistics Canada

Wholesale Trade

Sales ease

Sales in the wholesale trade sector inched lower for the second consecutive month after hitting a 32-month high in December. The value of wholesale trade in Alberta decreased 0.6% m/m to \$6.8 billion in February, as four out of the seven categories posted declines. Sales from building materials and supply wholesalers fell for a second month (-3.2%), along with machinery and equipment, and food and beverage products. These declines were partly countered by sales of farm products (+33%), which jumped to the second highest level on record, motor vehicles and household goods. Although wholesale trade eased in February, sales were up 6.3% year-over-year (y/y), reflecting broad-based gains.

Metres Drilled

Activity runs at a brisk pace

Alberta drilling activity continued to gain traction this winter drilling season. There was a total of 1.6 million metres drilled for oil and gas in February, up 13% y/y as crude oil drilling remained strong for this time of year. Metres drilled for conventional oil (+35%) continued to rise at a strong pace, remaining above the 2010-14 average. Metres drilled for bitumen (+73%) rose to a 39-month high. These gains were partially offset by a decline in metres drilled for natural gas (-20%). Meanwhile, the number of successfully drilled wells was up 8.3% to 508, largely due to the increased oil activity.

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Please see the [Alberta Economy- Indicators at a Glance](#) for a snapshot of Alberta indicators.