

Demographic Spotlight

A profile of inter-jurisdictional employees (IJE) in Alberta – 2020 update

A profile of inter-jurisdictional employees (IJE) in Alberta– 2020

In 2012, the Government of Alberta commissioned Statistics Canada to obtain a count of inter-jurisdictional employee¹. IJEs are persons who received T4 employment earnings from Alberta but reported a different province or territory of residence on their T1 tax return. The main purpose for this initiative was these individuals were not included for planning and development purposes, thereby creating a gap between existing infrastructure and the population using that infrastructure. Since then, Statistics Canada has updated IJE numbers annually. This report represents the latest update in the serie², including the impact of the COVID-19 pandemic.

Incoming IJEs by province and territory of residence

From 2002 to 2020, IJEs were an important source of labour supply, contributing to 3.4% of Alberta's labour force in 2020 and supporting Alberta's growing economy. IJEs working in Alberta come from across the country, with the largest proportion in 2020 coming from British Columbia, Saskatchewan, Ontario, and the Atlantic provinces (Figure 1). The number of IJEs employed in Alberta peaked in 2014 and has since continued to decline. Aside for Saskatchewan, the number of IJEs coming from regions of Canada have decreased consistently over time. Excluding 2020, the number of IJEs coming from Saskatchewan has increased consistently since 2017. In contrast, the share of IJEs from Atlantic Canada has decreased since 2014, and in 2020, the number of IJEs coming from Atlantic Canada was at its lowest rate since 2004.

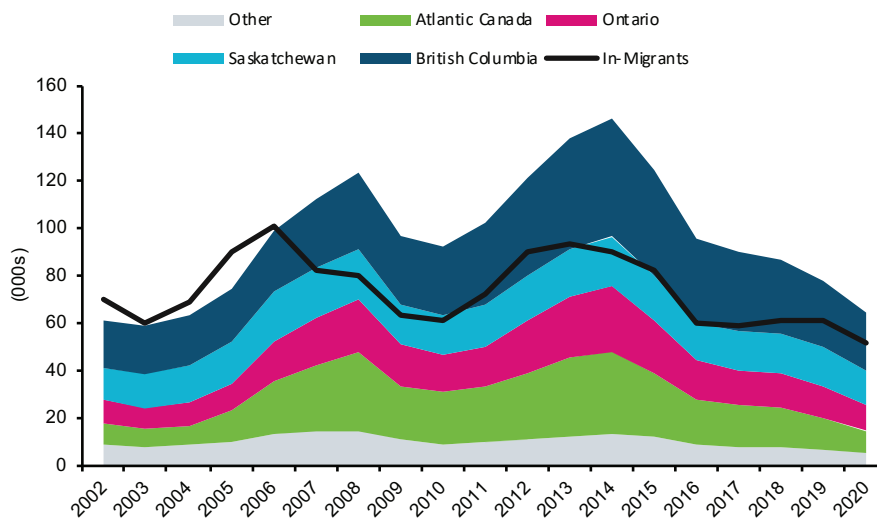


FIGURE 1:

Inter-jurisdictional employees, by province or region of residence and total inter-provincial in-migrants, 2002 to 2020

Source: Statistics Canada, Alberta Treasury Board and Finance

¹ The term Interprovincial Employees was changed to Inter-jurisdictional Employees for the 2013 update.

² All data are sourced from Statistics Canada's Canadian Employer-Employee Dynamics Database.



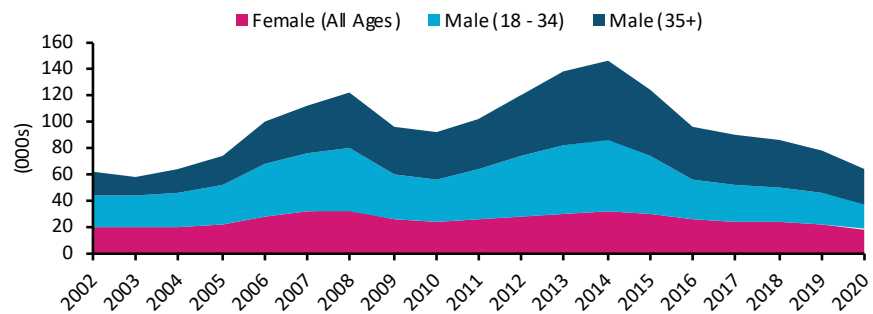
Age and sex distribution of IJEs

The age and sex distribution of IJEs working in Alberta has changed since 2002 (Figure 2). The share of male IJEs, aged 35 years and older, increased from 27.8% in 2002 to 42.4% in 2020, while the share of younger male IJEs, between the ages of 18 and 34, has decreased from 40.7% to 28.2% over the same period. According to Statistics Canada, this trend is not explained by IJEs getting older, as it was found that only a minority of IJEs continue working in Alberta for more than a few years. The share of female IJEs has decreased from 31.5% to 29.4% over the same timespan. The decline of IJEs from 2014 to 2020 was largely caused by a significant drop in male IJEs, as the corresponding number of female IJEs has remained relatively stable over the years. In 2002, male IJEs outnumbered their female counterparts by a ratio of approximately 2 to 1. This ratio has remained at approximately 3 to 1 since 2008, though it has decreased in recent years.

FIGURE 2:

Inter-jurisdictional employees by age and sex, 2002 to 2020

Source: Statistics Canada, Alberta Treasury Board and Finance



IJEs by industry

In 2002, nearly a quarter (27.2%) of IJEs were employed in the construction and energy (mining, quarrying, and oil and gas extraction) industries; in 2020, over a third (34.0%) of IJEs in Alberta were employed in these industries (Figure 3). The construction industry contributes a significant proportion of incoming IJEs in Alberta, though its share has declined since 2014.

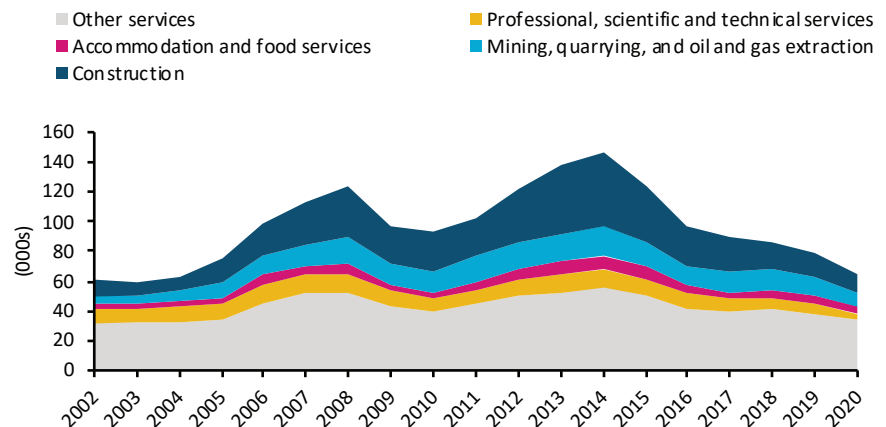
Incoming IJEs typically find employment in industries distinct from Alberta residents. In 2020, this difference was most apparent in the construction industry, where approximately 19.1% of incoming IJEs were employed relative to 10.2% of residents (Figure 4). Another relevant example of an IJE-dominated industry is the mining, quarrying, and oil and gas industry, in which 14.9% of IJEs find employment, compared to 5.9% of residents (Figure 4). In contrast, the education, health care and social assistance industries employed relatively more Alberta residents (20.0%) compared to IJEs (7.4%) (Figure 4).

FIGURE 3:

Inter-jurisdictional employees by industry, 2002 to 2020³

³ Other industries include agriculture, forestry, fishing and hunting, utilities, manufacturing, wholesale and retail trade, transportation and warehousing, finance and insurance, management of companies and enterprises, administrative and support, waste management and remediation services, educational services, health care and social assistance, arts, entertainment and recreation, public administration, other services, and unknown industries.

Source: Statistics Canada, Alberta Treasury Board and Finance



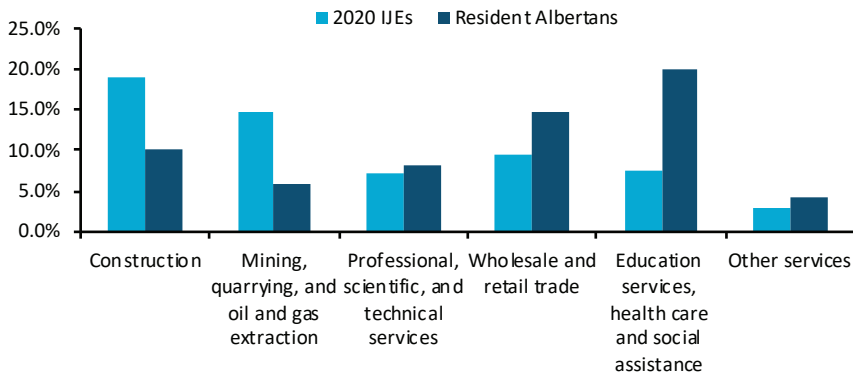


FIGURE 4:

Proportion of inter-jurisdictional employees and Alberta resident employees, by industry, 2020⁴

⁴ Other services denote administrative support, waste management and remediation services, and entertainment and recreation services.

Source: Statistics Canada, Alberta Treasury Board and Finance

IJEs working in Alberta by total earnings

The total amount of labour income earned by IJEs has increased, moving positively with the total number of incoming IJEs in Alberta. Earnings have grown from \$1.2 billion dollars in 2002, peaking at \$7.5 billion dollars in 2014, and falling consistently to \$3.6 billion dollars by 2019 (2016 constant dollars) (Figure 5).

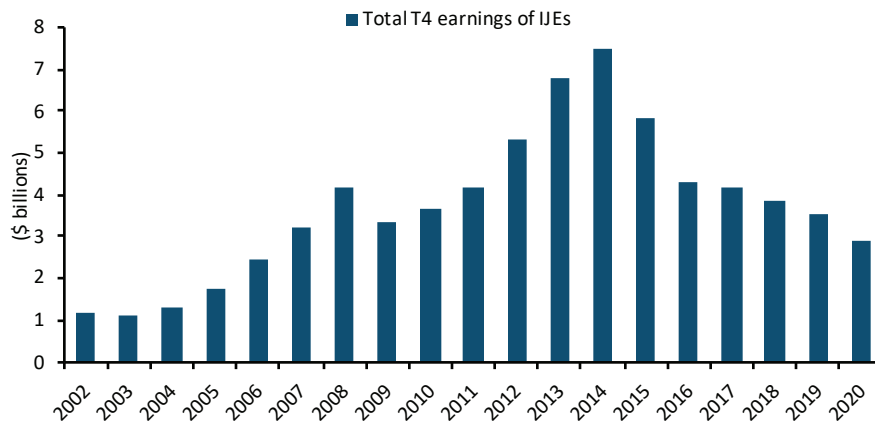


FIGURE 5:

Total T4 earnings of inter-jurisdictional employees working in Alberta, 2002 to 2020

Source: Statistics Canada, Alberta Treasury Board and Finance

Average earnings of IJEs working in Alberta, by sex

Male IJEs working in Alberta accounted for about 83% of the total earnings in 2002. This proportion has increased over time and by 2020, male IJEs accounted for 84% of all inter-jurisdictional earnings in Alberta. The average earnings of male IJEs grew from \$23 thousand in 2002 to \$53 thousand in 2020, while for female IJEs it grew from \$11 thousand to \$25 thousand over the same period. On average, male IJEs are earning over twice as much as their female counterparts working in Alberta. In 2020, the average earnings for male IJEs were highest in the wholesale trade industry (\$85,150), followed by the mining, quarrying, and oil and gas extraction industry (\$80,579), the management of companies and enterprises industry (\$66,107), and the construction industry (\$49,119) as shown in Figure 6. Female IJEs saw their highest average earnings in the mining, quarrying, and oil and gas extraction industry (\$57,697), followed by the management of companies and enterprises industry (\$48,350), the wholesale trade industry (\$42,402), and the finance and insurance industry (\$42,389) (Figure 6).

In 2020, male IJEs inbound from British Columbia had the highest average earnings (\$60,920), followed by Saskatchewan (\$50,678), Nova Scotia (\$50,473), New Brunswick (\$48,495), and Newfoundland and Labrador (\$47,236) (Figure 7). Male IJEs had nearly double the average earnings of female IJEs for all provinces and territories.

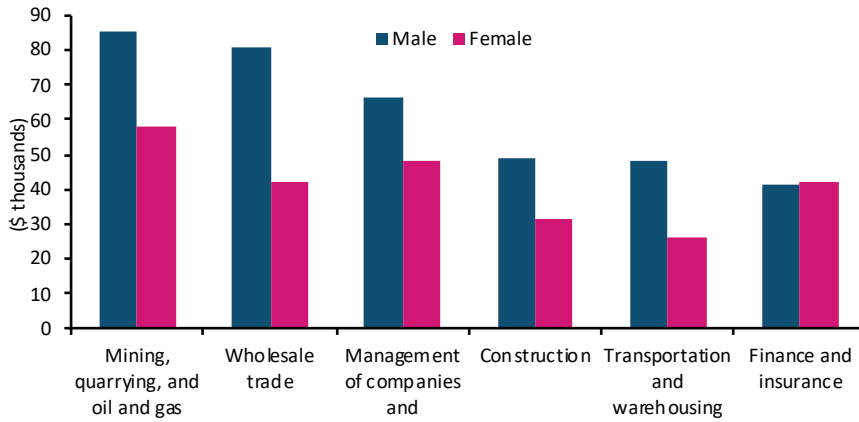


FIGURE 6:

Average earnings of inter-jurisdictional employees, by sex and industry of employment, 2020

Source: Statistics Canada, Alberta Treasury Board and Finance

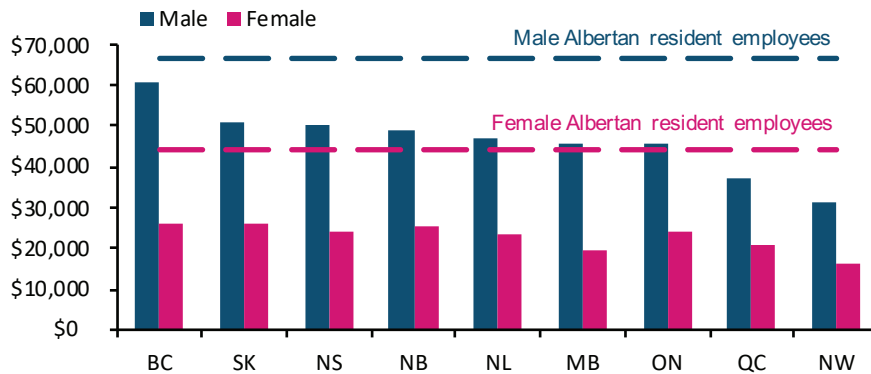


FIGURE 7:

Average earnings of inter-jurisdictional employees, by province and territory of residence (unadjusted), 2020⁵

⁵ Average income data (by sex) data were not available for Prince Edward Island (PE), the Yukon (YT), and Nunavut (NU) in 2020, due to data suppression.

Source: Statistics Canada, Alberta Treasury Board and Finance

Income earned by IJEs, by province or territory of residence

IJEs originating from British Columbia account for the largest share of labour income generated by IJEs in 2020 (42.5%), followed by Saskatchewan (21.2%). Over the span of 2002 to 2020, IJEs in Alberta have earned approximately \$72.8 billion dollars in labour income (adjusted and in 2016 constant dollars) (Figures 8 and 9).

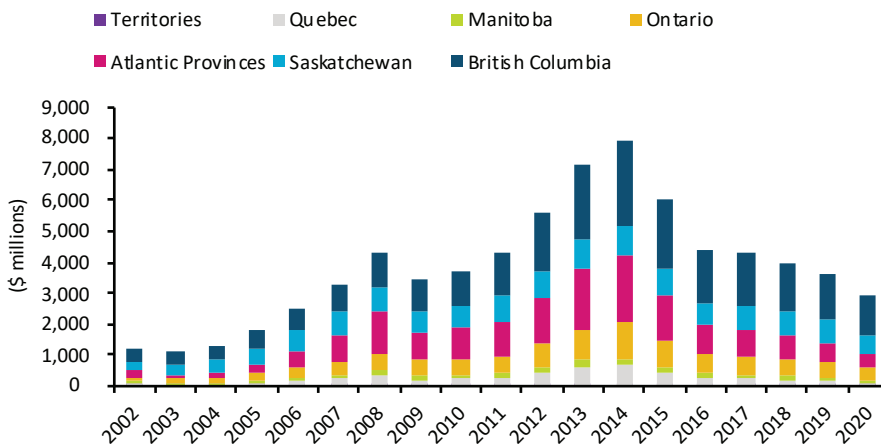


FIGURE 8:

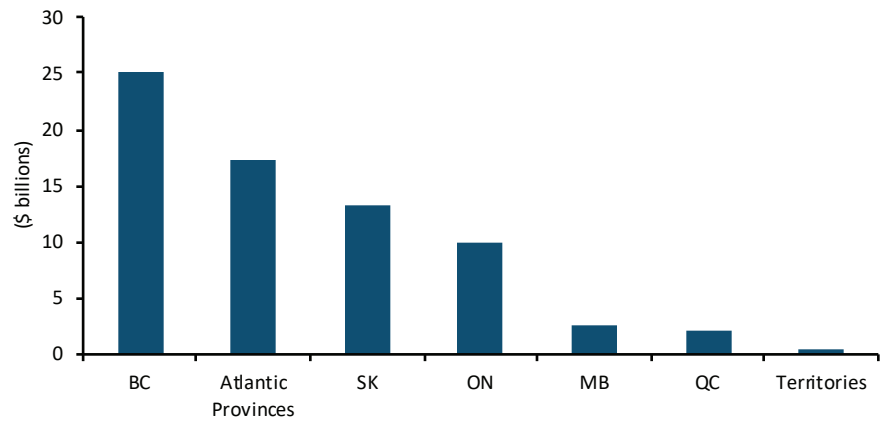
Inter-jurisdictional employees share of labour income by home region (unadjusted), 2002 to 2020

Source: Statistics Canada, Alberta Treasury Board and Finance

FIGURE 9:

Sum of total real income earned by inter-jurisdictional employees in Alberta by home region (adjusted in 2016 constant dollars), 2002 to 2020

Source: Statistics Canada, Alberta Treasury Board and Finance

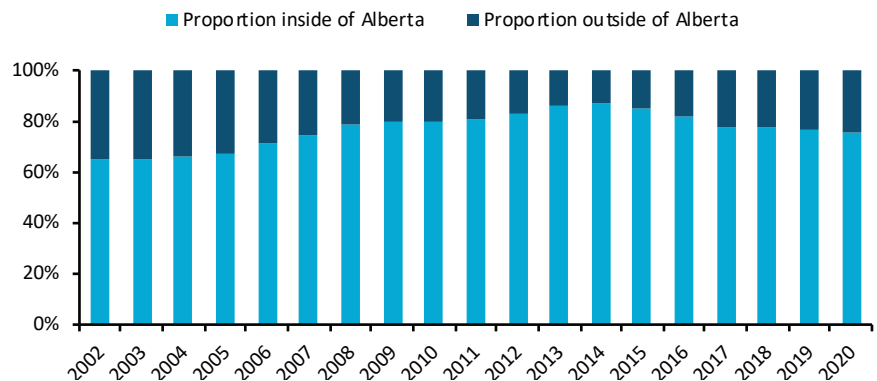


In 2002, incoming IJEs to Alberta earned approximately 61% of their income in Alberta and 39% in another province. As of 2020, that proportion has increased considerably, where 75% of their income was earned in Alberta and 25% was earned in another province (Figure 10). As a proportion of all personal income earned in Alberta, IJEs income accounted for approximately 1.7% of T4 taxable income in 2002. In 2020, this number has increased to 2.6% of all T4 income taxed in Alberta – this proportion has decreased since 2019 (3.0%).

FIGURE 10:

Proportion of T4 earnings of inter-jurisdictional employees incoming to Alberta both within and outside Alberta, 2002 to 2020

Source: Statistics Canada, Alberta Treasury Board and Finance



IJEs over the COVID-19 pandemic

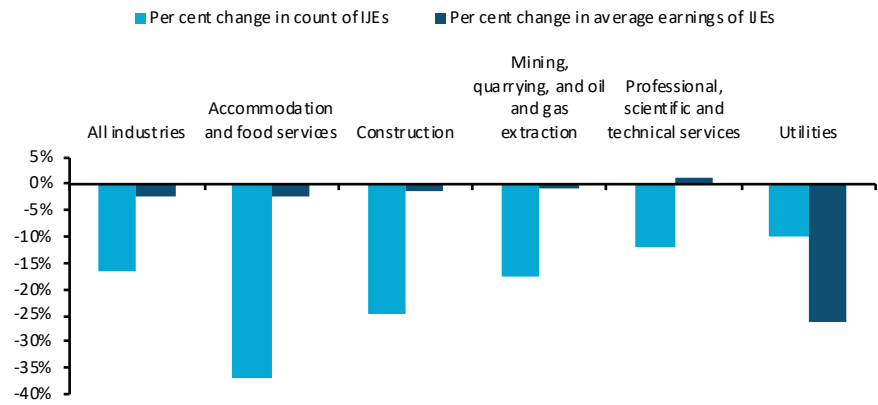
In 2020, all industries (at the aggregate level) saw a 17% decrease in the number of incoming IJEs, with the greatest decline in the number of incoming IJEs happening in the accommodation and food services (-37%), followed by the construction industry (-25%), and the mining, quarrying, and oil and gas industry (-18%), as shown in Figure 11. The only two sectors that experienced an increase in the number of IJEs in 2020 were health care and social assistance (+4%) and finance and insurance (+1%).

The average earnings of IJEs decreased by 2% in 2020 for all industries, although the Average earnings in industries where IJEs typically find employment remained stable between 2019 and 2020. The only exception was the utilities industry, in which average earnings declined by 26% in 2020. The average earnings in 2020 declined by 3% in the accommodation and food services, by 1% in both construction and mining, quarrying, and oil and gas extraction and increased by 5% in retail trade and by 1% in the professional, scientific, and technical services.

FIGURE 10:

Per cent change in average count and average earnings of IJEs in the 2019-20 period⁶

⁶ Other industries includes agriculture, forestry, fishing and hunting, manufacturing, wholesale and retail trade, transportation and warehousing, information and cultural industries, finance and insurance, real estate, rental and leasing, management of companies and enterprises, administrative and support, educational services, health care and social assistance, arts, entertainment and recreation, public administration, unknown industries, and other services.



Source: Statistics Canada, Alberta Treasury Board and Finance

MAP 1:

Flow of inter-jurisdictional employees and earnings brought back to home region (unadjusted)

Source: Statistics Canada, Alberta Treasury Board and Finance

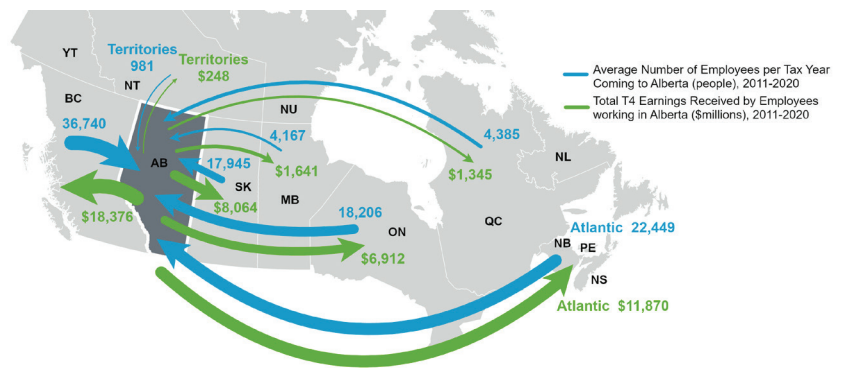


TABLE 1:

Count of inter-jurisdictional employees incoming to Alberta from other provinces/territories by province/territory of residence, 2002 to 2020

	NL	PE	NS	NB	QC	ON	MB	SK	BC	YT	NT	NU	Total
2002	3,590	450	2,850	2,090	4,120	9,210	3,770	13,570	20,400	400	840	70	61,360
2003	3,280	530	2,300	1,380	3,520	8,640	3,270	14,450	20,320	430	740	90	58,950
2004	3,650	590	2,690	1,550	3,430	9,250	3,830	16,020	21,370	410	780	100	63,670
2005	5,620	920	4,300	3,110	4,060	10,270	4,470	17,950	22,950	490	800	130	75,070
2006	9,640	1,670	6,690	4,710	5,980	16,080	5,750	20,940	26,480	530	840	160	99,470
2007	12,290	1,960	7,590	5,910	7,750	19,960	5,820	21,000	29,020	540	860	140	112,840
2008	14,490	2,180	8,900	6,870	8,070	22,470	5,670	21,060	32,000	490	730	150	123,080
2009	10,700	1,500	6,340	4,590	5,180	17,180	4,410	17,480	28,150	390	620	100	96,640
2010	10,260	1,360	5,830	4,360	4,080	15,510	3,980	17,190	28,980	340	500	80	92,470
2011	9,830	1,780	6,770	4,980	4,170	16,710	4,440	18,750	34,140	370	620	70	102,630
2012	10,440	2,250	8,920	7,210	4,760	21,230	4,860	19,600	40,880	390	640	80	121,260
2013	10,730	2,480	10,790	9,560	5,800	25,150	5,430	20,400	46,230	400	680	100	137,750
2014	11,110	2,520	11,300	9,980	6,740	27,570	5,410	20,560	49,990	440	710	80	146,410
2015	8,410	1,960	9,060	7,820	6,190	22,510	4,560	18,300	44,470	410	640	80	124,410
2016	6,200	1,290	6,270	5,080	4,610	16,590	3,550	16,160	35,500	310	530	60	96,150
2017	6,570	1,110	5,460	4,290	3,590	14,830	3,600	16,800	32,890	310	480	70	90,000
2018	6,960	1,090	5,210	3,840	3,160	13,780	3,670	17,370	30,770	320	530	110	86,810
2019	5,470	880	4,290	3,060	2,780	12,890	3,340	16,880	28,160	260	430	100	78,540
2020	3,690	670	3,100	2,060	2,050	10,800	2,810	14,630	24,370	210	330	50	64,770

TABLE 2:

T4 earnings of inter-jurisdictional employees incoming to Alberta from other provinces/territories by province/territory of residence, 2002 to 2020 (\$ millions) (unadjusted)

	NL	PE	NS	NB	QC	ON	MB	SK	BC	YT	NT	NU	Total
2002	69.8	6.8	56.6	48.9	50.8	164.2	68.7	299.4	409.7	5.2	12.2	1.3	1,193.6
2003	56.7	7.0	37.5	20.6	37.2	139.2	57.4	336.1	396.9	6.7	9.7	1.2	1,106.0
2004	66.9	8.1	48.3	27.0	35.0	155.0	71.2	402.4	451.8	6.2	10.9	1.3	1,284.0
2005	127.5	16.3	100.7	79.0	52.4	199.7	99.7	496.5	552.5	8.2	12.2	2.2	1,746.7
2006	266.1	34.4	154.5	119.5	78.9	303.0	135.1	635.9	693.0	10.2	14.1	2.7	2,447.4
2007	410.5	51.1	223.1	190.6	139.6	432.8	153.5	711.5	852.5	11.8	15.5	2.2	3,194.8
2008	641.7	72.4	329.8	285.0	175.0	589.0	176.8	802.8	1,086.0	12.3	14.6	2.8	4,188.3
2009	431.7	47.4	221.6	177.9	136.6	482.7	142.8	682.4	1,021.3	9.0	12.0	1.9	3,367.2
2010	499.2	51.4	261.0	208.7	106.4	496.0	135.1	708.7	1,147.7	8.8	12.4	2.1	3,637.4
2011	512.6	68.7	297.1	245.3	110.8	549.6	162.2	814.8	1,405.7	8.8	13.9	1.4	4,191.1
2012	589.4	100.6	439.1	375.3	128.9	755.9	189.2	891.1	1,846.1	11.6	14.8	2.0	5,344.1
2013	653.7	122.2	610.1	558.4	186.8	1,028.2	235.0	985.0	2,365.1	12.1	16.7	1.5	6,774.9
2014	707.1	132.1	664.4	621.3	242.5	1,167.3	244.0	1,014.4	2,689.8	14.5	18.1	1.5	7,517.1
2015	471.7	91.5	465.7	418.9	185.6	854.6	173.3	830.3	2,309.3	13.1	15.8	1.5	5,831.4
2016	327.3	60.2	299.9	256.5	147.1	617.4	126.1	681.3	1,775.8	7.8	12.0	1.2	4,312.5
2017	333.7	57.7	271.6	226.5	109.7	565.7	137.2	744.4	1,715.8	8.4	12.0	1.5	4,184.1
2018	331.7	50.5	236.7	180.0	89.1	495.4	139.7	748.5	1,570.8	10.0	11.2	2.0	3,865.6
2019	267.9	42.6	204.8	150.0	79.6	466.5	125.2	737.0	1,458.5	7.9	9.1	1.8	3,550.9
2020	162.5	29.1	141.6	94.0	65.0	411.4	109.0	617.5	1,239.5	6.0	8.2	1.1	2,884.9

Notes:

Inter-jurisdictional employees are individuals who resided in one province or territory during the year as indicated on their T1 tax return but received T4 earnings from a different province or territory during the year as indicated on a T4 Statement of Remuneration.

Only employees aged 18 or older who earned more than \$1,000 (in 2016 constant dollars) are included.

Inter-jurisdictional employees incoming (to Alberta) are individuals who received T4 earnings from Alberta but reported a different province or territory of residence on their T1 tax returns.