

# Weekly Economic Review

## Employment rebounds in December

### Employment

#### Solid finish for employment

Alberta's labour market got a welcomed boost in December, partially reversing the job losses in the prior month. Employment increased by 6,900 month-over-month (m/m), reflecting gains in full-time positions (+18,500 m/m) which outweighed losses in part-time jobs (-11,600 m/m). While full-time employment rose at a solid pace, the increase mainly occurred in self-employment (+11,900 m/m) and the public sector (+7,300 m/m) whereas private sector positions fell (-12,300 m/m). Meanwhile, the labour force participation rate retreated back to its September 2016 level of 72.7%. This, combined with the solid gains in employment, brought down the unemployment rate by half a percentage point to 8.5% in December. (Chart 1)

### Merchandise Trade

#### Energy exports continue to rally

Alberta exports rose for the second consecutive month as improving oil prices boosted energy exports. Exports rose 9.4% m/m to \$7.6 billion in November. On a year-over-year (y/y) basis, exports grew for the second consecutive month (13% y/y) fueled by a surge in energy exports (24% y/y). Meanwhile, non-energy exports remain subdued, down 5.0% y/y. They were dragged down by industrial machinery, equipment, and parts (-37% y/y), metal and non-metallic mineral products (-8.4% y/y) and forestry products (-8.1% y/y).

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### Average Weekly Earnings

#### Earnings continue to fall

Average weekly earnings (AWE) dipped to the lowest level since the Wood Buffalo wildfires. AWE fell 0.9% m/m to \$1,106 in October, largely reflecting lower earnings in the service sector (-1.0% m/m), most notably in administrative and support and waste management (-7.1% m/m), transportation and warehousing (-4.7% m/m), and finance and insurance (-1.6% m/m). Meanwhile, AWE in the goods producing sector was largely unchanged, propped up by higher earnings in utilities (+1.7% m/m), mining, quarrying and oil and gas (+1.1% m/m) and manufacturing (+0.6% m/m). While earnings in the province were down 2.6% compared to last year, they remained the highest in the country.

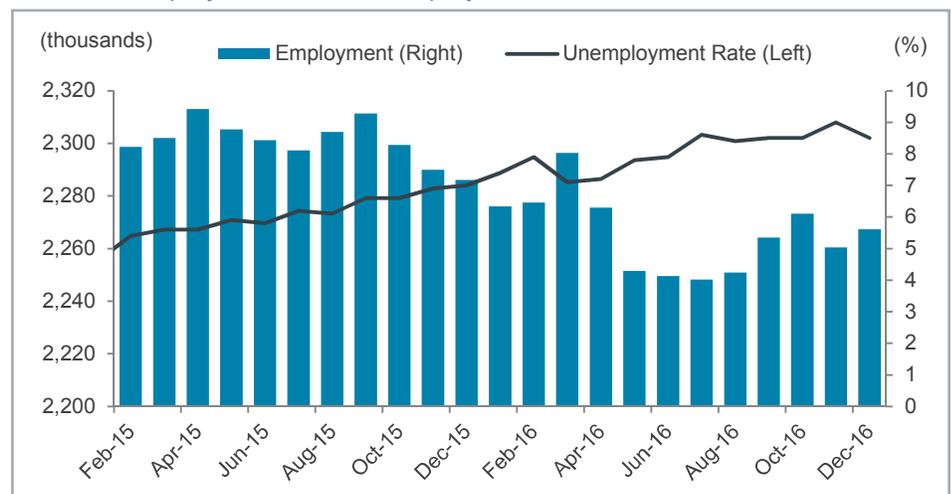
### Retail Sales

#### Consumer spending improves but remains lacklustre

Retail sales in Alberta inched up for the third straight month in October but remained weak. Retail sales rose 0.8% m/m to \$6.2 billion but were down 0.7% compared to last October. On a year-over-year basis, several major categories posted declines, including motor vehicle and parts (-8.1%) and gasoline stations (-9.4%) as well as other durable items such as furniture and home furnishings (-9.9%) and building materials and garden supplies (-10.3%). Conversely, sales rose in health and personal care stores (+11.9% y/y), miscellaneous retailers (+10.4% y/y), general merchandise (+5.4% y/y) and sporting goods, hobby and book stores (+4.1% y/y). Year-to-date, retail sales were down 1.9%.

Chart 1: Employment rises in December, jobless rate retreats

Alberta unemployment rate and employment level



Source: Statistics Canada

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