

# Labour Market Notes

## Employment holds steady

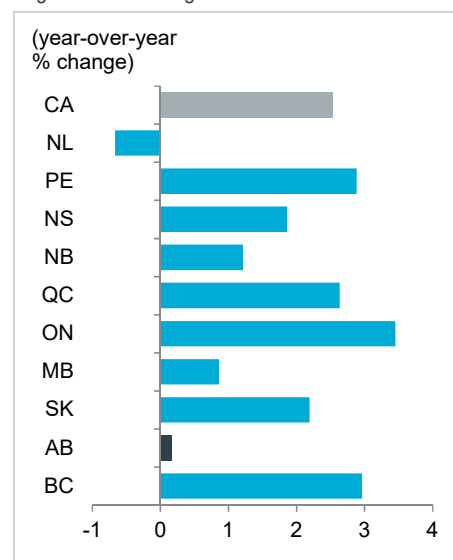
### Alberta

- **Employment held steady in August.** Employment in Alberta was stable in August, increasing by less than 1,000.
- **Gains in full-time and service sector.** Gains in full-time positions (+1,200) and the service sector (+6,700) were nearly offset by declines in part-time positions (-600) and the goods sector (-6,000).
- **Service sector a source of strength.** Employment in service industries has increased in five of the last six months and added 6,700 jobs in August. The monthly gain was led by accommodation and food services (+3,700), and recoveries in information and culture (+4,700) and professional, scientific and technical services (+1,800).
- **Weakness in natural resources.** Goods sector employment continues to pull back, falling by 6,000 in August after losing 2,900 jobs in July. The weakness continues to be driven by the forestry, fishing, mining, quarrying, oil and gas sector, which has shed over 15,000 jobs in the past four months. Meanwhile, there was little change in employment in the construction, manufacturing, utilities and agriculture.
- **Employment growth continues to slow.** Compared to a year ago, employment was nearly unchanged, up 4,100 or 0.2%. Growth continues to slow as weakness in the goods sector (-12,500 y/y) has mitigated much of the gains in the service sector (+16,700 y/y).
- **Self-employment levels off.** After many months of decline, self-employment increased for the second month in a row (+3,100). Despite recent gains, self-employment is significantly lower than a year ago (-43,500 y/y).
- **Labour force continues to expand.** There were 5,600 Albertans who joined the labour force in August. Since December 2018, Alberta's labour force has increased by more than 25,000 driven by Alberta's growing population, as the labour participation rate has fluctuated around 71.5%.
- **Unemployment rate moves higher.** With modest job gains and a growing labour force, the unemployment rate increased 0.2 percentage points to 7.2%, a six-month high.
- **Earnings fall back.** Average weekly earnings (AWE) fell \$13.58 in June to \$1,169.85. Compared to a year ago, earnings were up 1.9%.

### Canada

- **Employment jumps.** After stalling for two months, Canada added 81,100 jobs in August, led by a large gain in Ontario (+57,800) and significant gains in Quebec (+19,700) and Manitoba (+5,200). Over the last 12 months, Canada has added 471,300 jobs, the largest annual increase since March 2003. More than half of the gains were in Ontario.
- **Unemployment rate holds steady.** Nationally, the unemployment rate was unchanged at 5.7%.
- **Canadian earnings dip.** Canadian AWE decreased by \$5.04 to \$1,026 in June, with year-over-year growth of 2.5%.

### Employment Growth by Province August 2019 vs. August 2018



Source: Statistics Canada

### Alberta Labour Market Indicators

Indicator	Latest*
Employment	2,344,300
month-over-month change	600.0
year-over-year % change	0.2%
Alberta Unemployment Rate (UR)	7.2%
Edmonton UR**	7.4%
Calgary UR**	7.3%
Participation Rate	71.5%
Average Weekly Earnings (AWE)	\$1,169.85
year-over-year % change	1.9%
Average Hourly Wage	\$31.25
year-over-year % change	3.0%
Job Vacancy Rate***	2.2%

Source: Statistics Canada

\* All data is from the August 2019 Labour Force Survey, except AWE which is the June 2019 Survey of Employment, Payrolls and Hours, and the Job Vacancy Rate is for May 2019.

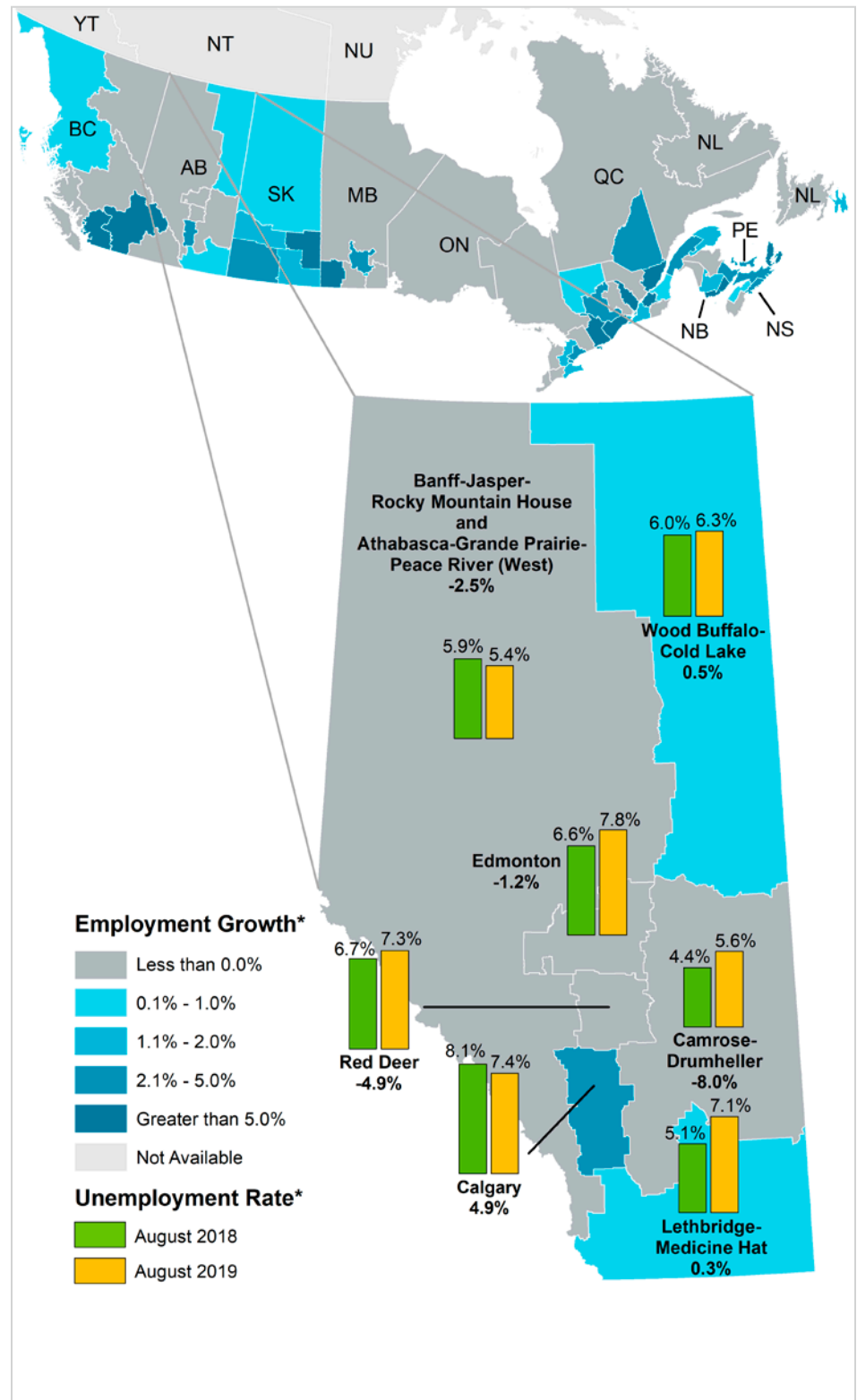
\*\* This indicator is calculated as a three-month moving average and is seasonally adjusted.

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

# Regional labour market indicators

	2017	2018	2019 YTD
<b>Alberta</b>			
Population	0.9	1.2	1.5
Labour Force	0.7	0.5	1.0
Employment	1.0	1.9	0.8
Unemployment Rate	7.8	6.6	6.9
<b>Calgary</b>			
Population	1.4	1.8	2.2
Labour Force	1.8	0.0	2.0
Employment	2.7	0.9	2.5
Unemployment Rate	8.4	7.6	7.1
<b>Edmonton</b>			
Population	1.3	1.8	2.0
Labour Force	0.9	0.7	3.0
Employment	0.1	2.6	2.6
Unemployment Rate	8.1	6.4	7.1
<b>West</b>			
Population	-0.5	-0.4	-0.5
Labour Force	0.1	2.9	-1.7
Employment	0.5	3.9	-1.0
Unemployment Rate	6.4	5.6	5.2
<b>Lethbridge - Medicine Hat</b>			
Population	-0.2	0.4	0.8
Labour Force	-4.4	-0.6	-2.1
Employment	-3.3	0.0	-2.6
Unemployment Rate	5.7	5.1	6.2
<b>Red Deer</b>			
Population	0.5	0.6	0.8
Labour Force	-0.1	3.1	-2.5
Employment	1.7	4.8	-3.4
Unemployment Rate	6.9	5.5	6.3
<b>Camrose - Drumheller</b>			
Population	-0.8	-0.6	-0.3
Labour Force	-0.6	-0.2	-9.8
Employment	-0.7	2.8	-13.2
Unemployment Rate	8.0	5.1	8.0
<b>Wood Buffalo - Cold Lake</b>			
Population	-0.8	-2.1	-2.3
Labour Force	0.0	-2.0	-0.5
Employment	1.8	-0.2	-0.3
Unemployment Rate	7.7	5.9	6.0

**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

## Employment growth moderated by a reversal in the goods sector

Employment growth has slowed this year as losses in the goods sector have partially offset gains in the service sector. This Labour InSight examines the divergence in employment growth by industry.

### Employment growth slowing

Employment growth has slowed in 2019 after strong gains in 2018. Alberta added 16,100 jobs through the first eight months of the year with year-to-date (YTD) growth of 0.7%. This is significantly slower than in 2018, when employment expanded by 1.9%. The slowdown resulted from a decline in the goods sector in 2019, following a substantial gain in 2018 (Chart 1).

### Resource and construction weigh on goods sector employment

The pullback in goods sector employment is due to a reversal in the natural resources industries and ongoing weakness in construction, which have both overwhelmed continued manufacturing strength. Employment in natural resource industries has trended lower since mid-2018 and is down by 5,300 YTD, after growing by more than 8,000 in 2018. While the construction sector has picked up in recent months, employment is down 7,300 YTD, reflecting weakness in both non-residential and residential investment. Meanwhile, the manufacturing industry continues to be a bright spot. It has been growing since January 2017 and has added 7,100 jobs thus far in 2019 after adding over 14,000 in the previous two years.

### Concentrated gains in services

The service sector continues to expand at a solid pace. After adding 20,800 jobs in 2018, services have added 23,000 YTD. The gains have been concentrated in health care and social assistance, public

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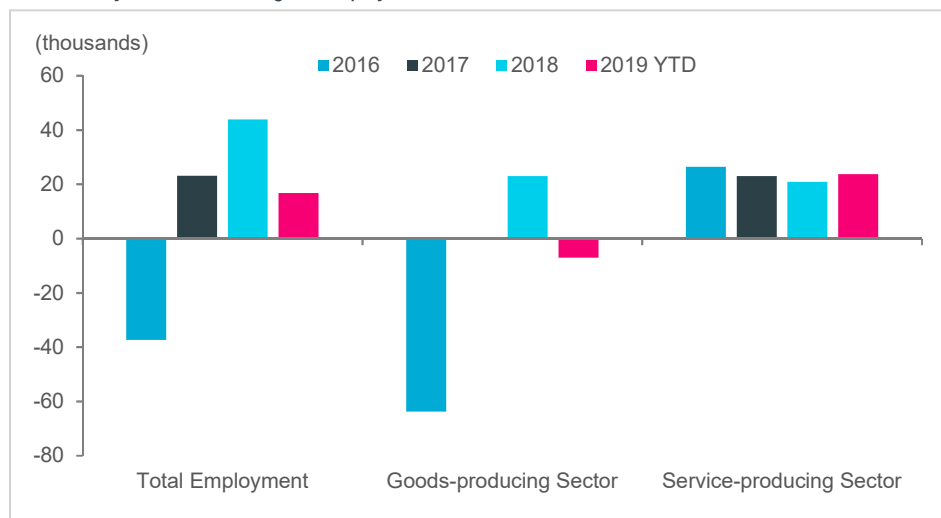
administration, and other services, which includes childcare, cleaning, cooking, and repairs and maintenance work. Although the gains in other services is a reversal of losses over the previous two years, the growth in health care and social assistance employment is a continuation of a trend with a growing and ageing population.

### Many resilient service industries

Employment in many other service industries remains resilient. Employment in wholesale and retail trade is up YTD, while both wholesale and retail sales are down (Chart 2). Similarly, employment in professional, scientific and technical services (such as lawyers, accountants, and engineers), has ticked up in 2019, as strength in some industries, such as petrochemicals and other types of manufacturing, has offset declining investment in oil and gas extraction.

**Chart 1: Employment growth slows as goods sector retreats**

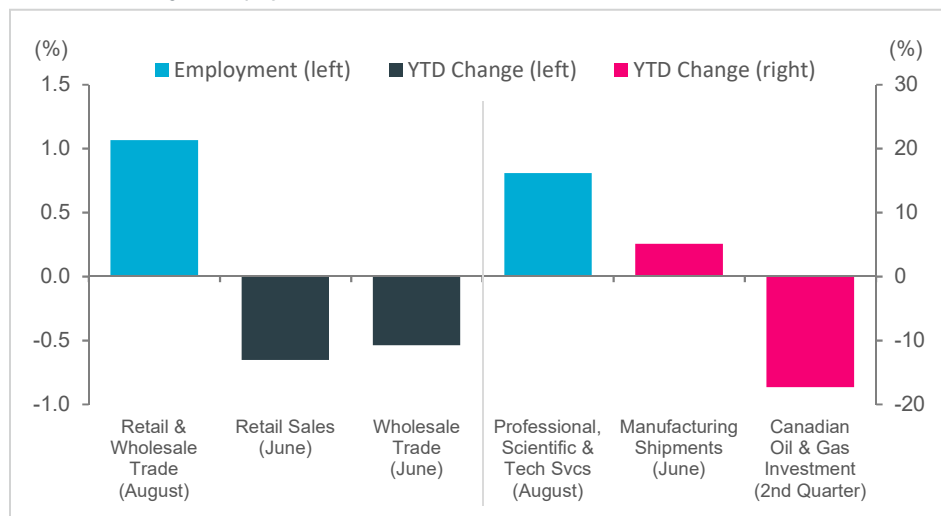
Annual and year-to-date change in employment



Source: Statistics Canada

**Chart 2: Employment resilient in trade and professional and scientific services**

Year-to-date change in employment and indicators



Source: Statistics Canada