

# Weekly Economic Review

## Earnings move higher

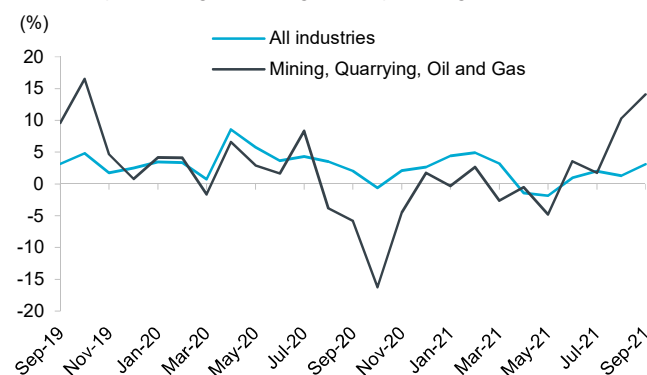
### Average Weekly Earnings

#### Strong recovery in mining, oil & gas extraction

Alberta's average weekly earnings (AWE) increased in September, erasing the previous month's retreat. AWE went up 1.2% month-over-month (m/m) to \$1,234 with increases in both goods (+1.0% m/m) and services-producing (+1.5% m/m) industries. The gain in goods sector earnings was isolated to the mining, quarrying, oil & gas extraction (+3.5% m/m), where earnings have surged 20% since October 2020 when it dipped to a six-year low. Meanwhile, earnings within the services sector remain mixed, as some industries continue to adjust to the pandemic. AWE were up in arts, entertainment & recreation (+5.0% m/m) and information & culture (+9.6% m/m) as these industries scaled back lower paid employment. Conversely, AWE fell in health care (-2.8% m/m) and accommodation & food (-2.7% m/m) as weekly hours declined in these sectors. Compared to a year ago, earnings were up 3.1%, led by the strength in the mining, quarrying, oil & gas extraction (Chart 1). Year-to-date (YTD) earnings were up 1.8%, with gains in nearly all industries.

**CHART 1: MINING, QUARRYING, OIL & GAS LIFTING GROWTH IN AWE**

Year-over-year change in average weekly earnings



Sources: Statistics Canada, Haver Analytics

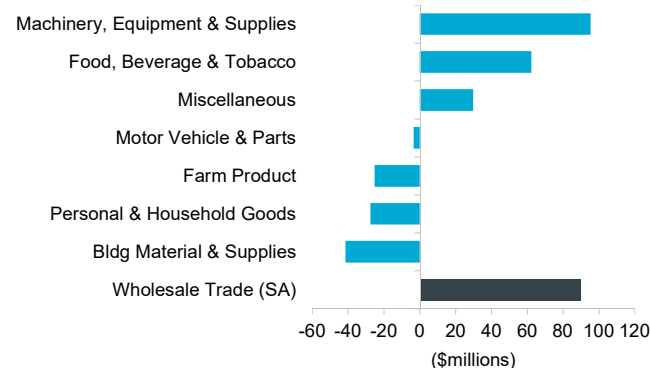
### Wholesale Trade

#### Sales move up on strength in key industries

Wholesale trade activity is moving higher in Alberta after easing early in the summer. Sales stood at \$7.4 billion in September, up 1.2% m/m as strong gains in key industries more than offset notable declines in other sectors (Chart 2). The monthly increase was led by gains in the large sectors of machinery, equipment & supplies (+4.5% m/m) and food, beverage & tobacco (+3.8% m/m). Improvements in these sectors overshadowed renewed declines in building material & supplies (-3.4% m/m), which fell to the lowest level since February, as well as personal & household goods (-8.7% m/m). Farm product wholesalers also saw a sharp contraction as sales reverted to the April 2021 low. Overall, wholesale trade in Alberta remained 13% higher YTD, with gains in all sectors.

**CHART 2: SALES MOVE UP ON STRENGTH IN KEY INDUSTRIES**

Monthly change in wholesale trade by category



Sources: Statistics Canada, Haver Analytics

### International Travel

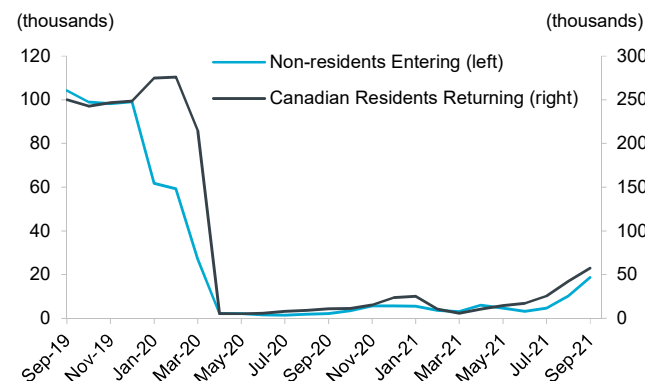
#### Recovery starts to take hold

International travel posted a substantial increase for the second month in a row with further easing of restrictions. On a seasonally adjusted basis, there were 18,734 non-residents who entered Alberta in September, up 8,540 from August. The increase builds on the gains made over the summer months when Canada loosened its travel restrictions. On August 9th, Canada began allowing fully vaccinated U.S. travellers to enter Canada, and this was expanded to

international travellers on September 7th. Meanwhile, the number of Canadian residents returning from international locations is also on the rise. There were 57,516 Canadians who returned to Alberta in September, more than double the amount just two months ago. Despite the large increases in August and September, the number of international travellers entering Alberta and Canadians returning to Alberta remains well below pre-pandemic levels (Chart 3).

### CHART 3: INTERNATIONAL TRAVEL PICKS UP WITH EASING RESTRICTIONS

Non-residents and returning Canadian travelers entering Alberta (seasonally adjusted)



Sources: Statistics Canada, Haver Analytics

## Alberta Activity Index

### Activity holds steady heading into fall

The Alberta Activity Index (AAX) levelled off in September after easing in previous months. The index rose 0.1% m/m, propped up by solid gains in labour market and energy sector activity. These were partly offset by lower general business and household activity, which continued to retreat from their recent peaks in April 2021. The AAX remained up 9.4% YTD, with broad-based recovery across most subcomponents.

## New Housing Price Index

### New home prices hold steady

Prices for new homes in Alberta have stabilized as rising prices in Calgary offset lower prices in Edmonton. The Alberta new housing price index (NHPI) was unchanged in October and relatively flat over the past three months. Rising prices in Calgary, with the ongoing increase in the house-only component, have been offset by a pullback in Edmonton's house-only component. Compared to a year ago, the provincial index was up 9.2%, with significant gains in the house-only component (+13% year-over-year or y/y) and muted growth in land prices (2.0% y/y).

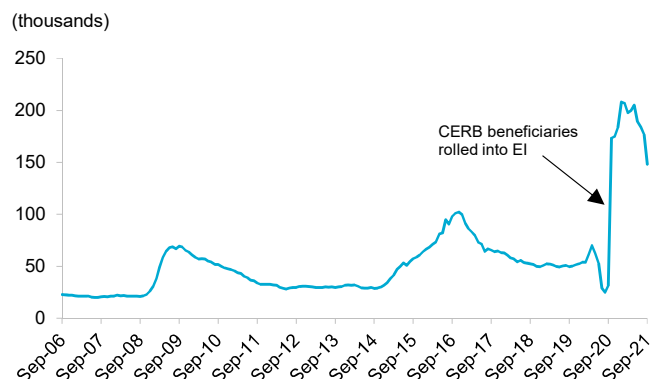
## Employment Insurance

### Beneficiaries decline

The number of Albertans receiving regular Employment Insurance (EI) dropped significantly in September but remained elevated. On a seasonally adjusted basis, 148,130 people received regular EI benefits. This was 28,720 fewer than in August and 60,000 fewer than the January 2021 peak. The decline partly reflects expiring benefits for some of the more than 200,000 Albertans who initially received CERB early in the pandemic and were rolled into EI benefits in October 2020. However, the number of Albertans receiving regular EI benefits remains substantially higher than previous peaks (Chart 4).

### CHART 4: NUMBER OF BENEFICIARIES STILL ELEVATED AFTER A DROP

Number of Albertans receiving regular employment insurance benefits



Sources: Statistics Canada, Haver Analytics

## Farm Cash Receipts

### Receipts up due to widespread gains

Alberta farm cash receipts improved with broad-based gains in the third quarter of 2021. Receipts totalled \$4.6 billion, up 15% compared to a year ago. The gains were led by livestock receipts (+17% y/y), supported by strong growth in prices over the past year. Crop receipts also increased (+5.6% y/y), as higher canola and record barley sales more than offset a decline in cannabis. There was a jump in direct payments (+56% y/y), mostly in crop insurance, reflecting the drought conditions throughout the growing season across much of the province. Overall, Alberta's farm cash receipts were up 16% YTD.

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For current snapshot of Alberta indicators [Alberta Economy - Indicators at a Glance](#)