

# Weekly economic review

## Labour market solid despite monthly dip

### Employment

#### Trade sector drags down employment

Alberta's labour market took a breather in March after setting a torrid pace over the past five months. Employment in the province fell by 3,200 from February, mainly due to an outsized loss in the trade sector. The large decline in wholesale & retail trade (-21,600 month-over-month, or m/m) pulled the services sector lower (-17,200 m/m) after advancing in the previous three months. Meanwhile, employment in the goods sector (+13,900 m/m) moved higher for the second consecutive month, with broad-based gains across the sector. The strength in the goods sector supported gains in full-time positions (+400 m/m), while the number of part-time positions (-3,500 m/m) and self-employment declined (-11,000 m/m). The monthly job losses overwhelmed a dip in the labour force, and the unemployment rate moved from 6.2% in February to 6.3% in March. Despite the pause, employment in the province was up 3.4% year-over-year (y/y), driven by private sector and full-time hiring.

### Alberta Activity Index

#### Activity declines but remains robust

The Alberta Activity Index (AAX) took a step back in January after a strong performance in 2023. The index declined 0.8% m/m as lower activity in the business, energy, and household sectors more than offset an uptick in the labour market. Business activity slipped as new truck sales gave back recent gains and manufacturing shipments and wholesale trade moderated. Activity in the energy sector also eased as oil production posted a seasonal slowdown after record production in previous months. The household sector gave up last month's gain as housing starts and retail sales retreated from their recent highs. Meanwhile, activity in the labour market continued to climb as employment and earnings advanced. The AAX was largely unchanged on a y/y basis.

### Supply & Disposition of Oil

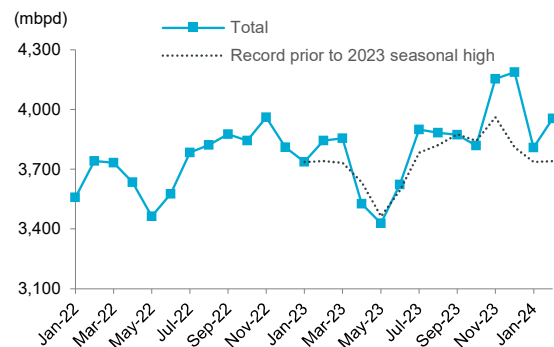
#### Oil production continues at seasonal records

Alberta's total oil output continues to set new seasonal records. In February, total oil production was up by 3.9% m/m to 3.95 million barrels per day (mbpd), higher than any other

February. The gain came as both conventional oil (+5.8% m/m) and non-conventional oil (+3.5% m/m) moved higher. Over the past four months, production has set a new monthly record. With the strong gains, oil production was up 2.9% y/y (Chart 1).

#### CHART 1: OIL CONTINUES TO MAKE NEW SEASONAL HIGHS

Alberta's total oil production



Source: Alberta Energy Regulator

### Merchandise Exports

#### Energy sector weighs on exports

The value of Alberta's goods exports fell in February as energy exports slumped. The total value of merchandise exports went down by 12% m/m to \$13.5 billion as energy product exports decreased by 18% m/m. The monthly decline in the value of energy exports came as volumes of heavy oil were impacted by an outage at the BP Whiting refinery. At the same time, warmer temperatures and robust US production weighed on demand and prices for natural gas. Outside of the energy sector, exports were up 7.4% as farm, fishing & food products bounced back (+34% m/m) and forestry products (+6.1% m/m) and industrial machinery (+3.4% m/m) gained ground. With the monthly decline, exports were down 2.1% from last February.

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