

Weekly economic review

Employment bounces back on widespread strength

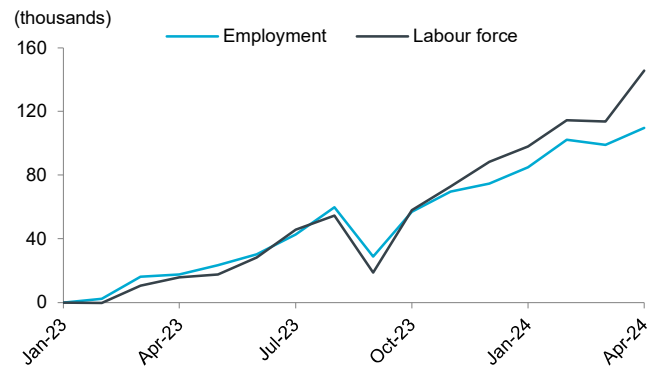
Employment

Unemployment rate rises despite job gains

Employment expanded at a solid pace but lagged behind the growth in labour force. The province added 10,600 jobs in April, with gains in 13 of the 16 industries. Employment in the goods sector (+5,800 month-over-month or m/m) increased for the third consecutive month, led by gains in forestry, fishing, mining, oil & gas. Meanwhile, services sector employment (+4,900 m/m) moved higher, propped by a rebound in professional, scientific, & technical services and a solid gain in other services. The strong monthly job growth, however, was outpaced by a surge in the labour force (Chart 1) and the unemployment rate jumped from 6.3% in March to 7.0% in April.

CHART 1: EMPLOYMENT GROWTH STRONG BUT OUTPACED BY LABOUR FORCE GROWTH

Change since January 2023



Sources: Statistics Canada, Haver Analytics

Consumer Insolvencies

Insolvencies decline

The number of Albertans filing for insolvency declined in March after rising over the last two years. A total of 1,513 consumer insolvencies were submitted, 67 fewer than in February. The drop was out of line with traditional seasonal patterns and the first decline in March since 2008. Insolvencies dropped as fewer consumer proposals (-88 m/m) were filed even though bankruptcies increased (+21 m/m). With the decrease, insolvencies were down 246 from last March, the first year-over-year (y/y) decline since March 2022.

Supply & Disposition of Oil

Strong momentum in oil production

Alberta's total oil output continued to move higher in March. Total oil production was up 2.1% m/m to just over four million barrels per day. Conventional oil production (+2.0% m/m) increased as gains in light & medium oil (+3.6% m/m) more than offset declines in heavy oil and condensate production. Likewise, non-conventional oil (+2.2% m/m) advanced this month as higher bitumen production (+3.6% m/m) offset lower volumes of synthetic. Oil production has been strong over the last six months, reaching a new seasonal record every month since October, and up 4.8% y/y.

Purchasing Managers Index (PMI)

Modest growth in global manufacturing

The global manufacturing sector continued to expand at a modest pace in April. The headline global PMI fell from 50.6 to 50.3. While it eased, the index remained above 50 for the third consecutive month indicating that global manufacturing activity continued to expand. The recent growth follows a prolonged period of weakness. The improvement comes as factory output has increased with rising demand and trade conditions improved for the first time in over two years. Regionally, manufacturing output expanded in China, US, and Brazil, but remained subdued in Europe.