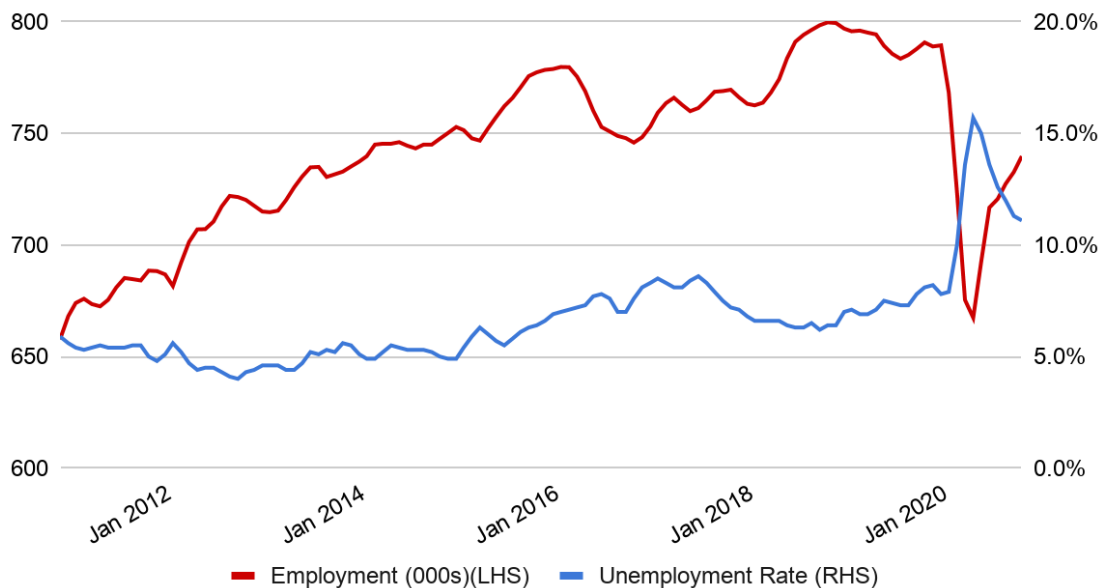


Edmonton employment continues to recover in December 2020

January 11, 2021

Seasonally adjusted employment in the Edmonton census metropolitan area (CMA) continued its recovery in December 2020, adding 7,100 workers to payrolls from the previous month. The region's labour force also expanded in December, though its rate of growth was slightly outpaced by employment growth, which brought the unemployment rate lower to 11.1 per cent in December from 11.3 per cent in November. Unadjusted employment remained lower on a year-over-year basis by almost 50,000 positions. Unadjusted data suggest employment gains were for both full- and part-time work.

Edmonton CMA Employment and Unemployment Rate



Source: Statistics Canada, seasonally adjusted

The seasonally adjusted unemployment rate in the **Calgary CMA** saw a marginal reduction to 10.4 per cent in December 2020 from 10.7 per cent in November as the region's labour force reduction more than counterbalanced a modest decline in employment.

Seasonally adjusted employment in **Alberta** was 11,900 positions lower in December 2020 compared to the previous month. The reduction was driven by a loss in part-time employment which more than offset a monthly gain of slightly more than 30,000 full-time positions. The province's unemployment rate ticked down to eleven per cent¹ in December from 11.1 per cent in November as labour force reductions exceeded the loss in employment. Month-over-month employment losses in December were most pronounced in the information, culture and recreation, construction, and accommodation and food services sectors in December.

Seasonally adjusted employment in **Canada** fell by almost 63,000 positions in December 2020 from November, the first decline in monthly employment since April 2020. The decline was solely due to part-time employment losses. Employment losses across sectors were noted in those that were the most impacted by public health measures – accommodation and food services; other services; and information, culture and recreation. The national unemployment rate was 8.6 per cent in December from 8.5 per cent in November.

2020 in review

On a year-over-year basis, the working age population in the Edmonton CMA grew by 2.1 per cent in 2020 but its labour force decreased by almost four per cent. The reduction was due to very challenging labour market conditions brought on by the COVID-19 pandemic, resulting in employment losses. In some cases, discouraged individuals who were without work left the labour force altogether.

Employment in the Edmonton CMA averaged 724,100 workers in 2020, down almost 68,000 from 2019. This loss exceeded the City of Edmonton's projected 2020 employment loss of almost 58,000 in its fall 2020 forecast update. Employment losses were more concentrated in full-time work as part-time employment was quicker in its recovery with monthly estimates exceeding or holding at previous year levels as of August 2020. Most sectors saw lower employment in 2020 compared to the previous year, with the most pronounced losses in the accommodation and food services sector. The other services and business, building and other support services sectors also experienced significant losses. However, the utilities, finance, insurance, real estate and leasing, and professional, scientific and technical services sectors saw employment gains in 2020. The region's unemployment rate averaged 11.8 per cent in 2020, 4.5 percentage points higher than in 2019, and was the highest unemployment rate across Canadian CMAs. An annual summary of Edmonton's labour force indicators can be found in the table below.

¹ For direct comparability to the CMA unemployment rates, the three-month moving average for Alberta's unemployment rate was 10.9 per cent in December 2020, down from 11.2 per cent in November.

Labour Force Survey Results—Edmonton CMA

	2019 (000)	2020 (000)	Year-over-year (000)	Year-over-year %
Population (15 years and older)	1,186.0	1,210.6	24.6	2.1
Labour force	854.5	821.0	-33.5	-3.9
Employment	791.8	724.1	-67.7	-8.6
Full-time employment	653.9	589.5	-64.4	-9.9
Part-time employment	137.9	134.6	-3.3	-2.4
Unemployment	62.7	96.9	34.2	54.6
Not in labour force	331.5	389.5	58.0	17.5
Unemployment rate (%)	7.3	11.8	4.5 pp.	...
Participation rate (%)	72.0	67.8	-4.2 pp.	...
Employment rate (%)	66.8	59.8	-7.0 pp.	...

Source: Statistics Canada, Table 14-10-0096-01

Significance

The latest monthly employment figures for the Edmonton region continue to show signs of recovery, though the pace of recovery may slow down in the coming months considering the province's most recent public health measures that were introduced in late November. Looking ahead, employment is expected to continue its recovery in 2021, though a return to pre-COVID levels will take some time. The unemployment rate will likely remain elevated over the coming years as employment growth is expected to be met by growth in the region's labour force from discouraged workers resuming active searches for employment.

Limitations

Employment trends tend to lag developments in overall economic activity. Because of this, they are a better indicator of past, rather than current, conditions in the economy. However, employment trends are still useful predictors of future changes in incomes and consumer spending. Statistics Canada publishes a three-month moving average of all labour force estimates for the Edmonton region, which sometimes results in the number of reported jobs lagging behind developments in the Edmonton region's economy.

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