# Economic Indicators

### **Edmonton employment continues to recover in January** 2021

February 8, 2021

Seasonally adjusted employment in the Edmonton census metropolitan area (CMA) increased by 7,800 persons in January 2021 from the previous month. Due to growth in the region's labour force, the unemployment rate in the Edmonton CMA rose to 11.9 per cent in January, up from 11.4 per cent in December 2020. Unadjusted employment numbers in January indicate there were 35,100 fewer employed persons year-over-year.



Edmonton CMA Employment and Unemployment Rate

Source: Statistics Canada, seasonally adjusted

Note: Historical data were revised by <u>Statistics Canada</u> due to the rebasing of populations to reflect population counts from the 2016 Census. Revised data are available going back to 2006 for the Edmonton CMA.

The **Calgary CMA** saw reductions to its labour force and employment on a month-over-month basis in January 2021. This resulted in a very modest uptick to its unemployment rate to 10.6 per cent in January from 10.5 per cent in December 2019.

Seasonally adjusted employment in **Alberta** increased by 20,800 persons in January 2021 compared to December 2020. The gain was solely in part-time employment which more than offset a very modest reduction in full-time work. The province's unemployment rate moved lower to 10.7 per cent in January from 11.1 per cent in December 2020 as labour force growth was outpaced by employment growth. Month-over-month employment losses were concentrated in the accommodation and food services sector.

Seasonally adjusted employment in **Canada** dropped by 212,800 persons in January 2021 from December 2020. The reduction reflected the impact of extended public health measures between the December 2020 reference week of Statistics Canada's Labour Force Survey and the January 2021 survey collection period. The decline was solely due to part-time employment losses which more than offset a modest gain in full-time work. Employment losses were largest in the wholesale and retail trade, and accommodation and food services sectors. The national unemployment rate was 9.4 per cent in January 2021 from 8.8 per cent in December 2020.

### Significance

January's monthly employment gain (seasonally adjusted) marks the seventh consecutive month of employment growth in the Edmonton region. The gap in year-over-year employment (unadjusted) has seen a significant reduction from peak losses of 120,100 in June 2020 to 35,100 as of January 2021. Though improving employment levels are encouraging, the road to full recovery for the region is expected to still take some time due to uneven performances across factors like job tenure (I.e. full-time and part-time employment) as well as across sectors. The recovery in part-time employment losses has been quite impressive, while the recovery in fulltime work appears to be more uneven. Across sectors, a significant portion of year-over-year employment losses were due to lower employment in the accommodation and food services sector, followed by manufacturing. Looking ahead, employment is expected to continue to recover, though its pace will likely be uneven with a return to pre-COVID levels taking some time.

Three-month moving average–seasonally adjusted							
	Jan 2020	Dec 2020	Jan 2021	Month	Year-	Month	Year-
				-over-	over-	-over-	over-
				month	year	month	year
	(000)	(000)	(000)	(000)	(000)	%	%
Population (15 years and older)	1,172.9	1,191.7	1,193.1	1.4	20.2	0.1	1.7
Labour force	835.1	816.1	829.6	13.5	-5.5	1.7	-0.7
Employment	765.6	723.2	731.0	7.8	-34.6	1.1	-4.5
Unemployment	69.5	93.0	98.5	5.5	29.0	5.9	41.7
Unemployment rate (%)	8.3	11.4	11.9	0.5	3.6		
Participation rate (%)	71.2	68.5	69.5	1.0	-1.7		
Employment rate (%)	65.3	60.7	61.3	0.6	-4.0		

## Labour Force Survey Results–Edmonton CMA

Source: Statistics Canada, Table 14-10-0380-01

### 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.

### Contact

Felicia Mutheardy Chief Economist (acting), Financial and Corporate Services 780-496-6144

### **Contact for media inquiries**

Matt Pretty Communications Advisor 780-886-7552 matt.pretty@edmonton.ca