Economic Indicators

Edmonton employment gains slow in April amid the pandemic's third wave

May 7, 2021

Seasonally adjusted employment in the Edmonton census metropolitan area (CMA) gained 1,500 individuals in April 2021 from March. The region's labour force experienced a small contraction in April compared to March, resulting in the unemployment rate coming down from 11.2 per cent in March to 10.5 per cent in April. Unadjusted employment estimates in April indicated year-over-year improvements in both full- and part-time employment estimates.



Edmonton CMA Employment and Unemployment Rate

Source: Statistics Canada, seasonally adjusted data series ending April 2021 Notes: Employment data are charted on the left vertical axis (LHS), whereas unemployment rates are charted on the right vertical axis (RHS). Historical data were revised by <u>Statistics Canada</u> due to the rebasing of populations to reflect counts from the 2016 Census. Revised data are available going back to 2006 for the Edmonton CMA.

Significance

Statistics Canada's reference week for April 2021 estimates was the week of April 11 to 17, which would include the effects of tightening public health restrictions that were introduced in many provinces in late March and early April, including in Alberta. Moving back to step one of the province's four-step framework came into effect at noon on April 9, with the most pronounced impact on high-contact industries, including retail, recreation and hospitality. Edmonton CMA data are three-month moving averages, which make it difficult to pinpoint the effects of restrictions tightening on regional employment with comparable precision as provincial estimates. For that reason, provincial developments can offer some insight. In April, provincial employment levels saw a slight downtick as full-time employment growth was outpaced by part-time employment losses. Across sectors, notable month-over-month reductions were estimated in trade (wholesale and retail), transportation and warehousing, and accommodation and food services —all sectors most impacted by public health restrictions limiting in-person interaction.

Looking ahead, the latest tightening of restrictions in Alberta that came into effect in early May will likely mean additional softness in employment figures for May. However, progress towards broad immunity from vaccinations is likely to support the Edmonton region's recovery in employment, though the road to recovery is still expected to be uneven across sectors and work type (i.e., full- and part-time employment). The unemployment rate, though moving lower, will likely remain elevated for some time despite expectations for labour market conditions to strengthen.

Three-month moving average-seasonally adjusted							
	Apr	Mar	Apr 2021	Month	Year-	Month	Year-
	2020	2021		-over-	over-	-over-	over-
				month	year	month	year
	(000)	(000)	(000)	(000)	(000)	%	%
Population (15 years and older)	1,178.7	1,196.2	1,197.5	1.3	18.8	0.1	1.6
Labour force	786.2	856.3	851.7	-4.6	65.5	-0.5	8.3
Employment	705.2	760.8	762.3	1.5	57.1	0.2	8.1
Unemployment	81.0	95.5	89.4	-6.1	8.4	-6.4	10.4
Unemployment rate (%)	10.3	11.2	10.5	-0.7	0.2		
Participation rate (%)	66.7	71.6	71.1	-0.5	4.4		
Employment rate (%)	59.8	63.6	63.7	0.1	3.9		

Labour Force Survey Results-Edmonton CMA Three-month moving average-seasonally adjuste

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