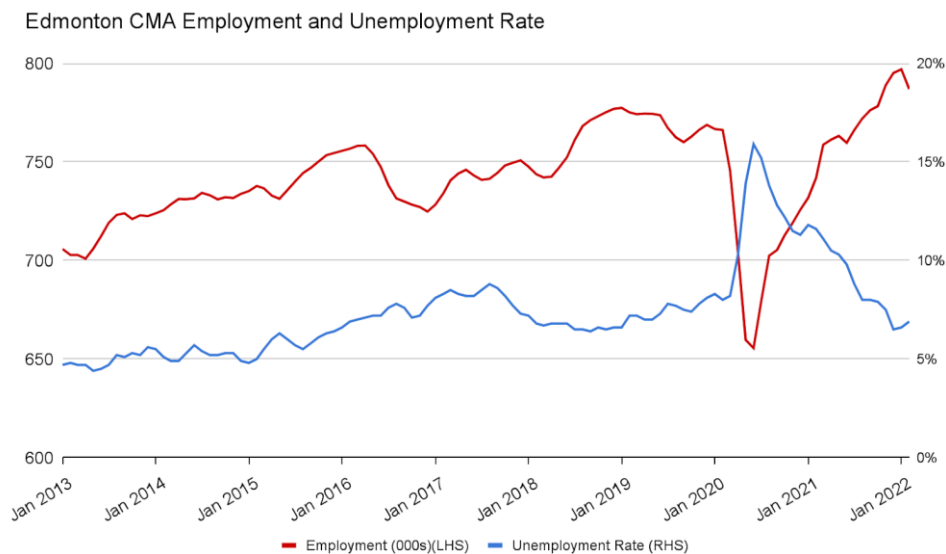


Edmonton's labour market recovery experiences a setback in February

March 15, 2022

- According to Statistics Canada's Labour Force Survey (LFS), seasonally adjusted employment in the Edmonton census metropolitan area (CMA) decreased by 10,100 individuals between January and February 2022.
- The region's labour force was estimated to have contracted by 8,500 individuals, which, combined with the pullback in employment, added some upward pressure to the region's seasonally adjusted unemployment rate to 6.9 per cent in February 2022 from 6.6 per cent in January.

Edmonton CMA Employment and Unemployment Rate



Source: Statistics Canada Table 14-10-0380-01; seasonally adjusted data series ending February 2022
 Notes: Employment data are charted on the left vertical axis (LHS), whereas unemployment rates are charted on the right vertical axis (RHS).

February 2022 LFS estimates for the Edmonton CMA suggested a setback in the region's labour market recovery, with seasonally adjusted employment declining month-over-month for the first time since June 2021. Unadjusted estimates suggest a deterioration in full-time work, with an estimated difference in employment levels of 8,000 individuals in February 2022 compared to

February 2019¹. In contrast, part-time employment in the Edmonton CMA continued to see improvements in February. Employment estimates by sector indicate a pronounced divergence in performance between the goods- and services-producing sectors. Employment in the goods-producing sector, particularly for the construction sector, remained below comparative estimates in February 2019. Meanwhile, it was the opposite case for employment in the services-producing sector.

As LFS estimates for the Edmonton CMA are three-month moving averages, there are limitations on how linkages can be made between labour market developments and developments related to public health and business conditions. For example, improvements in labour market conditions continued into January 2022 on a month-over-month basis while concerns were mounting related to the Omicron variant and impacts on operations for some sectors related to supply chain issues. The LFS results for the Edmonton CMA in February may provide a glimpse into how the labour market was impacted by these factors. Whether the pullback carries into March 2022 estimates remains to be seen, though some support for improvement is expected to come from the provincial government lifting a majority of public health restrictions as of March 1.

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 filled lagging behind developments in the Edmonton region's economy.

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¹ Monthly figures in 2019 are being used as pre-pandemic reference points to track the progress of the Edmonton region's labour market recovery.