



Labour Market Bulletin

Alberta

May 2021



This Labour Market Bulletin provides an analysis of Labour Force Survey results for the province of Alberta, including the regions of Calgary, Edmonton, Central Alberta and Mountain Parks, Southern Alberta, and Northern Alberta.

OVERVIEW

Employment in Alberta was roughly unchanged between April and May, with full-time and part-time employment shedding 700 and 400 jobs, respectively. On a year-over-year basis, however, employment was up significantly (+262,600 or +13.4%), due to the economic recovery that has taken place gradually over the past year. Full-time employment was up by 202,800 jobs (+12.6%) year-over-year, while part-time employment increased by 59,800 jobs (+17.4%).

Public health restrictions were tightened multiple times in early May as Alberta grappled with record-high COVID-19 cases. More recently, however, the Province has shifted its focus to reopening, as more Albertans are vaccinated and case counts decline. On June 1, Alberta entered Stage 1 of its “Open for Summer” plan, which involves reopening places of worship and personal service businesses, restarting various recreational activities, reopening patio service at restaurants, and various other measures. Data on the effects of these eased restrictions will not be available until the release of the June labour force survey in July.

Further to its recovery plans, the Province launched its new Alberta Jobs Now program in May, which will provide up to \$370M to help private and non-profit businesses offset the cost of hiring and training unemployed and underemployed Albertans. The Alberta government expects the program to put over 22,000 Albertans back to work.¹ The program is jointly funded by the Federal and Alberta governments, and the first intake period opened on May 20.²

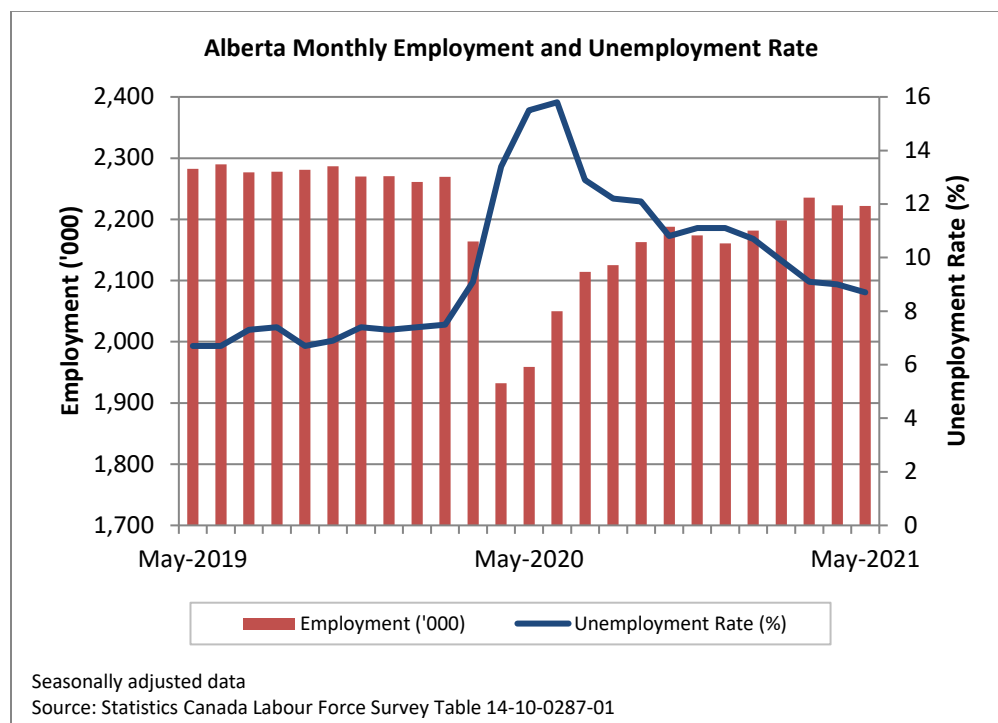
Alberta Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	May 2021	April 2021	May 2020	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	3,536.3	3,535.3	3,502.1	1.0	0.0	34.2	1.0
Labour Force ('000)	2,433.5	2,441.5	2,317.2	-8.0	-0.3	116.3	5.0
Employment ('000)	2,221.7	2,222.7	1,959.1	-1.0	0.0	262.6	13.4
Full-Time ('000)	1,818.1	1,818.8	1,615.3	-0.7	0.0	202.8	12.6
Part-Time ('000)	403.6	404.0	343.8	-0.4	-0.1	59.8	17.4
Unemployment ('000)	211.7	218.8	358.1	-7.1	-3.2	-146.4	-40.9
Unemployment Rate (%)	8.7	9.0	15.5	-0.3	-	-6.8	-
Participation Rate (%)	68.8	69.1	66.2	-0.3	-	2.6	-
Employment Rate (%)	62.8	62.9	55.9	-0.1	-	6.9	-

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0287, formerly CANSIM 282-0087

The number of people who were unemployed fell by -7,100 (-3.2%) on a monthly basis in May. Though employment did not increase in May, enough people exited the labour force to cause the unemployment rate to fall for the fifth consecutive month, from 9.0% in April to 8.7% in May. This is the lowest unemployment rate for Alberta since the start of the pandemic in March 2020. Alberta no longer has one of the highest unemployment rates in the country; in May, all the Atlantic Provinces and Ontario had higher unemployment rates.



The unemployment rate for men fell by -0.5 percentage points on a monthly basis, and an impressive -7.1 percentage points on a year-over-year basis. Women, meanwhile, saw a very slight (-0.1 percentage points) improvement in their unemployment rate between April and May, and a larger (-5.6 percentage points) improvement year-over-year.

The unemployment rate for young people (aged 15 to 24) was roughly unchanged in May (-0.1 percentage points), with the increase in the unemployment rate for young men (+0.1 percentage points) offset by the decrease in the unemployment rate for young women (-0.4%). Young women had the best year-over-year improvement, with a -15.8 percentage point decrease in their unemployment rate. This rebound shows the significant recovery this group has experienced since the early months of the pandemic. However, it is not all good news for young women, as they still have a much higher unemployment rate than women over age 25.

Young men had the highest unemployment rate in May, at 17.2%. Men aged 25 and older fared the best, with a -0.6 percentage point decrease in their unemployment rate between April and May. At 7.2%, their unemployment rate was the lowest of any group.

Alberta Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	May 2021 (%)	April 2021 (%)	May 2020 (%)	Monthly Variation	Yearly Variation
				(% points)	(% points)
Total	8.7	9.0	15.5	-0.3	-6.8
25 years and over	7.6	7.9	13.1	-0.3	-5.5
Men - 25 years and over	7.2	7.8	13.7	-0.6	-6.5
Women - 25 years and over	8.0	7.9	12.4	0.1	-4.4
15 to 24 years	16.0	16.1	31.5	-0.1	-15.5
Men - 15 to 24 years	17.2	17.1	32.2	0.1	-15.0
Women - 15 to 24 years	14.7	15.1	30.5	-0.4	-15.8

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0287, formerly CANSIM 282-0087

EMPLOYMENT BY INDUSTRY

The **goods-producing sector** saw modest monthly employment gains (10,100 or +1.8%), while employment in the **services-producing sector** dropped slightly (-11,000 or -0.7%). Both sectors have recovered significantly from the major employment losses seen in the early months of the pandemic, with the goods-producing sector adding 62,500 jobs (+12.4%) and the services-producing sector adding 200,200 jobs (+13.7%) since May 2020.

Alberta Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	May 2021	April 2021	May 2020	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	2,221.7	2,222.7	1,959.1	-1.0	0.0	262.6	13.4
Goods-producing sector	564.6	554.5	502.1	10.1	1.8	62.5	12.4
Agriculture	36.8	37.1	41.7	-0.3	-0.8	-4.9	-11.8
Forestry, fishing, mining, quarrying, oil and gas	145.3	137.6	125.7	7.7	5.6	19.6	15.6
Utilities	20.0	25.0	21.6	-5.0	-20.0	-1.6	-7.4
Construction	233.7	226.8	191.2	6.9	3.0	42.5	22.2
Manufacturing	128.8	128.0	122.0	0.8	0.6	6.8	5.6
Services-producing sector	1,657.2	1,668.2	1,457.0	-11.0	-0.7	200.2	13.7
Trade	331.7	332.9	268.9	-1.2	-0.4	62.8	23.4
Transportation and warehousing	125.4	123.2	109.8	2.2	1.8	15.6	14.2
Finance, insurance, real estate and leasing	117.4	113.9	102.9	3.5	3.1	14.5	14.1
Professional, scientific and technical services	186.6	183.8	163.7	2.8	1.5	22.9	14.0
Business, building and other support services	74.6	74.1	71.5	0.5	0.7	3.1	4.3
Educational services	170.2	168.1	137.4	2.1	1.2	32.8	23.9
Health care and social assistance	304.1	308.9	268.5	-4.8	-1.6	35.6	13.3
Information, culture and recreation	62.4	62.3	59.3	0.1	0.2	3.1	5.2
Accommodation and food services	95.3	100.4	86.8	-5.1	-5.1	8.5	9.8
Other services	90.6	102.0	90.0	-11.4	-11.2	0.6	0.7
Public administration	98.8	98.8	98.2	0.0	0.0	0.6	0.6

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0355, formerly CANSIM 282-0088

Goods-producing industries

Many industries and businesses in the goods-producing sector were deemed essential and permitted to continue operating through the pandemic. Nevertheless, weak economic activity and persistent uncertainty have weighed heavily on the sector.

The **resource extraction** industries (forestry, mining, and oil and gas) had the highest monthly employment gains, adding 7,700 (+5.6%) jobs between April and May. On an annual basis, the sector added 19,600 (+15.6%) jobs. Total oil production in Alberta was up year-over-year in April (the most recent data available) by roughly 6.8%.³ The price of Western Canadian Select rose in May, averaging US\$51.74.⁴ With the relatively strong oil prices in the first quarter of 2021, many oil and gas producers have revised their 2021 capital budgets and increased drilling is expected.⁵

The **construction** sector added 6,900 jobs (+3.0%) between April and May, and 42,500 jobs (+22.2%) year-over-year. There is more positive news for the sector, as major projects are expected to add thousands of jobs in the coming months. The City of Edmonton is spending \$1B on 268 capital construction projects this year that are expected to employ approximately 13,000 people.⁶ TELUS is expanding its 5G network in Alberta with a \$14.5B

investment in infrastructure and operations through 2024. Telus plans to hire 8,000 workers primarily in construction, engineering and emerging technologies.⁷

Services-producing industries

The services-producing sector includes labour-intensive and public-facing industries such as wholesale and retail trade, and food and accommodation. These industries were initially among the most impacted during the height of COVID-19 related closures, and they continue to be affected by public health restrictions, though to a lesser extent than in the early months of the pandemic.

Employment in **wholesale and retail trade** held relatively steady between April and May (-1,200 or -0.4%), but was up significantly (+62,800 or +23.4%) compared to May 2020. Retail stores may remain open, but they are limited to 15% of fire code occupancy until at least June 10.⁸

Accommodation and food services continue to be among the industries most impacted by COVID-19. Employment fell by -5,100 (-5.1%) in May as indoor dining had not been allowed in the province since April 9, and outdoor patio service was prohibited between May 9 and 31.⁹ While employment was up (+8,500 or +9.8%) year-over-year, the improvement was smaller than in other industries affected by strict public health restrictions (for example, trade). Travel and dining restrictions are still very strict, while limitations on other industries have loosened since spring 2020.

Other services lost the most jobs of any industry between April and May (-11,400 or -11.2%). This was partly due to the public health restrictions placed on personal care businesses (for example, hair salons, tattoo parlours, and nail salons), which were ordered to close on May 4. Still, the personal care industry should soon recover, as these businesses are once again allowed to open, by appointment only, effective June 1.¹⁰ The rest of the job losses in other services occurred in the repair and maintenance industry, which was negatively impacted when COVID-19 outbreaks at oil sands facilities disrupted annual maintenance plans for multiple producers.

REGIONAL ANALYSIS

The statistics for the economic regions are not seasonally adjusted and should only be compared on a year-over-year basis. Employment is sometimes influenced by seasonal and calendar effects occurring at the same time and with the same magnitude every year, which can bring about changes in the data that make monthly comparisons difficult.

On an annual basis, employment in May increased in six of Alberta's seven economic regions and the unemployment rate was down across every economic region. The **Edmonton** region had the largest year-over-year improvement, with employment up 15.5% (+104,400). Meanwhile, **Camrose-Drumheller** was the only economic region where employment was down, having shed -700 jobs (-0.7%) since May 2020. Turning to unemployment rates, **Banff - Jasper - Rocky Mountain House** and **Athabasca - Grand Prairie - Peace River** had the biggest improvement since last May, with a decrease of -4.6 percentage points. The unemployment rate in **Calgary** also improved significantly, decreasing by -4.5 percentage points since May 2020.

Alberta Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	May 2021 ('000)	May 2020 ('000)	Yearly Variation (%)	May 2021 (%)	May 2020 (%)	Yearly Variation (% points)
Alberta	2,216.1	2,009.6	10.3	9.3	13.2	-3.9
Economic Regions						
Lethbridge - Medicine Hat	134.3	129.7	3.5	7.3	9.1	-1.8
Camrose - Drumheller	97.1	97.8	-0.7	6.9	10.4	-3.5
Calgary	845.8	777.6	8.8	8.9	13.4	-4.5
Banff - Jasper - Rocky Mountain House and Athabasca - Grand Prairie - Peace River	178.1	161.9	10.0	9.5	14.1	-4.6
Red Deer	111.1	101.2	9.8	10.2	13.1	-2.9
Edmonton	777.2	672.8	15.5	10.3	14.1	-3.8
Wood Buffalo - Cold Lake	72.5	68.6	5.7	7.1	9.9	-2.8

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0387, formerly CANSIM 282-0122

Employment in **Lethbridge-Medicine Hat** was 134,300 (+3.5%) in May and the unemployment rate was 7.3%, down 1.8 percentage points from last year. Federally funded projects will boost employment in the region's construction sector over the summer months: the Government of Canada is providing approximately \$7.38M to the Lethbridge Airport to upgrade and rehabilitate the airport pavement,¹¹ and \$8.7M towards the design work and first phase of reconstruction for the Crandell Mountain Campground in Waterton Lakes National Park.¹²

In **Camrose – Drumheller**, employment was roughly unchanged from last year (-700 or -0.7%). The cancellation of the Keystone XL pipeline in January 2021 had a significant negative impact on employment in the region, from which it is still recovering. Still, the unemployment rate (6.9%) was the lowest in the province, though it would have been higher were it not for the nearly 5,000 people who left the labour force since last May. In good news for the region, TransAlta Corporation is starting construction this fall on the \$195M Garden Plain Wind Power Project near Hanna, with completion anticipated for the second half of 2022.¹³

In May, employment in **Banff – Jasper – Rocky Mountain House and Athabasca – Grande Prairie – Peace River** was up 10% from last year, at approximately 178,100. The unemployment rate fell by -4.6 percentage points. In more good news for the region, Power Corp. is starting construction on a \$30M Geothermal Power Project in Swan Hills.¹⁴

Employment in the **Red Deer** region was approximately 111,100 in May, up 9.8% from one year ago. The unemployment rate was 10.2%, down 2.9 percentage points from May 2020 but still the second highest in the province, behind Edmonton. Still, there is positive news for the region. Alberta Biobord is planning to start construction sometime this spring on a pellet mill near Stettler. Production at the facility is anticipated to begin in fall 2021. The company is investing \$36M in the first phase of the \$1B project.¹⁵

To the northeast, **Wood Buffalo – Cold Lake** added 3,900 jobs (+5.7%) on a year-over-year basis, bringing total employment to 72,500. The unemployment rate decreased by -2.8 percentage points to 7.1%. The oil and gas and construction sectors are important sources of employment in the region, and there was good news for both of them in May. Wolf Midstream is building a natural gas liquids system, NGL North, in the Christina Lake area.

The company expects that NGL North will be in-service in 2023, creating over 400 jobs during construction and roughly 50 full-time positions once operational.¹⁶

Year-over-year employment in the **Calgary** region was up by 8.8%, bringing the total number of jobs to 845,800. The unemployment rate was 8.9%, down -4.5 percentage points from last year. Calgary continues to prove itself an attractive location for tech companies, of which several have recently announced hiring plans. Bangalore-based Mphasis Ltd., an IT services company, plans to establish its Canadian headquarters in Calgary within three to six months. Mphasis expects to locally create up to 1,000 jobs in the next two to three years.¹⁷ Orrenia, a Calgary technology startup, is planning to hire 20 new employees by the end of 2021, following a recent funding round.¹⁸ And finally, Seattle-based Zipwhip, a provider of texting services for businesses, is creating a developer hub in Calgary and promoting a variety of career opportunities targeting developers.¹⁹

In **Edmonton**, approximately 777,200 people were employed in May, up significantly (+15.5%) from one year ago. However, the region also had the highest unemployment rate in the province, at 10.3%. In another piece of negative news for the region, Edmonton Public Schools expects to cut 431 full-time equivalent positions next year, including 357 teachers, 85 support staff, and 37 maintenance positions. The staff were hired with \$38.5M in federal COVID-19 relief funds, and that money is not being renewed.²⁰

Note: In preparing this document, the authors have taken care to provide clients with labour market information that is timely and accurate at the time of publication. Since labour market conditions are dynamic, some of the information presented here may have changed since this document was published. Users are encouraged to also refer to other sources for additional information on the local economy and labour market. Information contained in this document does not necessarily reflect official policies of Employment and Social Development Canada.

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For information on the Labour Force Survey, please visit the Statistics Canada Web site at: www.statcan.gc.ca

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