



# Labour Market Bulletin

Alberta

July 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

Public health restrictions continued to ease in July, with stage 3 of Alberta’s “Open for Summer” COVID-19 reopening plan in effect as of July 1.<sup>1</sup> Under this stage, all public health restrictions are lifted, with the exception of quarantine and isolation requirements for those who have symptoms of, or have been exposed to COVID-19, and mask requirements in healthcare facilities and on public transit.<sup>2</sup>

The COVID-19 pandemic is far from over in the province, however, as active cases started to rise in the latter half of July, and as of early August, the disease was spreading faster than it was during the height of the third wave.<sup>3</sup> This is due in part to the arrival of the highly contagious delta variant in the province, but vaccine hesitation is also a factor. Only 64.8% of Albertans have received at least one dose of a vaccine, compared to 81.7% nationally. Around 20% of Albertans are hesitant to get vaccinated – roughly twice the national average. The vast majority of cases and hospital admissions in Alberta are now among the unvaccinated and partially vaccinated.<sup>4</sup> Avoiding a “fourth wave” in Alberta is therefore highly dependent on vaccine uptake, and if vaccination rates continue to lag the national average, Alberta’s economic recovery may stall.

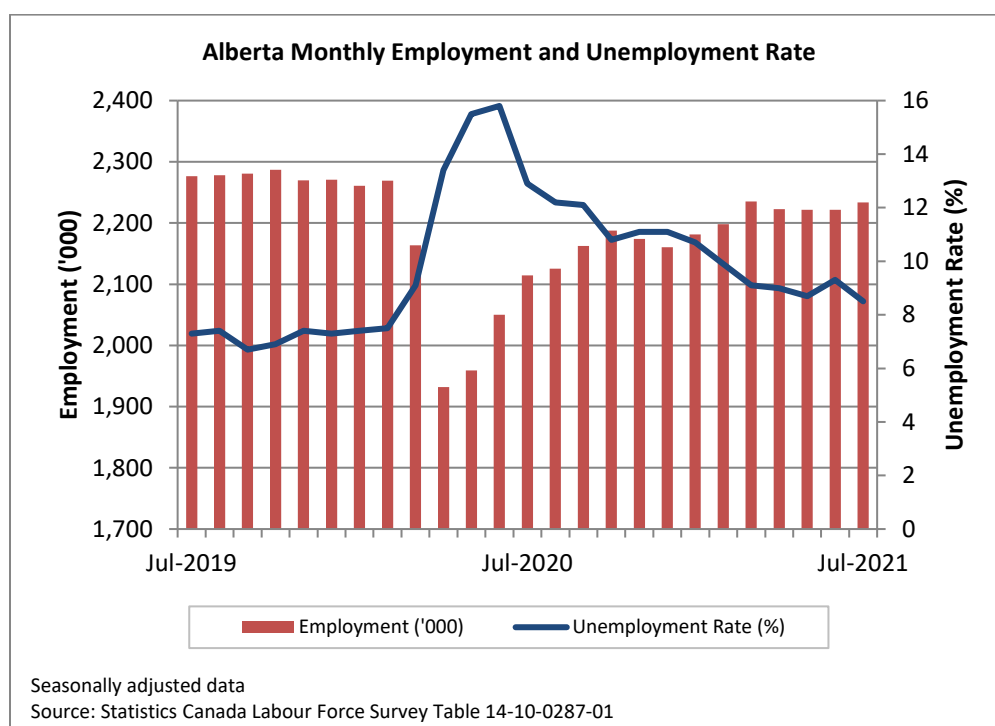
Employment in July averaged around 2.23 million, representing an increase of 12,300 (+0.6%) jobs over the previous month. While full-time employment increased (+20,100 or 1.1%) part-time employment decreased (-7,800 or -1.8%).

## Alberta Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	July 2021	June 2021	July 2020	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	3,540.8	3,537.7	3,509.1	3.1	0.1	31.7	0.9
<b>Labour Force ('000)</b>	2,442.2	2,450.3	2,426.8	-8.1	-0.3	15.4	0.6
<b>Employment ('000)</b>	2,233.8	2,221.5	2,114.3	12.3	0.6	119.5	5.7
Full-Time ('000)	1,801.2	1,781.1	1,718.4	20.1	1.1	82.8	4.8
Part-Time ('000)	432.6	440.4	396.0	-7.8	-1.8	36.6	9.2
<b>Unemployment ('000)</b>	208.4	228.8	312.5	-20.4	-8.9	-104.1	-33.3
<b>Unemployment Rate (%)</b>	8.5	9.3	12.9	-0.8	-	-4.4	-
<b>Participation Rate (%)</b>	69.0	69.3	69.2	-0.3	-	-0.2	-
<b>Employment Rate (%)</b>	63.1	62.8	60.3	0.3	-	2.8	-

Note: Totals may not add due to rounding

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



The unemployment rate dropped in July, by -0.8 percentage points (pp) to 8.5%. This is due to an increase in employment and decrease in the size of the labour force (-8,100 or -0.3%). This is the lowest unemployment rate recorded in Alberta since before the pandemic began. Still, it was a full percentage point higher than the Canada-wide unemployment rate, and the highest of all the Western provinces.

### Alberta Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	July 2021 (%)	June 2021 (%)	July 2020 (%)	Monthly Variation (% points)	Yearly Variation (% points)
<b>Total</b>	8.5	9.3	12.9	-0.8	-4.4
<b>25 years and over</b>	7.7	8.0	10.7	-0.3	-3.0
Men - 25 years and over	7.3	7.7	11.4	-0.4	-4.1
Women - 25 years and over	8.2	8.3	9.9	-0.1	-1.7
<b>15 to 24 years</b>	13.9	18.1	26.6	-4.2	-12.7
Men - 15 to 24 years	15.0	23.7	27.4	-8.7	-12.4
Women - 15 to 24 years	12.7	12.6	25.7	0.1	-13.0

Note: Totals may not add due to rounding

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

Between June and July, young men (age 15 to 24) had the most significant decrease in the unemployment rate, with a -8.7pp drop. Job gains for young men were heavily concentrated in the services-producing sector, especially in industries that have been affected by COVID-19 restrictions over the past 18 months and are now beginning to fully reopen (accommodation and food services, retail trade, and recreation). Though on a monthly basis there was little change in the unemployment rate for young women, on an annual basis, their unemployment rate has improved the most of any group (-13.0pp). Among men and women 25 years of age and over, year-over-year changes have been smaller than those of their younger counterparts, with their unemployment rates decreasing -4.1pp and -1.7pp, respectively.

## EMPLOYMENT BY INDUSTRY

Employment expanded slightly in July, with larger gains in the goods-producing sector (+6,600 or +1.2%) than in the services-producing sector (+5,700 or +0.3%). On an annual basis, however, the services-producing sector had larger employment gains (+105,100 or +6.6%) due to the significant toll that COVID-19 public health restrictions had on retail, food service, and tourism businesses. The goods-producing sector was affected less by public health restrictions, although weak economic activity still reduced employment. Employment in this sector was up 2.7% (+14,300) on an annual basis.

## Alberta Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	July 2021	June 2021	July 2020	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	2,233.8	2,221.5	2,114.3	12.3	0.6	119.5	5.7
<b>Goods-producing sector</b>	546.5	539.9	532.2	6.6	1.2	14.3	2.7
Agriculture	36.0	35.9	43.9	0.1	0.3	-7.9	-18.0
Forestry, fishing, mining, quarrying, oil and gas	147.7	144.1	128.7	3.6	2.5	19.0	14.8
Utilities	17.3	17.9	21.6	-0.6	-3.4	-4.3	-19.9
Construction	220.6	219.0	216.8	1.6	0.7	3.8	1.8
Manufacturing	124.9	123.1	121.2	1.8	1.5	3.7	3.1
<b>Services-producing sector</b>	1,687.2	1,681.5	1,582.1	5.7	0.3	105.1	6.6
Trade	327.8	330.4	301.7	-2.6	-0.8	26.1	8.7
Transportation and warehousing	126.3	118.3	117.3	8.0	6.8	9.0	7.7
Finance, insurance, real estate and leasing	122.0	118.3	105.8	3.7	3.1	16.2	15.3
Professional, scientific and technical services	185.5	182.0	166.6	3.5	1.9	18.9	11.3
Business, building and other support services	72.3	74.4	72.4	-2.1	-2.8	-0.1	-0.1
Educational services	172.7	175.4	135.3	-2.7	-1.5	37.4	27.6
Health care and social assistance	292.3	294.1	294.6	-1.8	-0.6	-2.3	-0.8
Information, culture and recreation	65.4	60.5	74.1	4.9	8.1	-8.7	-11.7
Accommodation and food services	126.5	127.3	114.2	-0.8	-0.6	12.3	10.8
Other services	96.8	100.5	101.7	-3.7	-3.7	-4.9	-4.8
Public administration	99.8	100.4	98.6	-0.6	-0.6	1.2	1.2

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 considered essential and allowed to continue operating through the peak of 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) added 3,600 (+2.5%) jobs in July, and employment was up 14.8% compared to one year ago. Total oil production in June 2021 (the most recent data available) was up 15.6% from June 2020.<sup>5</sup> The price of Western Canadian Select rose to \$73.35 in July, a 5% increase from June and a nearly 70% increase from one year ago.<sup>6</sup> These strong oil prices have been instrumental in Alberta's ongoing economic recovery, but it is not all good news for the sector. The Conference Board of Canada forecasts that oil and gas investment is likely to remain below its pre-pandemic level in the medium term, and employment in the sector will take until at least 2025 to recover to its pre-pandemic level.<sup>7</sup>

Employment in the **construction** industry stood at approximately 220,600 in July, up slightly (+1,600 or +0.7%) from June. In a piece of major news for the sector, work has started on the site of a new acute care hospital in

south Edmonton. The facility is estimated by the province to cost \$2B and is scheduled for completion in 2030 or earlier.<sup>8</sup>

### 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 among the most impacted during the height of COVID-19 related closures. In recent months employment has begun to recover as public health restrictions have eased.

**Information, culture and recreation** had the largest percentage increase in employment of any industry in July, at +8.1% (+4,900). This industry was severely impacted by COVID-19 restrictions which placed limitations or closures on travel, fitness activities, spectator sports, performing arts, and casinos. As Alberta's reopening progresses, these activities are once again allowed, and the industry is recovering. As part of that recovery, the City of Edmonton recalled around 1,000 staff laid off in April 2020. The staff are mainly returning to front-line positions at reopening city facilities, such as recreation centres. Recruitment is ongoing to fill vacant positions.<sup>9</sup> Furthermore, Alberta's television and film industry is projected to double this year and is bringing an anticipated \$482M in spending from 50 productions along with an estimated 9,000 jobs to the province.<sup>10</sup> Still, information, culture and recreation has a long way to go in its recovery, as July 2021 employment levels were 11.7% below those of July 2020 and even further below July 2019 (-12.0%).

Employment in **wholesale and retail trade**, the largest employer of all the services-producing industries, decreased slightly between June and July (-2,600 or -0.8%), though it was still up by 26,100 (+8.7%) on an annual basis. After many months of public health restrictions that limited their capacity, retail stores were allowed to return to their full capacity levels under the new stage of reopening that began on July 1.<sup>11</sup>

**Accommodation and food services** employment decreased slightly between June and July, shedding 800 jobs (-0.6%). Restaurants are hiring again now that public health restrictions on the industry have eased. As of July 1, there are no restrictions on capacity, table sizes, or who may dine together.<sup>12</sup> Some restaurants have even reported difficulties finding workers, as demand soars and labor supply is hindered by former workers' hesitation to return to an industry that was subject to frequent closures during the pandemic.

## 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.

Employment increased substantially on an annual basis in every economic region, as the labour market has improved significantly since July 2020. **Edmonton** had the largest employment gains on both an absolute and a percentage basis, with an impressive 86,600 (+12.4%) more people employed in July 2021 than in the same

month last year. **Calgary**, meanwhile, had the smallest employment gains on a percentage basis. But, at 6.2% (+49,600), they are still substantial.

### Alberta Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	July 2021 ('000)	July 2020 ('000)	Yearly Variation (%)	July 2021 (%)	July 2020 (%)	Yearly Variation (% points)
<b>Alberta</b>	2,248.4	2,063.0	9.0	8.8	14.6	-5.8
<b>Economic Regions</b>						
Lethbridge - Medicine Hat	144.2	134.2	7.5	4.4	9.4	-5.0
Camrose - Drumheller	99.9	93.6	6.7	7.2	13.2	-6.0
Calgary	856.1	806.5	6.2	9.7	14.9	-5.2
Banff - Jasper - Rocky Mountain House and Athabasca - Grand Prairie - Peace River	178.0	159.1	11.9	8.2	14.5	-6.3
Red Deer	111.4	102.5	8.7	10.2	14.2	-4.0
Edmonton	784.9	698.3	12.4	9.0	15.6	-6.6
Wood Buffalo - Cold Lake	73.9	68.9	7.3	6.2	11.9	-5.7

Note: Totals may not add due to rounding

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

**Lethbridge-Medicine Hat** gained 10,000 jobs (+7.5%) on an annual basis in July. The regional unemployment rate dropped -5.0pp to 4.4%, the lowest rate of all Alberta's economic regions. The region's construction and healthcare and social assistance sectors will benefit from government spending in the coming months. The Government of Alberta is funding a new 50-bed recovery community and adding 11 residential recovery beds, all in Lethbridge. The recovery community is expected to create around 100 construction jobs, and it will employ about 80 staff once operational. Construction is expected to begin this fall.<sup>13</sup> Furthermore, the federal and provincial governments are providing \$3.4M to develop 64 new mixed-income seniors housing units in Lethbridge. The project is expected to create 91 jobs and should be completed in spring 2022.<sup>14</sup>

Year-over-year, employment in **Camrose – Drumheller** was up by 6,300 (6.7%). The unemployment rate was relatively low at 7.2%. In a major piece of news for the region's construction and natural resource extraction sectors, ATCO Energy Solutions is partnering with Future Fuel Ltd. to build and operate a renewable natural gas facility at Two Hills. The facility is currently in the detailed engineering phase with commercial operations expected to begin in late 2022.<sup>15</sup>

**Banff – Jasper – Rocky Mountain House and Athabasca – Grande Prairie – Peace River** had the second largest employment gains in the province, at 11.9%. The unemployment rate dropped by -6.3 pp to 8.2%. Domestic tourists returned to the region over the summer as public health restrictions in Alberta and neighbouring British Columbia were lifted. Still, the region depends heavily on international tourists. Despite representing only 25% of visitors to Banff in pre-pandemic years, international tourists accounted for around 75% of spending.<sup>16</sup> The situation may improve somewhat on August 9, when fully vaccinated US travellers will once again be allowed to enter Canada for non-essential travel.<sup>17</sup>

The unemployment rate in **Red Deer**, which was the highest of all Alberta's economic regions at 10.2%, has recovered the least of any region since last year, declining only -4.0pp since July 2020. Employment levels have

increased slightly less in the region than in Alberta as a whole (+8.7% compared to +9.0%). In response to the devastating economic effects that the COVID-19 pandemic has had on the region, Cosmos Group of Companies launched a new program, “Cosmos Employment Connection,” in Red Deer. The program is designed to help people who may have trouble getting back to work, with six weeks of skills training and job shadowing opportunities. Cosmos Employment Connection is open to individuals who self-identify as facing barriers to employment, such as developmental disabilities, anxiety, or weak English language skills.<sup>18</sup>

To the north-east, employment in **Wood Buffalo – Cold Lake** increased by 5,000 (+7.3%) on an annual basis, and the unemployment rate decreased by -5.7pp to 6.2%, the second lowest in the province. Looking ahead, the Regional Municipality of Wood Buffalo and Telus are partnering on a \$21M infrastructure project to bring high-speed internet to homes, businesses, and most rural communities in the region. Construction is expected to start in spring 2022 and be complete by the end of 2023.<sup>19</sup>

Employment in the **Calgary** region increased by 6.2% on an annual basis. The unemployment rate was 9.7%, down -5.2pp from last year. Calgary continues to prove itself as a top destination for the technology sector in Canada. Indeed, Royal Bank of Canada is launching a technology centre, the Calgary Innovation Hub, which will create 300 technology roles in the city over the next three years. The Hub is scheduled to launch this September.<sup>20</sup> Furthermore, Test Driven Solutions Ltd., a global software technology company headquartered in Newcastle, UK, has selected Calgary to house its Canadian headquarters as the company expands into North America.<sup>21</sup>

In **Edmonton**, approximately 784,900 people were employed in July, up 12.4% from one year ago. The unemployment rate declined by -6.6pp since last year, to 9.0%. Looking ahead, the Government of Canada will provide up to \$394.24M toward the Edmonton Capital Line South Extension – Phase 1 Project to increase light rail in the city. Though the project must still be approved, it is expected to create over 9,500 jobs throughout its lifetime.<sup>22</sup>

*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](http://www.statcan.gc.ca)

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