



# Labour Market Bulletin

## Alberta

### November 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

The survey reflects labour market conditions for the week of November 7 to 13. Employment in November averaged around 2.28 million, an increase of 15,400 jobs (0.7%) over the previous month. High energy prices have helped to strengthen economic recovery. Oil production has increased to record rates, construction related activity has remained high and retail sales have increased as the holiday season approaches.<sup>1</sup>

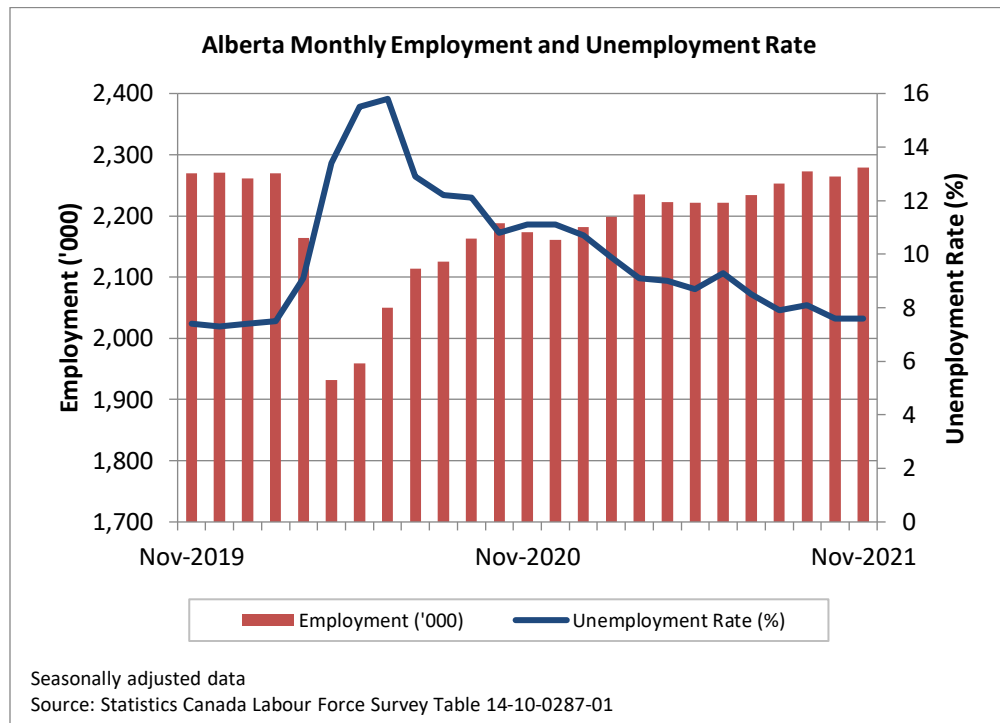
Full-time employment decreased by 3,800 jobs (-0.2%) while part-time employment added 19,400 (+4.7%). Total employment in November 2021 was higher than the February 2020 pre-pandemic total by about 10,100 jobs (0.4%).

### Alberta Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	November 2021	October 2021	November 2020	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	3,562.1	3,556.1	3,522.0	6.0	0.2	40.1	1.1
<b>Labour Force ('000)</b>	2,465.6	2,449.8	2,446.1	15.8	0.6	19.5	0.8
<b>Employment ('000)</b>	2,279.3	2,263.9	2,173.9	15.4	0.7	105.4	4.8
Full-Time ('000)	1,848.9	1,852.7	1,730.8	-3.8	-0.2	118.1	6.8
Part-Time ('000)	430.5	411.1	443.1	19.4	4.7	-12.6	-2.8
<b>Unemployment ('000)</b>	186.2	185.9	272.3	0.3	0.2	-86.1	-31.6
<b>Unemployment Rate (%)</b>	7.6	7.6	11.1	0.0	-	-3.5	-
<b>Participation Rate (%)</b>	69.2	68.9	69.5	0.3	-	-0.3	-
<b>Employment Rate (%)</b>	64.0	63.7	61.7	0.3	-	2.3	-

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 remained the same between October and November at 7.6%. The rate stayed the same even though total employment increased, due to an increase (+15,800) in the size of the labour force in November. The unemployment rate is the lowest recorded in Alberta since early 2020, when it sat at 7.5% in February. Still, it was 1.6 percentage points higher than the Canada-wide unemployment rate of 6% in November.

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

Seasonally Adjusted Data	November 2021 (%)	October 2021 (%)	November 2020 (%)	Monthly Variation (% points)	Yearly Variation (% points)
<b>Total</b>	7.6	7.6	11.1	0.0	-3.5
<b>25 years and over</b>	6.7	6.9	9.4	-0.2	-2.7
Men - 25 years and over	6.8	6.8	10.0	0.0	-3.2
Women - 25 years and over	6.6	7.1	8.6	-0.5	-2.0
<b>15 to 24 years</b>	12.8	12.1	22.2	0.7	-9.4
Men - 15 to 24 years	14.2	15.7	21.7	-1.5	-7.5
Women - 15 to 24 years	11.5	8.4	22.7	3.1	-11.2

Note: Totals may not add due to rounding

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

Between October and November, young men aged 15 to 24 had the most significant decrease in the unemployment rate, with a 1.5 percentage point drop. The unemployment rate for young men has improved significantly since last year, dropping 7.5 percentage points from November 2020. The unemployment rate for young women aged 15 to 24 increased by 3.1 percentage points from October to November. However, the unemployment rate is still down 11.2 percentage points from where it was in November 2020. The month-to-month increase in the unemployment rate for young women can be partly attributed to a decrease in employment the accommodations and food services sector, which typically employs a disproportionately high number of women.

## EMPLOYMENT BY INDUSTRY

Monthly employment in the services-producing sector increased by 12,600 (+0.7%) from October to November. In the same period, the goods-producing sector added 3,000 jobs (+0.6%). On an annual basis, employment in the goods-producing sector is down by 2.0% whereas it has increased by 7.1% in the services-producing sector. Recent gains were larger in the services-producing sector due to the significant toll that public health restrictions took on employment in industries such as accommodation and food services over the past year. By comparison, the goods-producing industries were much less affected.

### Alberta Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	November 2021	October 2021	November 2020	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	2,279.3	2,263.9	2,173.9	15.4	0.7	105.4	4.8
<b>Goods-producing sector</b>	529.4	526.4	540.4	3.0	0.6	-11.0	-2.0
Agriculture	33.6	33.2	38.7	0.4	1.2	-5.1	-13.2
Forestry, fishing, mining, quarrying, oil and gas	139.1	140.7	134.3	-1.6	-1.1	4.8	3.6
Utilities	19.0	18.8	22.8	0.2	1.1	-3.8	-16.7
Construction	219.6	213.5	222.9	6.1	2.9	-3.3	-1.5
Manufacturing	118.2	120.2	121.6	-2.0	-1.7	-3.4	-2.8
<b>Services-producing sector</b>	1,750.0	1,737.4	1,633.5	12.6	0.7	116.5	7.1
Trade	361.7	354.6	321.5	7.1	2.0	40.2	12.5
Transportation and warehousing	139.4	136.6	130.0	2.8	2.0	9.4	7.2
Finance, insurance, real estate and leasing	121.2	121.0	112.0	0.2	0.2	9.2	8.2
Professional, scientific and technical services	193.0	193.4	173.6	-0.4	-0.2	19.4	11.2
Business, building and other support services	71.4	71.6	60.2	-0.2	-0.3	11.2	18.6
Educational services	166.3	171.8	148.9	-5.5	-3.2	17.4	11.7
Health care and social assistance	303.6	299.6	298.4	4.0	1.3	5.2	1.7
Information, culture and recreation	69.2	70.0	73.0	-0.8	-1.1	-3.8	-5.2
Accommodation and food services	118.6	119.1	113.1	-0.5	-0.4	5.5	4.9
Other services	98.7	91.0	100.3	7.7	8.5	-1.6	-1.6
Public administration	106.9	108.8	102.5	-1.9	-1.7	4.4	4.3

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. While weak economic activity and persistent uncertainty have weighed heavily on the sector, the recent surge in oil prices has helped drive economic activity in the province.

The **resource extraction** industries (forestry, mining, and oil and gas) shed 1,600 jobs (-1.1%) from October to November, though employment was still up by 4,800 jobs (or 3.6%) compared to one year ago. The price of

Western Canadian Select decreased by 4.6% from October to November but is up 50% from one year ago.<sup>2</sup> Crude oil production in Alberta reached its highest level on record in October at 119 million barrels (3.84 million barrels per day). October's output was about 2.7% higher than the previous monthly record set in January 2021. At 1.09 billion barrels of output from January to October, year-to-date production is 9.7% higher than over the same period in 2020, and 2.5% higher than the same 10 months in 2019.<sup>3</sup> Year to date capital spending in the oil and gas subsector is up annually about 6% from 2020, although spending over the first three quarters of 2021 was 32% (\$8.25 billion) below the same nine months in 2019. Lower oil and gas capital spending typically means fewer jobs and muted economic activity in other industries.<sup>4</sup>

The **construction** industry added 6,100 jobs (+2.9%) in November compared to October. Although employment is up month-over-month, it remains 3,300 jobs (-1.5%) below November 2020 levels. The monthly value of building permits rose by 24% in September due to a large permit for the expansion of the Calgary International Airport's Airside Maintenance Centre. Although the seasonally adjusted value of building permits issued by Alberta municipalities fell by 21% in October, monthly permit value was still 11% higher than in October 2020.<sup>5</sup> Construction activity remains high, even though supply chain issues from the flooding in BC threatens to impede on many projects.<sup>6</sup>

### Services-producing industries

The services-producing sector includes 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. Overall, employment is recovering in some service subsectors and remains reduced in others.

Employment in **wholesale and retail trade** increased significantly between October and October, adding about 7,100 (+2%) jobs. Employment in the industry is also up on an annual basis by about 40,200 (+12.5%) jobs. Unadjusted sales in Alberta over the first nine months of 2021 were 15.3% higher than over the same period in 2020. Strong demand in the **wholesale and retail trade** sector is expected to continue during the holiday shopping season.

**Accommodation and food services** employment decreased slightly (-0.4%) between October and November. Effective September 20<sup>th</sup>, restrictions on indoor dining and table limits were implemented on restaurants and bars that did not implement the proof of vaccination program. Much like the first wave of the pandemic, the **accommodation and food services sector** has been severely impacted during the fourth wave of the pandemic. However, employment in the sector was up by 5,500 (+4.9%) in November 2021 compared to November 2020.

## 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 on an annual basis in every economic region except **Wood Buffalo – Cold Lake** (-0.8%) as Alberta's labour market has improved since November 2020. **Edmonton** had the largest employment gains with 62,200 (+8.1%) more jobs in November 2021 than in the same month last year. **Lethbridge** had the smallest employment gains, adding 3,100 jobs (+2.1%).

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

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	November 2021 ('000)	November 2020 ('000)	Yearly Variation (%)	November 2021 (%)	November 2020 (%)	Yearly Variation (% points)
<b>Alberta</b>	2,280.4	2,182.6	4.5	7.2	10.5	-3.3
<b>Economic Regions</b>						
Lethbridge - Medicine Hat	142.1	139.0	2.2	5.5	9.7	-4.2
Camrose - Drumheller	90.2	81.6	10.5	8.9	11.5	-2.6
Calgary	885.5	874.3	1.3	7.7	10.5	-2.8
Banff - Jasper - Rocky Mountain House and Athabasca - Grand Prairie - Peace River	176.0	172.5	2.0	6.7	10.3	-3.6
Red Deer	106.9	101.0	5.8	6.6	10.4	-3.8
Edmonton	808.5	742.3	8.9	7.0	10.7	-3.7
Wood Buffalo - Cold Lake	71.2	71.8	-0.8	6.1	9.0	-2.9

Note: Totals may not add due to rounding

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

Year-over-year, employment in **Camrose – Drumheller** was up by 8,600 jobs (+10.5%). The unemployment rate was 8.9%, which was 2.6 percentage points lower than last November's rate. This improvement was despite that fact that much of Alberta's agricultural employment is concentrated in the Camrose – Drumheller region, which has suffered from the drought conditions seen this summer. However, there have been some announcements for job creation recently. Pattern Energy Group LP announced that it had started construction of its Lanfine Wind power project in Oyen. The 150 megawatt project, which will provide enough clean energy to power approximately 25,000 homes in Alberta annually, is expected to enter full commercial operation by the end of 2022. Lanfine Wind represents a projected investment of roughly \$350 million and is expected to create up to 200 construction jobs.<sup>7</sup>

**Lethbridge-Medicine Hat** gained 3,100 (+2.1%) jobs on an annual basis in November. The regional unemployment rate dropped 4.2 percentage points to 5.5%, the lowest rate of all Alberta's economic regions. Pembina Pipeline is starting construction on its \$120M Empress cogeneration power plant in Cypress County. Completion is expected in late 2022.<sup>8</sup>

**Banff – Jasper – Rocky Mountain House and Athabasca – Grande Prairie – Peace River** has had annual employment gain of 3,500 (+2%) jobs from November 2020 to November 2021. The unemployment rate

dropped by 3.6 percentage points to 6.7%. The region is hoping for an increase in tourism related economic activity in 2022. The Fairmont Banff Springs Hotel will undergo \$35M in room renovations starting in January 2022. The work is expected to be completed in the summer of 2022.<sup>9</sup>

The unemployment rate in **Red Deer**, which stood at 10.4% in November 2020, has decreased by 3.8 percentage points as of November 2021. Construction has started on the \$20M Red Deer recovery community. The project is expected to create 136 construction jobs and be completed in fall 2022. The facility will have more than 100 employees once it is operational.<sup>10</sup>

Employment in **Wood Buffalo – Cold Lake** decreased by 0.8% while the unemployment rate decreased by 2.9 percentage points to 6.1%. A decrease in the size of the labour force is the reason why overall employment is down annually, even though the unemployment rate has decreased. Efforts are being made to maintain a steady labour force in the region. Keyano College in Fort McMurray will offer a new fourth-class power engineering program starting in February. Students can now complete their work experience at Keyano's Oilsands Power and Processing Engineering Lab, instead of through a work placement.<sup>11</sup>

Employment in **Calgary** increased by 1.3% while the unemployment rate stood at 7.7%, an annual decrease of 2.8 percentage points. Amazon says it has broken ground on its second Canadian cloud computing server hub — this one to be located in the Calgary area. Amazon plans to invest \$4.3 billion by 2037 through construction, utility costs, and buying goods and services from local businesses. The project will create up to 950 direct and indirect jobs through construction, facility maintenance, electricity needs and other support services in Canada by 2037. Hiring for the new Calgary data centre will begin immediately.<sup>12</sup>

In **Edmonton**, approximately 808,500 people were employed in November, up 8.9% from one year ago. The unemployment rate declined by 3.7 percentage points since last year, to 7% overall. Swoop Airlines is introducing new non-stop flights out of Edmonton to nine locations starting next year. The airline expects that the additional flights will support the creation of 140 additional direct and spin-off jobs, and anticipates \$120M of economic activity in 2022.<sup>13</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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- <sup>1</sup> Government of Alberta (November 30 2021). Mid-year update: Strong economic recovery continues. <https://www.alberta.ca/release.cfm?xID=8051772B29EBC-0A3A-6ABF-C74187AA85FEB970>
- <sup>2</sup> Selected Crude Oil Prices – Monthly, Kent Group Ltd.; 2021. Accessed September 13, 2021. <https://charting.kentgrouppltd.com/>
- <sup>3</sup> ATB Financial (November 20 2021) Alberta oil output breaks another record. <https://www.atb.com/company/insights/the-owl/alberta-oil-production-to-october-2021/>
- <sup>4</sup> ATB Financial (December 1 2021) Oil and Gas capital not flowing like it was. <https://www.atb.com/company/insights/the-owl/oil-and-gas-capex-third-quarter-2021/>
- <sup>5</sup> ATB Financial (December 2 2021) Construction intentions still stronger than last year. <https://www.atb.com/company/insights/the-owl/alberta-building-permits-to-october-2021/>
- <sup>6</sup> CBC News. (November 9 2021). Alberta posts highest construction levels in years, but supply chain woes impede projects. <https://www.cbc.ca/news/canada/calgary/calgary-alberta-supply-chain-disruptions-construction-1.6241377>
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- <sup>11</sup> Fort McMurray Today. (October 14 2021). New fourth class power engineering program coming to Keyano in February. <https://www.fortmcmurraytoday.com/news/new-fourth-class-power-engineering-program-coming-to-keyano-in-february>
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- <sup>13</sup> Global News. (November 15 2021). Wheels up: Swoop announces new non-stop flights out of Edmonton to 9 locations. <https://globalnews.ca/news/8375177/swoop-new-non-stop-flights-edmonton/>