



Labour Market Bulletin

Alberta

January 2022



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

High energy prices, increased demand for construction and robust retail sales have helped to strengthen economic recovery in Alberta over recent months. However, the Omicron variant has introduced renewed uncertainty in the provincial labour market. Alberta introduced new public health measures at midnight on December 24th to limit the spread of the Omicron variant. Pubs and restaurants that had previously signed on to the province's Restriction Exemptions Program were required to limit guests to 10 people per table and not allow interactive social activities such as billiards, darts or dancing. Drink service was required to be cut off at 11 p.m. and venues to close 90 minutes after that. Venues that seat more than 1,000 people were limited to half capacity, a restriction that has continued to affect many National Hockey League games in Calgary and Edmonton.¹

Employment in January 2022 averaged around 2.3 million, representing a slight increase of +7,000 jobs (+0.3%) over December 2021 and +117,300 (+5.4%) more than January 2021. While full-time employment decreased from December 2021, (-3,900 or -0.2%) part-time employment increased (+10,900 or +2.5%).

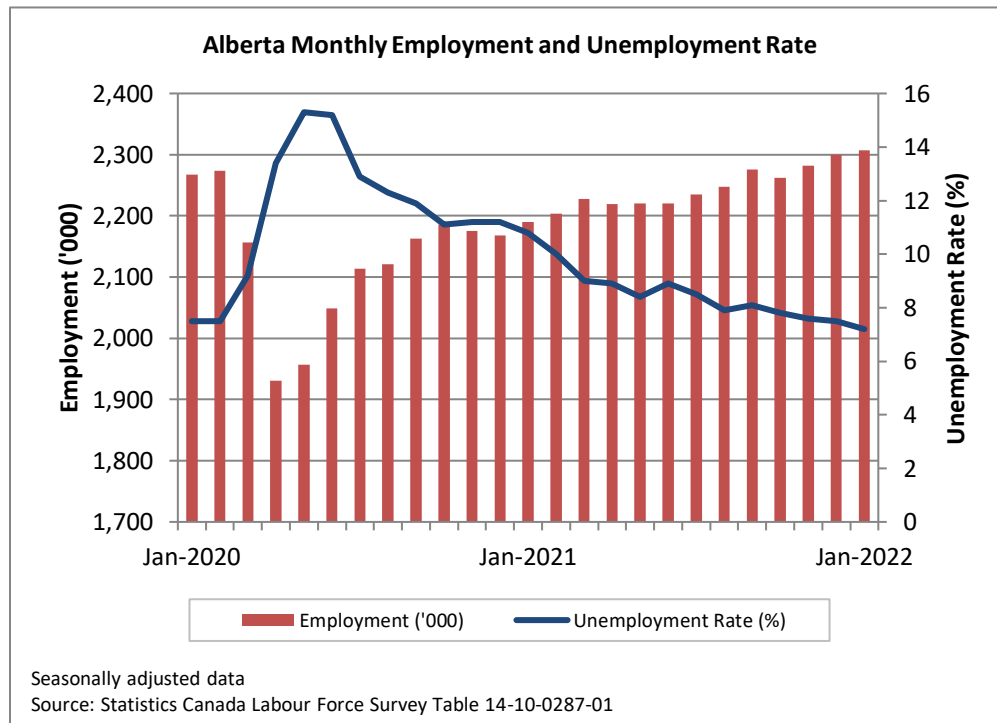
On February 4, the provincial government stated that it intends to introduce a phased plan to remove almost all public health restrictions later this month as long as there is declining pressure on hospitals. While there were no specific dates shared, the province did state that it hopes to repeal the Restrictions Exemptions Program in the first quarter of 2022.² This could lead to increased employment in the food and accommodation sector in the coming months.

Alberta Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	January 2022	December 2021	January 2021	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	3,573.9	3,568.1	3,527.7	5.8	0.2	46.2	1.3
Labour Force ('000)	2,486.7	2,485.2	2,453.4	1.5	0.1	33.3	1.4
Employment ('000)	2,306.8	2,299.8	2,189.5	7.0	0.3	117.3	5.4
Full-Time ('000)	1,864.3	1,868.2	1,771.3	-3.9	-0.2	93.0	5.3
Part-Time ('000)	442.5	431.6	418.2	10.9	2.5	24.3	5.8
Unemployment ('000)	179.9	185.4	263.9	-5.5	-3.0	-84.0	-31.8
Unemployment Rate (%)	7.2	7.5	10.8	-0.3	-	-3.6	-
Participation Rate (%)	69.6	69.7	69.5	-0.1	-	0.1	-
Employment Rate (%)	64.5	64.5	62.1	0.0	-	2.4	-

Note: Totals may not add due to rounding

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



On a positive note, the unemployment rate fell by -0.3 percentage points to 7.2% in January 2022. This is Alberta’s lowest monthly unemployment rate since the pandemic began. Overall, there has been job growth in Alberta in recent months because of a combination of high energy prices, record levels of oil production and strong demand in construction. A busy holiday shopping season also supported job growth in the retail sector over the last few months.

Alberta Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	January 2022 (%)	December 2021 (%)	January 2021 (%)	Monthly Variation (% points)	Yearly Variation (% points)
Total	7.2	7.5	10.8	-0.3	-3.6
25 years and over	6.1	6.5	9.0	-0.4	-2.9
Men - 25 years and over	5.6	6.1	8.4	-0.5	-2.8
Women - 25 years and over	6.7	6.9	9.6	-0.2	-2.9
15 to 24 years	14.2	13.6	22.2	0.6	-8.0
Men - 15 to 24 years	16.1	14.5	22.4	1.6	-6.3
Women - 15 to 24 years	12.2	12.7	22.0	-0.5	-9.8

Note: Totals may not add due to rounding

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

Between December and January, young men (aged 15-24 years) had the most significant increase in unemployment rate, with a 1.6 percentage point increase. Compared to last January, the unemployment rate has declined for young men by -6.3 percentage points. Despite this, they still had the highest unemployment rate of any demographic (16.1% in January 2022). Since last year, the unemployment rate for young women improved the most of any group (-9.8 percentage points). Among men and women 25 years of age and over, year-over-year changes have been smaller, with their unemployment rates decreasing by -0.5 and 0.2 percentage points respectively.

EMPLOYMENT BY INDUSTRY

In January 2022, employment in the goods-producing sector increased by +18,400 jobs (+3.4%), while employment in the services-producing sector decreased by -11,300 jobs (-0.6%). Compared to last year, employment in the goods-producing sector also increased, by 3,400 jobs (+0.6%), and employment in the services-producing sector was up substantially by +114,000 jobs (+7.0%). The goods-producing sector was affected less by public health restrictions since the beginning of the pandemic, though periods of weak economic activity have slowed subsequent employment growth. The services-producing sector had larger employment gains than the goods-producing sector annually. This is due to the significant recovery that the retail, food service, and tourism industries have undergone in the last year in periods when public health orders were more relaxed.

Alberta Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	January 2022	December 2021	January 2021	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	2,306.8	2,299.8	2,189.5	7.0	0.3	117.3	5.4
Goods-producing sector	556.5	538.1	553.1	18.4	3.4	3.4	0.6
Agriculture	33.5	32.5	39.5	1.0	3.1	-6.0	-15.2
Forestry, fishing, mining, quarrying, oil and gas	146.0	143.0	139.3	3.0	2.1	6.7	4.8
Utilities	19.8	17.5	23.9	2.3	13.1	-4.1	-17.2
Construction	227.9	226.2	226.1	1.7	0.8	1.8	0.8
Manufacturing	129.4	118.9	124.3	10.5	8.8	5.1	4.1
Services-producing sector	1,750.4	1,761.7	1,636.4	-11.3	-0.6	114.0	7.0
Trade	354.0	354.8	331.7	-0.8	-0.2	22.3	6.7
Transportation and warehousing	138.7	137.5	129.6	1.2	0.9	9.1	7.0
Finance, insurance, real estate and leasing	118.2	118.2	109.0	0.0	0.0	9.2	8.4
Professional, scientific and technical services	191.1	196.6	177.9	-5.5	-2.8	13.2	7.4
Business, building and other support services	70.1	70.3	74.8	-0.2	-0.3	-4.7	-6.3
Educational services	158.2	164.3	160.5	-6.1	-3.7	-2.3	-1.4
Health care and social assistance	319.4	313.4	307.9	6.0	1.9	11.5	3.7
Information, culture and recreation	75.5	68.1	60.5	7.4	10.9	15.0	24.8
Accommodation and food services	125.3	124.1	85.5	1.2	1.0	39.8	46.5
Other services	92.7	103.3	96.3	-10.6	-10.3	-3.6	-3.7
Public administration	107.1	111.1	102.9	-4.0	-3.6	4.2	4.1

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 peak of the pandemic. Nevertheless, weak economic activity and persistent uncertainty have weighed heavily on the sector.

Increased demand, high energy prices and record levels of oil production have supported an annual increase of employment in the **resource extraction (forestry, mining, and oil and gas)** of +6,700 jobs (+4.8%). Employment also increased on a monthly basis in January 2022 by +3,000 jobs or +2.1%. Oil production in Alberta was down -4.1% in December 2021 compared to December 2020. Non-conventional (or oil sands) production, which constituted 85.9% of all oil production in Alberta in December 2021, decreased by -5.6% year-over-year, while production of conventional oil increased by +5.6%. Total annual oil production in 2021 was 8.0% higher than in 2020.³ The price of Western Canadian Select averaged \$65.15 USD in January 2022, a +24% increase from December 2021, and a +70% annual increase from January 2021.⁴

Prospects for the oil and gas sector look strong heading into 2022. The annual oil production numbers for 2021 show that Alberta had a record-breaking year, largely due to increased energy prices, which experts predict will likely continue into 2022. After contracting by -5.1% in 2020, Alberta's annual oil production increased by +8.0% in 2021.⁵ The Canadian Association of Petroleum Producers (CAPP) is forecasting a 22% increase in natural gas

and oil investment in 2022. Capital spending in the sector is expected to grow by \$6.0 billion to reach \$32.8 billion, compared to an estimated total investment of \$26.9 billion in 2021.⁶

The **construction** industry also saw an increase in employment between December and January. Employment in the sector increased by +1,700 jobs (+0.8%). The construction industry also posted an annual employment increase of +1,800 (+0.8%) from January 2021 to January 2022. This increase in employment is driven by robust demand in the short term for construction in the province. The seasonally adjusted value of building permits issued by municipalities in Alberta decreased by -9.6% in December compared to November. However, the overall value of building permits were up +30.0% compared to December 2020 and up +15.7% compared to December 2019.⁷

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. In recent months employment has begun to recover, especially during periods when public health orders were more relaxed. However employment still remains below pre-pandemic levels in most industries.

Employment in **wholesale and retail trade** decreased in January after a busy holiday shopping season. Employment in the sector decreased by -800 jobs (-0.2%) since last month. However, employment in the sector increased on an annual basis by +22,300 jobs (+6.7%). Seasonally adjusted retail sales in Alberta increased (+0.1%) on a monthly basis in November 2021 (most recent data available). However on an annual basis, unadjusted retail sales in Alberta were 10.2% (\$717 million) higher than in November 2020.⁸

Employment increased slightly in the **accommodation and food services** sector by +1,200 jobs (+1.0) since last month, and also increased by +39,800 jobs (+46.5%) on an annual basis.

As of September 20, restaurants in Alberta were given the option to either join the Restrictions Exemption Program, which requires customers to wear a mask and present either proof of vaccination or a negative COVID-19 test result, or to comply with COVID-19 public health restrictions. If restaurants did not join the Restrictions Exemption Program, they were prohibited from offering indoor dining, outdoor dining was limited to 6 people/one household per table, and liquor sales were to end by 11PM. As the Omicron variant surged in late December, restaurants, pubs and bars participating in the Restrictions Exemption program were also required to limit table capacity to 10 people, prohibit mingling between tables and prohibit interactive activities (e.g., dancing, darts, and billiards). All restaurants, pubs, and bars are also to stop liquor service at 11 pm, and close by 12:30 am, regardless of whether or not they joined the Restrictions Exemption Program.⁹ The province intends to remove the Restriction Exemptions Program within the first quarter of 2022, as long as there continues to be a sustained decrease of pressure on hospitals during the fifth wave of the pandemic.¹⁰

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 quarterly comparisons difficult.

Alberta Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	January 2022 ('000)	January 2021 ('000)	Yearly Variation (%)	January 2022 (%)	January 2021 (%)	Yearly Variation (% points)
Alberta	2,277.0	2,160.4	5.4	7.0	10.6	-3.6
Economic Regions						
Lethbridge - Medicine Hat	134.9	133.4	1.1	7.5	11.4	-3.9
Camrose - Drumheller	91.0	80.3	13.3	6.2	10.0	-3.8
Calgary	878.5	856.4	2.6	7.8	10.3	-2.5
Banff - Jasper - Rocky Mountain House and Athabasca - Grand Prairie - Peace River	183.0	172.6	6.0	5.3	9.9	-4.6
Red Deer	106.2	99.3	6.9	7.0	9.1	-2.1
Edmonton	811.5	748.7	8.4	6.6	11.5	-4.9
Wood Buffalo - Cold Lake	71.8	69.6	3.2	7.5	9.4	-1.9

Note: Totals may not add due to rounding

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

In January 2022 employment increased on an annual basis in every economic region, as the labour market improved significantly from the same period last year. **Camrose-Drumheller and Edmonton** had the largest employment gains on a percentage basis at +13.3% and +8.4% respectively. **Calgary**, meanwhile, had the smallest employment gains, at + 2.6%

In January 2022, employment in **Lethbridge-Medicine Hat** increased by +1.1% (+1,500 jobs) on an annual basis. The regional unemployment rate dropped by -3.9% percentage points to 7.5%. There are some projects getting under way in the region which should create employment in key sectors. A plan by the City of Brooks to install a fibre-optic backbone in that city has received a \$5.4M grant from the Canada Community Building Fund, formerly known as the Gas Tax Fund. Lite Access Technologies has secured an agreement for work on the \$14.4M project.¹¹

Year-over-year, **Camrose – Drumheller** had the largest employment gains in the province on a percentage basis at +13.3% (+10,700). The unemployment rate stood at 6.2% in January 2022, a -3.8 percentage point drop from January 2021. Recently, Alberta Safety Services and Employment Testing Ltd. has opened in Hanna. The company offers health and safety training programs, and occupational drug and alcohol collection and testing services. The company cited increased demand from the construction of large scale projects, such as the TransAlta and Pembina Pipeline Garden Plain Wind Power project as a key driver to open the business. The company is also optimistic about potential future demand created by increased capital expenditures in oil and gas related projects.¹²

Employment in **Banff – Jasper – Rocky Mountain House and Athabasca – Grande Prairie – Peace River** increased by +6.0% (+10,400 jobs) and the unemployment rate dropped by -4.6 percentage points to 5.3% on annual basis. The Omicron variant has slowed recovery in the tourism sector in the Bow Valley region, and affected the labour market in both regions in a number of ways. For instance, the YMCA of Northern Alberta currently has 20 open child care positions, including leadership roles, in the Grande Prairie area. The region is struggling to find qualified child care staff, due in part to COVID-19 related absences.¹³ However, there have also been positive announcements regarding the labour market in the region. For instance, the provincial and federal governments are partnering on construction of a new \$24.8M seniors housing project in Spirit River. This project will create about 175 jobs during the planning, design and construction of the facility. Permanent jobs will be added once the facility is operational. Construction is set to begin in spring 2022 with occupancy in spring 2024.¹⁴

The unemployment rate in **Red Deer** was at 7.0% in January 2022. Employment levels in the region have increased by +6.9% (+6,900 jobs) since last year. The Town of Innisfail has approved a 2022 capital budget of \$7.17M. Most of the budget targets construction and infrastructure upgrades and maintenance.¹⁵

Employment in **Wood Buffalo – Cold Lake** increased annually by +3.2% (+2,200 jobs). The unemployment rate has decreased by -1.9 percentage points to 7.5%. In the short term, infrastructure spending by municipalities will likely support job growth in the construction industry. The City of Cold Lake has approved a 2022 capital budget of just under \$24.6M which includes road repairs and major construction of facilities.¹⁶

Employment in the **Calgary** economic region increased by +2.6% on an annual basis. The unemployment rate was at 7.8%, down -2.5 percentage points from last year. The Omicron variant has affected employment levels in Calgary in a number of ways. For instance, the Calgary Board of Education has hired an additional 29 temporary contract teachers to help cover absences due to the Omicron variant as the fifth wave of COVID-19 continues to affect staff.¹⁷ There have also been several positive announcements for the labour market in Calgary. EY Canada is launching its first Canadian-based EY Finance Centre of Excellence in Calgary. The centre is expected to create 200 new jobs over the next three years, including 50 immediate new hires starting in early 2022.¹⁸ Additionally, sixteen companies are currently hiring for more than 350 jobs in Calgary in a variety of occupations including computer programmers, cyber security, retail sales, and finance specialists among others. Some of the employers offer the opportunity for remote work.¹⁹

In **Edmonton**, employment was up by +8.4% (+62,800 jobs) compared to a year ago. The unemployment rate improved the most of any region, dropping by -4.9 percentage points to 6.6%. There were several positive developments in the region's construction sector in January. The federal government, along with the city of Edmonton, have announced a project that will create up to 138 new affordable homes for individuals in Edmonton. The amount allocated for this initiative is more than \$ 14.8M for two separate projects in the city.²⁰ Additionally, the City of Edmonton is building a \$26M pedway as part of multi-tower project. The pedway is part of a deal with Qualico, which is building the mixed-use residential tower development north of the Royal Alberta Museum.²¹

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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¹ Government of Alberta (January 7, 2022) [COVID-19 public health actions.](#)

² Calgary Herald (February 4, 2022) [Premier Kenney says vote to lift vaccine mandate coming early next week](#)

³ Government of Alberta (February 3, 2022) [Oil Production](#)

⁴ Kent Group (February 3, 2022) [Selected Crude Oil Prices](#)

⁵ ATB Financial (February 2, 2022) [More black gold flowing than ever in Alberta](#)

⁶ Canadian Association of Petroleum Producers (January 20, 2022) [CAPP projects investment in Canada's natural gas and oil sector will rise to \\$32.8 billion in 2022](#)

⁷ ATB Financial (February 3, 2022) [Building construction in Alberta in 2021](#)

⁸ ATB Financial (January 24, 2022) [Retail sales growth in Alberta strong but uneven](#)

⁹ Government of Alberta (January 7, 2022) [COVID-19 public health actions](#)

¹⁰ Calgary Herald (February 4, 2022) [Premier Kenney says vote to lift vaccine mandate coming early next week](#)

¹¹ Medicine Hat News (January 20, 2022) [Plan to install fibre-optic backbone in Brooks receives \\$5.4 million grant](#)

¹² Hanna Herald (Feb 01, 2022) [A.S.S.E.T. Ltd. opens its doors in Hanna](#)

¹³ YMCA of Northern Alberta (January 28, 2022) [Staff shortages in child care affect Grande Prairie families, YMCA calls on government to support](#)

¹⁴ Government of Alberta (December 20, 2021) [Construction to begin on Spirit River seniors housing](#)

¹⁵ RDNewsNow (December 14, 2021) [Innisfail council approves 2022 budget with a focus on the future](#)

¹⁶ City of Cold Lake (December 15, 2021) [Council passes 2022 budget, forecasts 3.2% tax increase](#)

¹⁷ CBC News (January 24, 2022) [Everything you need to know about COVID-19 in Alberta on Monday, Jan. 24](#)

¹⁸ Invest Alberta Corporation (January 25, 2022) [EY chooses Alberta as home for its Canadian Finance Centre of Excellence](#)

¹⁹ Daily Hive (January 25, 2022) [16 companies hiring for more than 350 jobs in Calgary this February](#)

²⁰ CFWEFM (January 12, 2022) [Two former Edmonton hotels being converted to affordable housing](#)

²¹ CBC News (January 24, 2022) [City of Edmonton to build \\$26M pedway as part of private multi-tower project](#)