



# Labour Market Bulletin

Alberta

May 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

While overall economic indicators remain strong in the province, certain sectors are facing labour shortages, which could threaten economic growth. For instance, the Canadian Association of Energy Contractors (CAOEC) expects that continuing labour shortages will impact activity in the oil and gas for the remainder of 2022.<sup>1</sup> Businesses involved in the upcoming busy summer tourist season are also being threatened by labour shortages. The Banff and Canmore Job Resource Centre estimates that the region could be short close to 2,000 workers this season.<sup>2</sup> The provincial government recently announced changes to support sectors of the economy that are dealing with labour shortages and are struggling to find qualified Canadian workers. Restrictions on the hiring of new temporary foreign workers were lifted on May 1, 2022.<sup>3</sup> However, it is uncertain whether the lifting of these restrictions will help in time for the summer.

In April, the International Monetary Fund downgraded its global economic growth projections. While Alberta may not be entirely immune from the factors plaguing the global economy, high commodity prices should continue to support strong economic growth for the near future. Indeed, despite the global challenges brought on by high inflation, disrupted supply chains and geopolitical uncertainty, ATB Financial forecasts that provincial GDP will grow by +5.0% in 2022, and by +3.5% in 2023. The forecasted price of a barrel of West Texas Intermediate (WTI) will average \$95 USD in 2022 and \$86 USD in 2023, although oil prices remain as volatile as ever.<sup>4</sup>

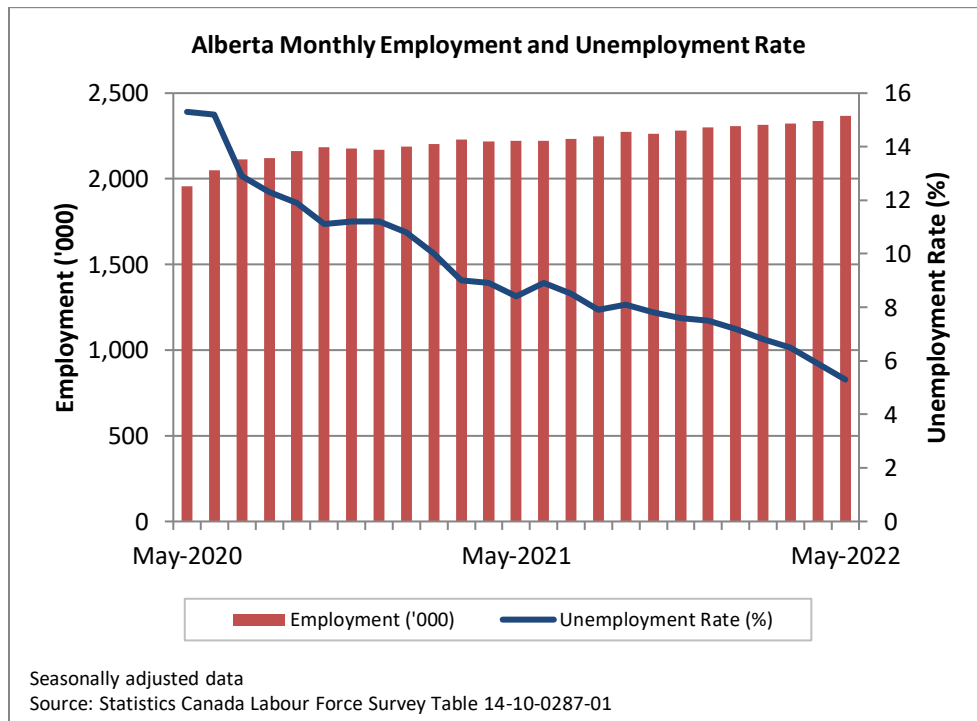
In May 2022 employment averaged around 2.3 million. Overall employment increased by 27,500 jobs (+1.2%) from the previous month. This was the seventh consecutive month where there was an increase in employment in Alberta.<sup>5</sup> Almost all the job growth in May on a monthly basis was from full time jobs, as full time jobs increased by +60,600 (+3.2%) while part time jobs decreased drastically by -33,100 jobs (-7.2%).

**Alberta Monthly Labour Force Statistics**

Seasonally Adjusted Monthly Data	May 2022	April 2022	May 2021	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	3,601.7	3,593.3	3,536.3	8.4	0.2	65.4	1.8
<b>Labour Force ('000)</b>	2,497.3	2,485.0	2,423.3	12.3	0.5	74.0	3.1
<b>Employment ('000)</b>	2,365.7	2,338.2	2,220.1	27.5	1.2	145.6	6.6
Full-Time ('000)	1,940.8	1,880.2	1,817.5	60.6	3.2	123.3	6.8
Part-Time ('000)	424.8	457.9	402.7	-33.1	-7.2	22.1	5.5
<b>Unemployment ('000)</b>	131.6	146.8	203.1	-15.2	-10.4	-71.5	-35.2
<b>Unemployment Rate (%)</b>	5.3	5.9	8.4	-0.6	-	-3.1	-
<b>Participation Rate (%)</b>	69.3	69.2	68.5	0.1	-	0.8	-
<b>Employment Rate (%)</b>	65.7	65.1	62.8	0.6	-	2.9	-

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 continued to trend downwards in May. The unemployment rate decreased by 0.6% to land at 5.3%. This is Alberta’s lowest monthly unemployment rate since the pandemic began. There was 131,600 unemployed Albertans in May which is the lowest amount since February 2015.<sup>6</sup>

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

Seasonally Adjusted Data	May 2022 (%)	April 2022 (%)	May 2021 (%)	Monthly Variation (% points)	Yearly Variation (% points)
<b>Total</b>	5.3	5.9	8.4	-0.6	-3.1
<b>25 years and over</b>	4.3	5.2	7.3	-0.9	-3.0
Men - 25 years and over	4.5	5.5	7.1	-1.0	-2.6
Women - 25 years and over	4.1	4.8	7.6	-0.7	-3.5
<b>15 to 24 years</b>	11.1	10.5	15.4	0.6	-4.3
Men - 15 to 24 years	10.9	9.0	16.6	1.9	-5.7
Women - 15 to 24 years	11.4	12.0	14.1	-0.6	-2.7

Note: Totals may not add due to rounding

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

Between April and May, young men (aged 15-24 years) had the most significant increase in their unemployment rate compared to other demographic groups, with a 1.9 percentage point increase. Compared to the previous year, however, the unemployment rate has still down for young men by -5.7 percentage points. In May, young women (aged 15-24 years) had the highest unemployment rate at 11.4 percent, while young men (aged 15-24 years) had an unemployment rate of 10.9 percent. We should expect an increase in employment for young workers in the coming months, as students take up seasonal employment in the summer.

## EMPLOYMENT BY INDUSTRY

### Alberta Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	May 2022	April 2022	May 2021	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	2,365.7	2,338.1	2,220.1	27.6	1.2	145.6	6.6
<b>Goods-producing sector</b>	554.3	548.0	560.9	6.3	1.1	-6.6	-1.2
Agriculture	36.6	33.8	37.1	2.8	8.3	-0.5	-1.3
Forestry, fishing, mining, quarrying, oil and gas	150.1	147.4	144.4	2.7	1.8	5.7	3.9
Utilities	21.2	17.0	19.8	4.2	24.7	1.4	7.1
Construction	224.6	225.1	233.9	-0.5	-0.2	-9.3	-4.0
Manufacturing	121.8	124.6	125.8	-2.8	-2.2	-4.0	-3.2
<b>Services-producing sector</b>	1,811.4	1,790.2	1,659.3	21.2	1.2	152.1	9.2
Trade	392.8	387.3	332.4	5.5	1.4	60.4	18.2
Transportation and warehousing	132.2	124.0	126.9	8.2	6.6	5.3	4.2
Finance, insurance, real estate and leasing	117.2	114.4	117.0	2.8	2.4	0.2	0.2
Professional, scientific and technical services	206.8	196.0	187.1	10.8	5.5	19.7	10.5
Business, building and other support services	73.2	75.1	73.5	-1.9	-2.5	-0.3	-0.4
Educational services	169.2	166.9	172.5	2.3	1.4	-3.3	-1.9
Health care and social assistance	309.9	317.4	302.6	-7.5	-2.4	7.3	2.4
Information, culture and recreation	75.4	80.2	63.0	-4.8	-6.0	12.4	19.7
Accommodation and food services	139.3	135.3	95.5	4.0	3.0	43.8	45.9
Other services	92.7	88.3	89.9	4.4	5.0	2.8	3.1
Public administration	102.7	105.2	98.6	-2.5	-2.4	4.1	4.2

Note: Totals may not add due to rounding

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

In May 2022, there was an increase of 6,300 jobs (+1.1%) in the goods-producing sector on a monthly basis. Meanwhile, employment in the services-producing sector increased by +21,200 (+1.2%) from April to May. On an annual basis, employment in the goods-producing sector decreased by -6,600 jobs (-1.2%). Employment in the services-producing sector increased substantially by +152,100 (+9.2%) on a yearly basis.

### 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. Recently, employment in the goods-producing sector has begun to recover as global energy prices have drastically increased and remained high in the first quarter of 2022.

High global energy prices have supported job growth in the **resource extraction (forestry, mining, and oil and gas)** sector. Employment increased in the sector by +2,700 jobs (+1.8%) on a monthly basis and by +5,700 jobs (+3.9%) on an annual basis. The price of Western Canadian Select (WCS) in May was \$96.82, an increase of \$7.72 USD (+9%) on a monthly basis. On an annual basis, a barrel of WCS was up by \$45.08 (+87%) compared to May 2021.<sup>7</sup> Oil production in Alberta was 17.3 million cubic metres in April 2022, up 9.9% compared to April 2021. Non-conventional (or oil sands) production, which makes up 83.9% of all oil production in Alberta increased by 9.2% year-over-year, while production of conventional oil increased by 13.7%.<sup>8</sup> Record production and high oil prices should continue to support job growth in the sector in the coming months. However, like many other sectors, the resource extraction industry is facing labour shortages. The Canadian Association of Energy Contractors (CAOEC) expects that continuing labour shortages will impact industry activity for the remainder of 2022.<sup>9</sup>

Employment in the **construction** industry remained essentially unchanged on a monthly basis. While employment has largely stayed the same, demand for construction in Alberta appears robust. In April, housing starts were up 24.6% on a monthly basis. This was the third consecutive monthly gain with housing starts in Edmonton reaching a six year high.<sup>10</sup> The Government of Alberta has also announced that it will be spending around \$1.4B on capital and roadworks projects for the 2022 fiscal year. Nearly 300 capital and highway improvement projects have been identified, which should support around 12,000 jobs throughout road construction season.<sup>11</sup> This should help support job growth in the sector in the short term.

### 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 the **retail trade** sector increased by +5,500(+1.4%) in May. Revenues for Alberta retailers were up in March, rising for the third consecutive month. However, it is important to note that most of the growth in revenues was due to high inflation. When adjusted for inflation, quarterly retail sales in Alberta were down by

\$851 million (-5.2%) compared to the first quarter of 2021.<sup>12</sup> Further inflation could negatively impact the labour market in the **retail trade** sector.

Employment increased in the **accommodation and food services** sector by +4,000 jobs (+3.0%) on a monthly basis, and also increased by +43,800 (+45.9%) on an annual basis. The labour market in this sector is currently very tight. As the busy tourism season approaches hotel operators and restaurant owners are having a very hard time filling jobs, especially in the tourist towns of Banff, Lake Louise and Canmore. Businesses are hoping that recent changes by the province to the Temporary Foreign Worker Program will help, the Banff and Canmore Job Resource Centre estimates that the region could be short close to 2,000 workers, many of them in the **accommodation and food services** sector.<sup>13</sup>

## 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.

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

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	May 2022 ('000)	May 2021 ('000)	Yearly Variation (%)	May 2022 (%)	May 2021 (%)	Yearly Variation (% points)
<b>Alberta</b>	2,338.9	2,216.1	5.5	6.0	9.3	-3.3
<b>Economic Regions</b>						
Lethbridge - Medicine Hat	149.0	134.3	10.9	5.0	7.3	-2.3
Camrose - Drumheller	95.7	97.1	-1.4	4.6	6.9	-2.3
Calgary	915.1	845.8	8.2	6.3	8.9	-2.6
Banff - Jasper - Rocky Mountain House and Athabasca - Grand Prairie - Peace River	184.3	178.1	3.5	4.7	9.5	-4.8
Red Deer	103.8	111.1	-6.6	7.4	10.2	-2.8
Edmonton	815.6	777.2	4.9	6.3	10.3	-4.0
Wood Buffalo - Cold Lake	75.5	72.5	4.1	5.7	7.1	-1.4

Note: Totals may not add due to rounding

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

In April 2022 employment increased on an annual basis in every economic region, except in **Camrose-Drumheller** and **Red Deer**, which decreased by -1.4 and -6.6 percentage points respectively. **Lethbridge-Medicine Hat** had the largest employment gains on a percentage basis at +10.9%, followed by Calgary at +8.2%.

In May 2022, employment in **Lethbridge-Medicine Hat** increased by +10.9% (+14,700 jobs) on an annual basis. The regional unemployment rate dropped by -2.3% percentage points to 5.0%. There has been a few recent announcements expected to drive job creation in the manufacturing sector in the region. Phyto Organix Foods Inc. is building a yellow pea processing facility in Strathmore to produce soluble and insoluble protein isolates,

processed fibre and starch, and high-quality dietary pea hull fibre. Bird Construction is leading the \$225M design-build contract. The facility is scheduled to be operational in 2024.<sup>14</sup> Also, PIP International has opened a new \$20M pea processing pilot facility in Lethbridge. This is the first phase of a two phase project that will see a new \$150M facility constructed in Lethbridge.<sup>15</sup>

Employment in **Camrose – Drumheller** decreased by 1.4 percentage points (-1,400 jobs), while the unemployment rate went down by 2.3 percentage points on an annual basis. This apparent discrepancy is due in part to medium-term demographic changes. The region was one of the few in Alberta to drop in population between 2016 and 2021.<sup>16</sup> There have been some positive announcements in the region in regards to job creation. Canadian Tire is holding a job fair on July 5-6 for its new store, opening in Lloydminster at the end of October 2022. The store anticipates hiring 50 to 60 new employees to serve as in-store associates, auto service technicians and to handle an expanded e-commerce footprint.<sup>17</sup> Also, construction is underway on the \$28.8M renovation and expansion of Lloydminster Comprehensive High School. Crews from Quorex Construction, based in Saskatoon, officially broke ground for the expansion on May 6 with a target completion date in 2023.<sup>18</sup>

Employment in **Banff – Jasper – Rocky Mountain House and Athabasca – Grande Prairie – Peace River** increased by +3.5% (+6,200 jobs) and the unemployment rate dropped by -4.8 percentage points to 4.7% on annual basis. While many regions are dealing with labour shortages across Alberta, the problem is especially acute in the **Banff – Jasper – Rocky Mountain House and Athabasca – Grande Prairie – Peace River** region due to the tourism related sectors which are key to the region. Employers in Banff, Lake Louise, Canmore, Jasper, and Kananaskis are recruiting for a range of full-time, part-time and seasonal positions across numerous occupations.<sup>19</sup> Despite the employment push made by employers, the Banff and Canmore Job Resource Centre estimates that the region could be short close to 2,000 workers as the busy summer tourist season approaches.<sup>20</sup>

The unemployment rate in **Red Deer** was 7.4% in May 2022, a decrease of -2.8% on an annual basis. Although the unemployment rate was down, total employment in the region decreased by -6.6% (-7,300 jobs). This happened because of a decrease in the size of the labour force. Employment in the construction and manufacturing sectors are at a low level compared to the same time last year. This may have forced some job seekers to move elsewhere or leave the labour market altogether. Nevertheless, some recent announcements should bode well for the region. The Government of Alberta is providing \$7.5M to the Town of Sundre towards \$11.5M in improvements to the local wastewater treatment plant. The project is expected to create 69 construction jobs and be complete in 2023.<sup>21</sup> Also, Canyon Ski Resort near Red Deer is hiring labourers to help build an alpine pipe coaster, a gravity ride running on metal pipes, which is set to open this summer.<sup>22</sup> Finally, Track on 2 Racing and Event Centre is planning to add another 20 year-round jobs at its facility near Lacombe following approval for expansion from the Alberta Liquor, Gaming and Cannabis Commission. Track 2 plans to install at least 80 slot machines and other electronic gambling machines offering games such as roulette and blackjack inside the existing grandstand.<sup>23</sup>

Employment in **Wood Buffalo – Cold Lake** increased annually by +4.1% (+3000 jobs). The unemployment rate decreased by -1.4 percentage points to 5.7%. It has been announced that the Regional Municipality of Wood Buffalo is distributing approximately \$5.1M from federal and provincial programs dedicated to ending homelessness to support the work of local non-profits.<sup>24</sup>

Employment in the **Calgary** region increased by +8.2% (+69,300 jobs) on an annual basis. The unemployment rate was 6.3%, down -2.6 percentage points from last year. Continued economic growth has been a trend in Calgary in recent months. That positive momentum has continued in May. Recent announcements should bode well for the labour market in the short to medium term. In the short term, the Calgary Stampede is hiring for more than 2,000 positions varying from parking attendants to food and beverage servers. This year, instead of hosting a one-day hiring fair, the Stampede is accepting applications online.<sup>25</sup> Also, India-based Mphasis, an information technology company, has opened its Calgary office along with 200 jobs. Mphasis plans to ramp up hiring to 1,000 employees.<sup>26</sup>

In **Edmonton**, employment was up by +4.9% (+38,400 jobs) compared to a year ago. The unemployment rate decreased by -4.0 percentage points to 6.3%. There have been some positive announcements for job growth in the Edmonton region. The Government of Canada is providing \$17M through Prairies Economic Development Canada (PrairiesCan) to 11 Edmonton companies and three service providers in Edmonton's innovation community to scale up and bring products to market. The funding is expected to create 882 jobs.<sup>27</sup> Also, the Government of Alberta, the City of Leduc and Edmonton International Airport are partnering on a \$96M highway interchange in Leduc. Construction is scheduled to start in summer 2022, take three years for completion and create 470 jobs.<sup>28</sup> However, Edmonton Public Schools are eliminating more than 200 teaching positions and 138 educational assistants for the next school year due financial constraints.<sup>29</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.*

**Prepared by:** Labour Market Information (LMI) Directorate, Service Canada, Alberta

**For further information**, please contact the LMI team at: [http://www.esdc.gc.ca/cqi-bin/contact/edsc-esdc/eng/contact\\_us.aspx?section=lmi](http://www.esdc.gc.ca/cqi-bin/contact/edsc-esdc/eng/contact_us.aspx?section=lmi)

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- <sup>1</sup> Canadian Association of Energy Contractors (May 10, 2022). [CAOEC Announces Its Revised 2022 Drilling Forecast.](#)
  - <sup>2</sup> CBC News (May 24, 2022). [Rocky Mountain hotels, restaurants doubt help will arrive in time for summer tourist season.](#)
  - <sup>3</sup> CIC News (May 3, 2022). [Alberta lifts restrictions on temporary foreign workers.](#)
  - <sup>4</sup> ATB Financial (May 19, 2022). [Alberta Economic Outlook.](#)
  - <sup>5</sup> ATB Financial (June 10, 2022). [Strong job numbers in Alberta in May.](#)
  - <sup>6</sup> ATB Financial (June 10, 2022). [Strong job numbers in Alberta in May.](#)
  - <sup>7</sup> Kent Group (March 10, 2022). [Selected Crude Oil Prices.](#)
  - <sup>8</sup> Government of Alberta (March 2, 2022). [Oil Production.](#)
  - <sup>9</sup> Canadian Association of Energy Contractors (May 10, 2022). [CAOEC Announces Its Revised 2022 Drilling Forecast.](#)
  - <sup>10</sup> ATB Financial (May 26, 2022). [Housing starts up again in April.](#)
  - <sup>11</sup> Government of Alberta (May 27, 2022). [Caution: Roadwork ahead.](#)
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  - <sup>13</sup> CBC News (May 24, 2022). [Rocky Mountain hotels, restaurants doubt help will arrive in time for summer tourist season.](#)
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  - <sup>17</sup> Meridian Source (May 4, 2022). [New Canadian Tire To Open This Fall.](#)
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  - <sup>20</sup> CBC News (May 24, 2022). [Rocky Mountain hotels, restaurants doubt help will arrive in time for summer tourist season.](#)
  - <sup>21</sup> Government of Alberta (April 30, 2022). [Innovation flowing at Sunde wastewater plant.](#)
  - <sup>22</sup> DailyHive (April 29, 2022). [Hills and thrills: Alberta ski resort set to open an alpine pipe coaster this summer.](#)
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  - <sup>24</sup> Fort McMurray Today (April 29, 2022). [Council approves \\$5 million in grants for local non-profits fighting homelessness.](#)
  - <sup>25</sup> CBC News (May 24, 2022). [Calgary Stampede ramps up hiring after 2 summers cut back by pandemic.](#)
  - <sup>26</sup> CBC News (June 07, 2022). [Global tech firm Mphasis opens office in Calgary with plan to create 1,000 jobs.](#)
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<sup>27</sup> Prairies Economic Development Canada (April 29, 2022). [Innovative, high-growth Edmonton companies receive federal support for scaling up, creating jobs.](#)

<sup>28</sup> Government of Alberta (May 12, 2022). [New Leduc interchange drives investment, creates jobs.](#)

<sup>29</sup> CBC News (May 27, 2022). [Edmonton Public Schools eliminating 250 jobs as per-student funding drops.](#)