

Alberta Economy

Indicators at a Glance

Economic Activity

The Alberta Activity Index (AAX) was up 2.4% in 2018 after a 5.1% gain in 2017. Alberta's real GDP by expenditure grew by 4.4% in 2017, the largest gain among the provinces.

Population

Alberta's population was 4,330,206 as of October 1, 2018, an increase of 1.6% from the year prior. Canada's population grew 1.4% from a year ago.

Migration

Net migration to Alberta was 14,514 in the third quarter of 2018. During this time, Alberta welcomed 11,292 net international migrants and 3,222 net interprovincial migrants.

Employment¹

Employment in Alberta decreased by 3,800 jobs in February, following sharp declines in the two previous months. Employment remained up 0.6% year-over-year (y/y).

Unemployment Rate¹

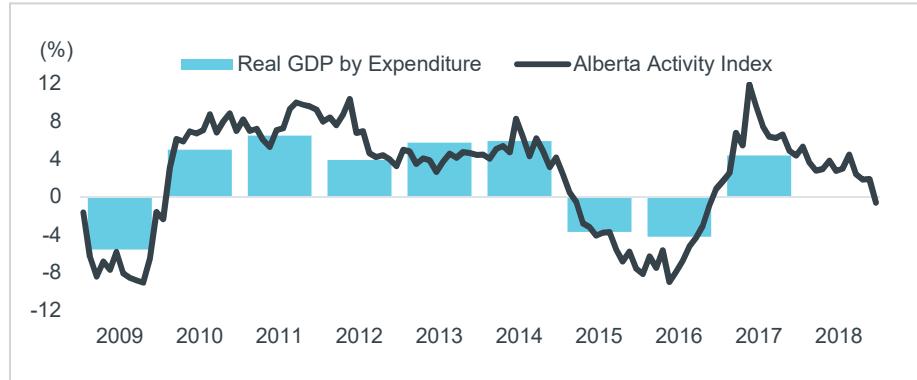
Alberta's unemployment rate increased 0.5 percentage point to 7.3% in January. Canada's unemployment rate held steady at 5.8%.

Rigs Drilling

The number of active rigs in Alberta averaged 144 in February, down 32% y/y. The rig utilization rate averaged 37%, down 13 percentage points from a year ago.

Economic Activity

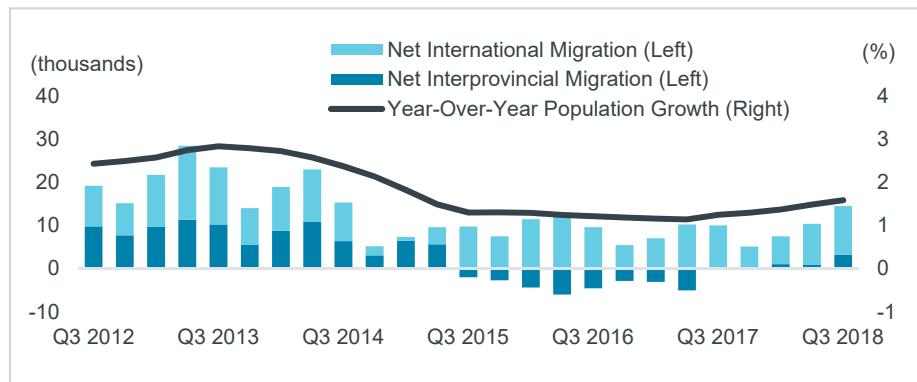
Year-over-year % change



Sources: Statistics Canada and Alberta Treasury Board and Finance

Demographics

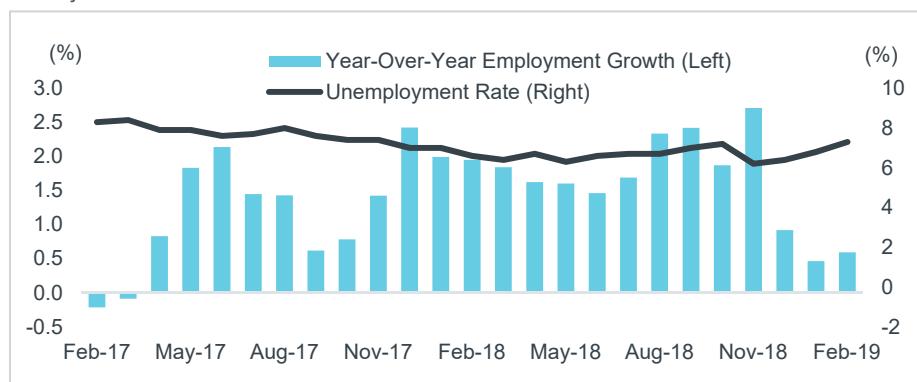
Quarterly



Source: Statistics Canada

Labour Market

Monthly



Source: Statistics Canada

Inflation

The inflation rate in Alberta decreased to 1.2% y/y in January, down from 2.1% y/y in the previous month. Inflation excluding food and energy slowed to 1.5% y/y.

Average Weekly Earnings¹

Average weekly earnings (AWE) in Alberta were unchanged from a year ago in December. Gains in the service sector (+1.4% y/y) were offset by lower earnings in the goods sector (-2.0% y/y). In 2018, earnings were up 1.7%.

Retail Sales¹

Alberta retail sales were relatively unchanged at \$6.8 billion in December. Compared to a year ago sales were up 1.5% and for the 2018 calendar year sales increased by 1.7%.

Housing Starts¹

Alberta housing starts decreased 19% month-over-month (m/m) in February to 19,576 units (annualized). On a year-over-year basis, housing starts were down 18%, due to broad-based declines.

NEW: New Housing Price Index

Alberta's New Housing Price Index (NHPI) edged down 0.1% m/m in January. Compared to a year ago, the NHPI is 0.8% lower with the house-only component down 1.2% y/y, while land prices were up 0.1% y/y.

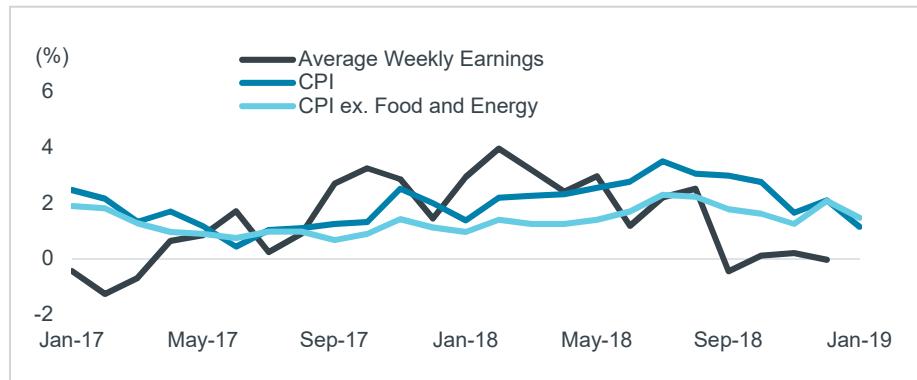
Building Permits¹

Alberta building permits dipped 8.7% m/m in January to \$1.03 billion. Construction intentions were 7.0% lower compared to a year ago, with the decline in residential eclipsing growth in non-residential building permits.

¹ Seasonally adjusted

Inflation and Earnings

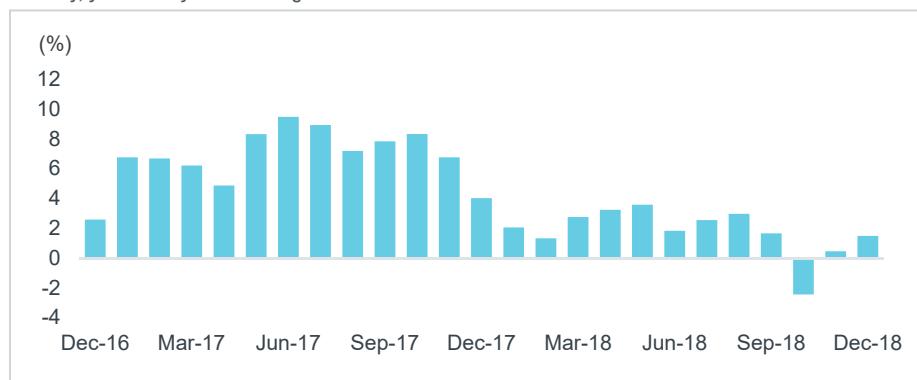
Monthly, year-over-year % change



Source: Statistics Canada

Retail Sales

Monthly, year-over-year % change



Source: Statistics Canada

Housing Market

Monthly



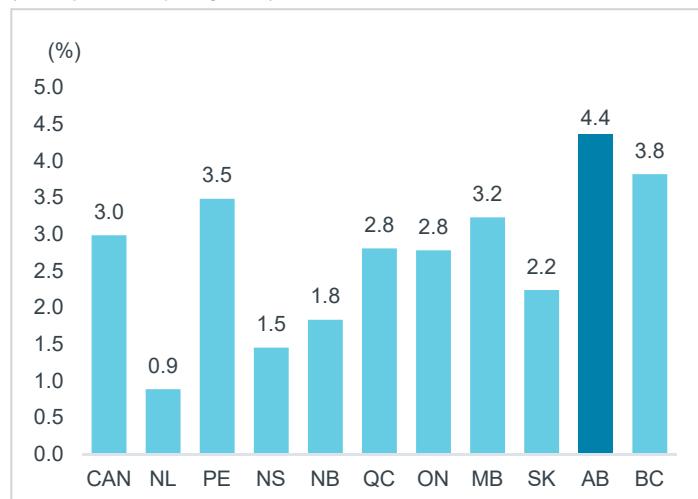
Source: Statistics Canada, Canada Mortgage and Housing Corporation

Contact: [Robert Vanblyderveen](#) at 780.638.5628

Please see the [Weekly Economic Review](#) for current analysis on the Alberta economy

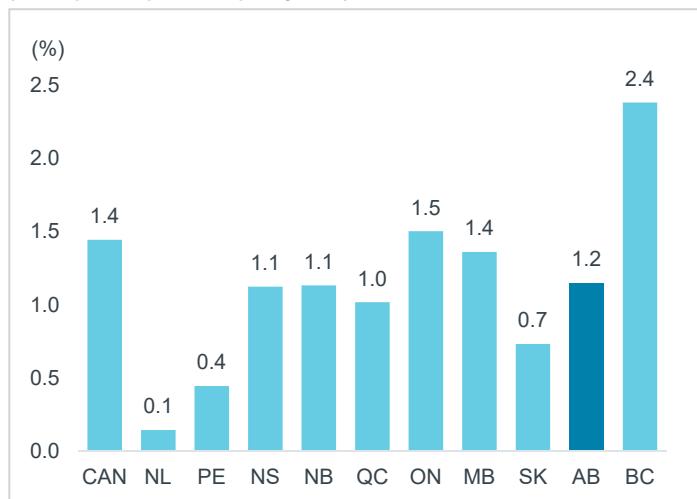
Real GDP by Expenditure

(2017, year-over-year growth)



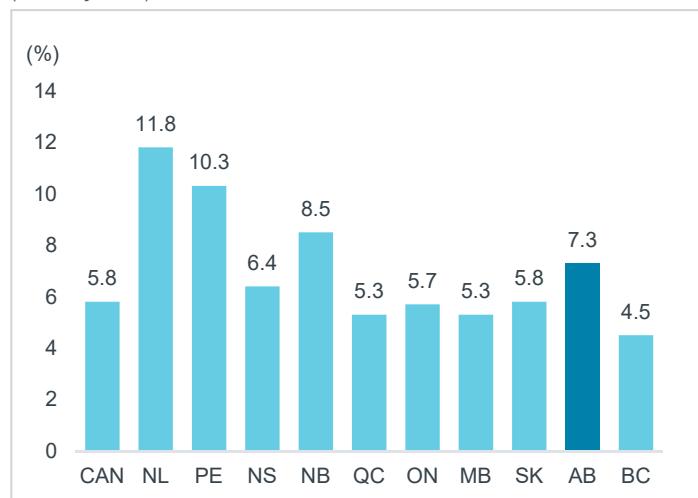
CPI Inflation

(January 2019, year-over-year growth)



Unemployment Rate

(February 2019)



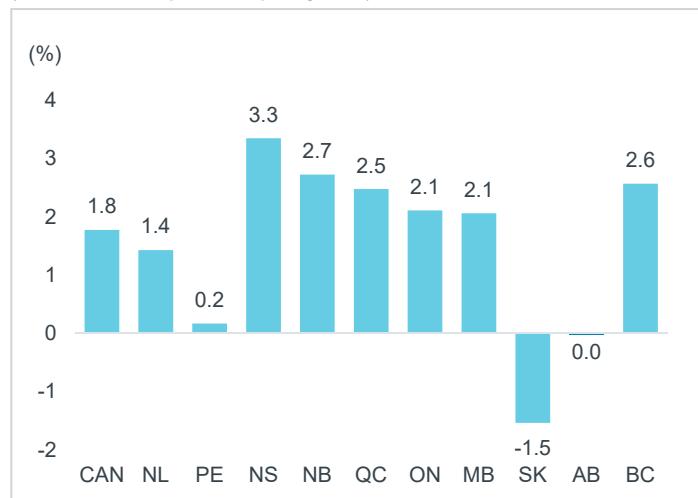
Employment

(February 2019, year-over-year growth)



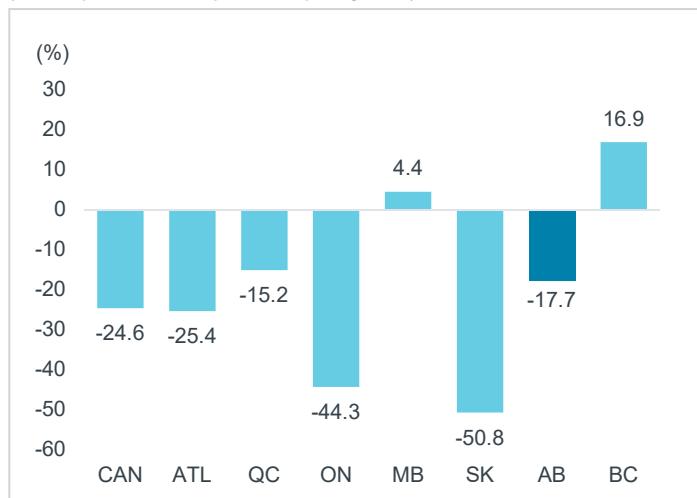
Average Weekly Earnings

(December 2018, year-over-year growth)



Housing Starts

(February 2019, SAAR, year-over-year growth)



Alberta Economic Indicators

| | 2017 | 2018 | 2019 YTD | Sep-18 | Oct-18 | Nov-18 | Dec-18 | Jan-19 | Feb-19 |
|---|---------|---------|----------|--------|--------|--------|--------|--------|--------|
| Alberta Activity Index (y/y % change) | 5.1 | 2.4 | | 2.0 | 1.5 | 1.6 | -0.5 | | |
| Population¹ | | | | | | | | | |
| Population (thousands) | 4,244 | 4,307 | 4,330 | | 4,330 | | | | |
| y/y % change | 1.1 | 1.5 | 1.6 | | 1.6 | | | | |
| Net Interprovincial Migration | -15,559 | 1,438 | 3,222 | | 3,222 | | | | |
| Net International Migration | 32,324 | 31,098 | 11,292 | | 11,292 | | | | |
| Labour Market | | | | | | | | | |
| Employment (thousands, SA) | 2,287 | 2,331 | 2,328 | 2,339 | 2,337 | 2,357 | 2,342 | 2,326 | 2,330 |
| m/m change (thousands) | | | | -1.7 | -1.6 | 20.0 | -15.0 | -15.5 | 3.8 |
| y/y % change | 1.0 | 1.9 | 0.5 | 2.4 | 1.9 | 2.7 | 0.9 | 0.5 | 0.6 |
| Unemployment Rate (% , SA) | 7.8 | 6.6 | 7.1 | 7.0 | 7.2 | 6.2 | 6.4 | 6.8 | 7.3 |
| Participation Rate (% , SA) | 72.4 | 71.9 | 71.6 | 72.2 | 72.2 | 72.0 | 71.6 | 71.3 | 71.8 |
| Average Weekly Earnings (\$, SA) | 1,130 | 1,150 | | 1,140 | 1,143 | 1,150 | 1,148 | | |
| y/y % change | 1.0 | 1.8 | | -0.4 | 0.1 | 0.2 | -0.0 | | |
| Household Sector | | | | | | | | | |
| Retail Sales (\$ million, SA) | 80,318 | 81,703 | | 6,838 | 6,662 | 6,779 | 6,777 | | |
| y/y % change | 7.1 | 1.7 | | 1.7 | -2.5 | 0.5 | 1.5 | | |
| NEW New Vehicle Sales (units, thousands) | 249 | 237 | 14 | 21 | 20 | 17 | 15 | 14 | |
| y/y % change | 11.3 | -4.8 | -13.1 | -6.0 | -3.3 | -9.0 | -11.7 | -13.1 | |
| Consumer Price Index (y/y % change) | 1.6 | 2.4 | 1.2 | 3.0 | 2.8 | 1.7 | 2.1 | 1.2 | |
| Excluding Food & Energy | 1.1 | 1.6 | 1.5 | 1.8 | 1.6 | 1.3 | 2.1 | 1.5 | |
| Housing Starts (SAAR, 000's) | 29.5 | 26.1 | 21.8 | 22.2 | 17.5 | 25.8 | 19.1 | 24.1 | 19.6 |
| y/y % change | 20.1 | -11.4 | -11.0 | -23.6 | -41.7 | -25.3 | -18.2 | -4.7 | -17.7 |
| NEW New Housing Price Index (y/y % change) | -0.2 | -0.4 | -0.8 | -0.7 | -0.8 | -0.9 | -0.7 | -0.8 | |
| NEW Resale Home Sales | 57,441 | 53,298 | 8,290 | 4,448 | 4,211 | 4,331 | 4,246 | 4,159 | 4,131 |
| y/y % change | 4.3 | -7.2 | -12.6 | -3.8 | -9.1 | -9.2 | -21.4 | -16.4 | -8.4 |
| NEW Sales to New Listing Ratio | 0.50 | 0.45 | 0.45 | 0.46 | 0.44 | 0.45 | 0.44 | 0.44 | 0.47 |
| NEW MLS Average Resale Prices (\$ thousands) | 398 | 387 | 373 | 386 | 384 | 379 | 377 | 374 | 372 |
| y/y % change | 0.5 | -2.6 | -5.3 | -1.5 | -3.7 | -2.2 | -1.9 | -5.1 | -5.6 |
| Consumer Bankruptcies (level) | 5,008 | 4,925 | 450 | 348 | 447 | 440 | 342 | 450 | |
| y/y % change | -7.7 | -1.7 | 17.5 | -13.9 | -0.7 | 9.2 | -2.3 | 17.5 | |
| Business Sector | | | | | | | | | |
| Goods Exports (customs based, \$ million) | 101,200 | 116,643 | | 9,675 | 10,691 | 9,450 | 8,614 | | |
| y/y % change | 27.6 | 15.3 | | 28.3 | 26.2 | 10.6 | -4.6 | | |
| Energy Products (\$ million) | 70,811 | 82,665 | | 6,858 | 7,631 | 6,578 | 5,781 | | |
| y/y % change | 36.0 | 16.7 | | 34.6 | 30.8 | 11.0 | -10.8 | | |
| Agricultural Products (\$ million) | 7,881 | 8,010 | | 626 | 758 | 755 | 675 | | |
| y/y % change | 17.5 | 1.6 | | 11.3 | -2.1 | 8.8 | 4.5 | | |
| Rigs Drilling | 131 | 133 | 145 | 134 | 138 | 134 | 98 | 146 | 144 |
| y/y % change | 66.0 | 1.6 | -29.3 | 5.1 | 3.4 | -6.5 | -36.7 | -26.3 | -32.1 |
| NEW Manufacturing Shipments (\$ million, SA) | 70,940 | 76,493 | 6,236 | 6,777 | 6,811 | 6,348 | 6,085 | 6,236 | |
| y/y % change | 13.3 | 7.8 | 1.3 | 15.9 | 12.9 | 3.6 | -1.8 | 1.3 | |
| Wholesale Trade (\$ million, SA) | 78,032 | 82,060 | | 6,822 | 6,732 | 6,700 | 6,715 | | |
| y/y % change | 9.2 | 5.2 | | 3.4 | 0.5 | 1.4 | 1.2 | | |
| Building Permits (\$ million, SA) | 14,245 | 13,555 | 1,028 | 1,007 | 968 | 1,070 | 1,127 | 1,028 | |
| y/y % change | 0.3 | -4.8 | -7.0 | -31.5 | -3.8 | -16.9 | -0.3 | -7.0 | |
| Residential Permits (\$ million, SA) | 8,400 | 7,804 | 604 | 538 | 525 | 600 | 594 | 604 | |
| y/y % change | 5.9 | -7.1 | -12.3 | -22.2 | -13.4 | -16.0 | -21.8 | -12.3 | |
| Non-Residential Permits (\$ million, SA) | 5,845 | 5,751 | 424 | 469 | 443 | 470 | 533 | 424 | |
| y/y % change | -6.8 | -1.6 | 1.8 | -39.8 | 10.6 | -18.1 | 43.7 | 1.8 | |
| Non-Res. Building Cons. Price Index ² (y/y % change) | 1.0 | 2.2 | | 2.8 | | | 3.0 | | |

¹ Population data presented on a census year basis (July 1–June 30).

² Quarterly, average of Calgary and Edmonton

YTD (year-to-date).

"SA" denotes seasonally adjusted. "SAAR" denotes seasonally adjusted at annual rate.

All annual data is unadjusted.

Sources: All data is from Statistics Canada except the Alberta Activity Index (Alberta Treasury Board and Finance), Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canadian Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (Office of the Superintendent of Bankruptcy Canada). All historical data are subject to revision