

# 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.

### Employment<sup>1</sup>

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 Rate<sup>1</sup>

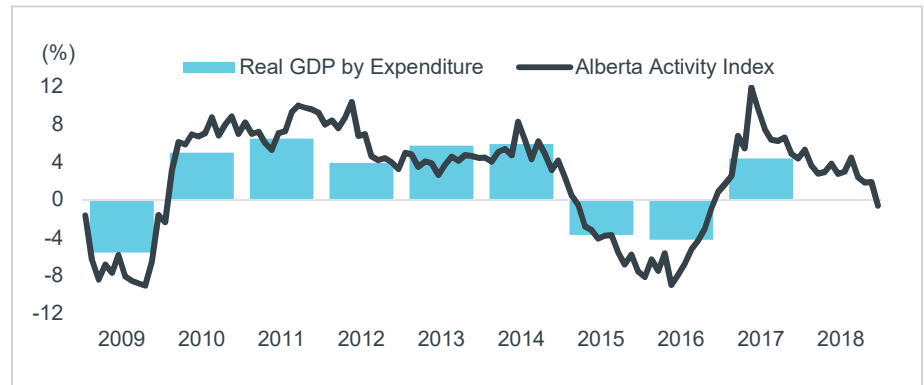
Alberta's unemployment rate increased 0.5 percentage point to 7.3% in January. Canada's unemployment rate held steady at 5.8%.

### 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

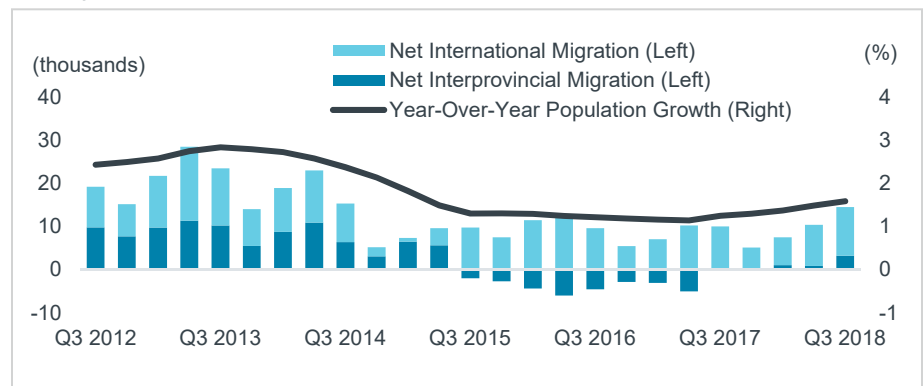
Year-over-year % change



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 Earnings<sup>1</sup>

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 Sales<sup>1</sup>

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 Starts<sup>1</sup>

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.

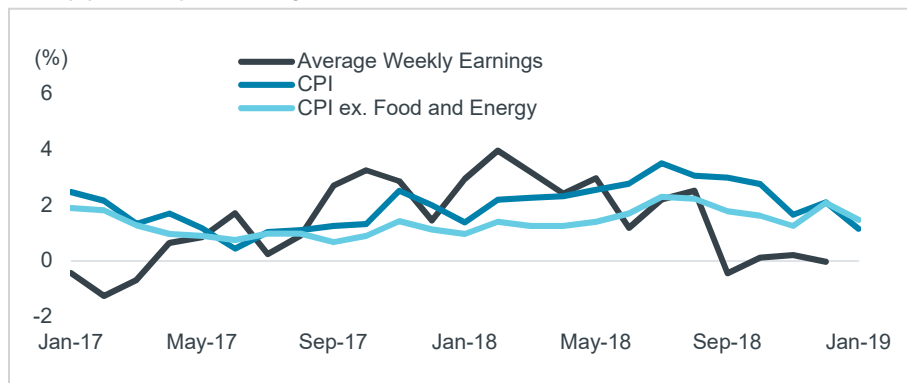
## Building Permits<sup>1</sup>

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.

<sup>1</sup> Seasonally adjusted

## Inflation and Earnings

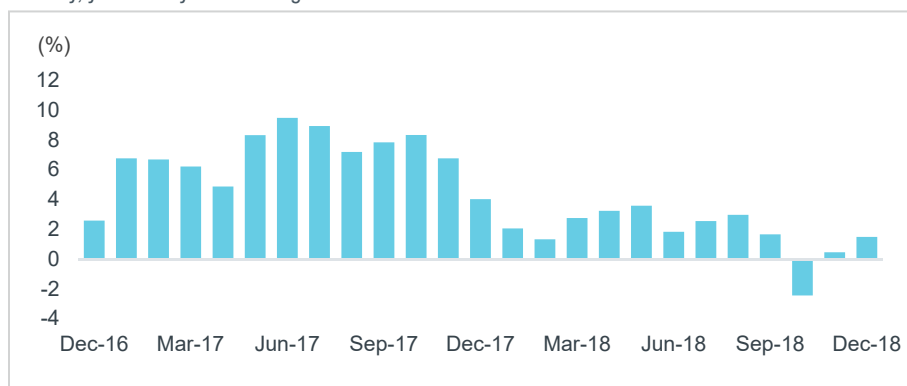
Monthly, year-over-year % change



Source: Statistics Canada

## Retail Sales

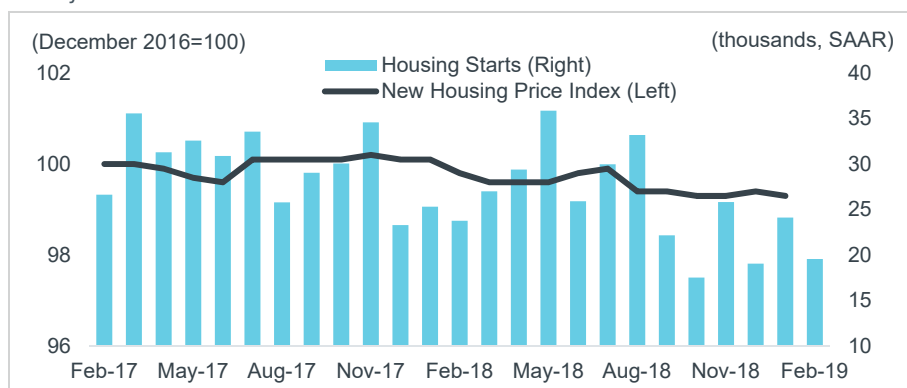
Monthly, year-over-year % change



Source: Statistics Canada

## Housing Market

Monthly



Source: Statistics Canada, Canada Mortgage and Housing Corporation

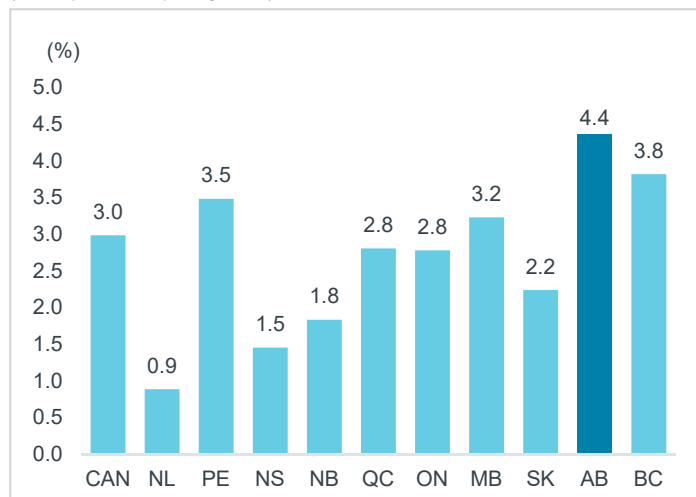
Contact: [Robert Vanblyderveen](#) at 780.638.5628

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

	Canadian Dollar (\$US/\$CAN)	WTI Oil (\$US/bbl)	NYMEX Natural Gas (\$US/MMBtu)	Alberta Reference Price (\$C/GJ)
Latest (March 14, 2019)	75.04	58.61	2.86	1.69 (December)
Fiscal Year-To-Date	76.32	63.13	3.09	1.15

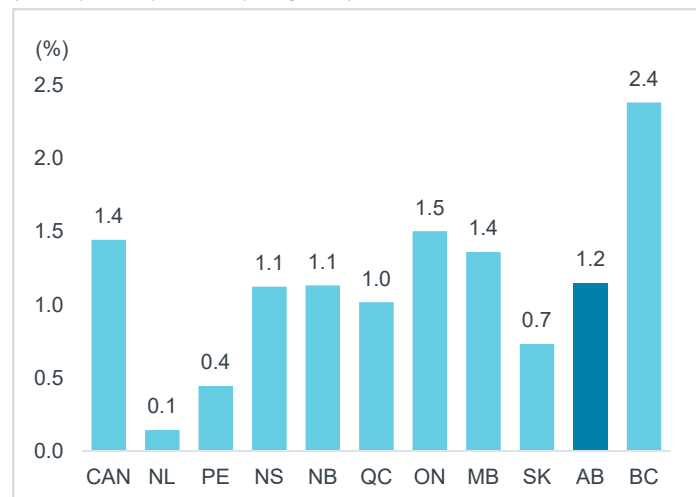
### Real GDP by Expenditure

(2017, year-over-year growth)



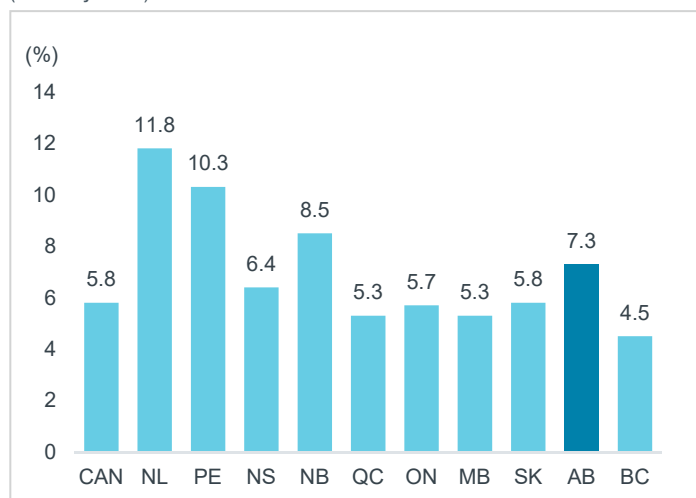
### CPI Inflation

(January 2019, year-over-year growth)



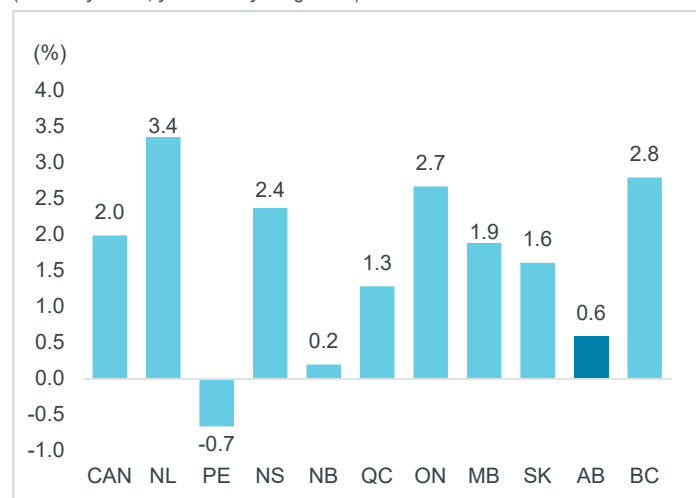
### Unemployment Rate

(February 2019)



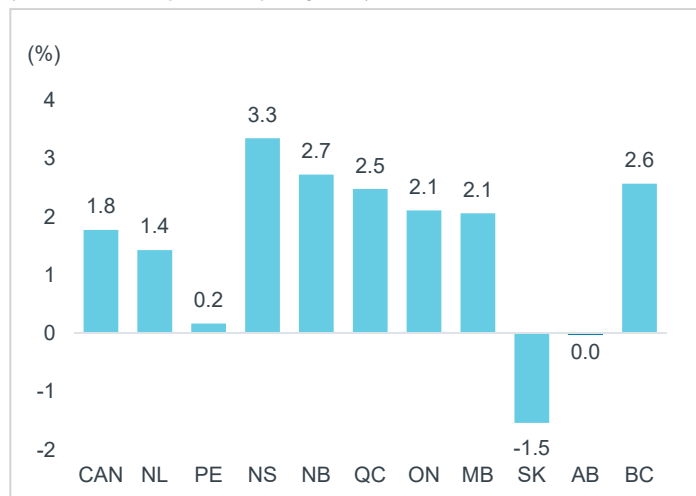
### Employment

(February 2019, year-over-year growth)



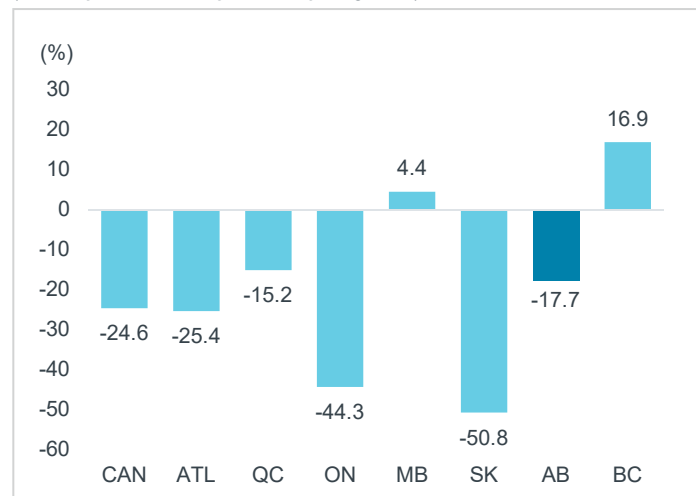
### Average Weekly Earnings

(December 2018, year-over-year growth)



### Housing Starts

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



# Alberta Economic Indicators

	2017	2018	2019YTD	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		
<b>Population<sup>1</sup></b>									
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				
<b>Labour Market</b>									
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		
<b>Household Sector</b>									
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		
<b>NEW</b> 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
<b>NEW</b> New Housing Price Index (y/y % change)	-0.2	-0.4	-0.8	-0.7	-0.8	-0.9	-0.7	-0.8	
<b>NEW</b> 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
<b>NEW</b> Sales to New Listing Ratio	0.50	0.45	0.45	0.46	0.44	0.45	0.44	0.44	0.47
<b>NEW</b> 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	
<b>Business Sector</b>									
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
<b>NEW</b> 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 <sup>2</sup> (y/y % change)	1.0	2.2		2.8			3.0		

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

<sup>2</sup> 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