

Alberta Economy

Indicators at a Glance

Economic Activity

The Alberta Activity Index (AAI) was up 1.8% year-over-year (y/y) in November, with year-to-date growth at 2.7%. 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 15,500 jobs in January, following a similar drop in the previous month. Despite the dip, employment remained up 0.5% y/y.

Unemployment Rate¹

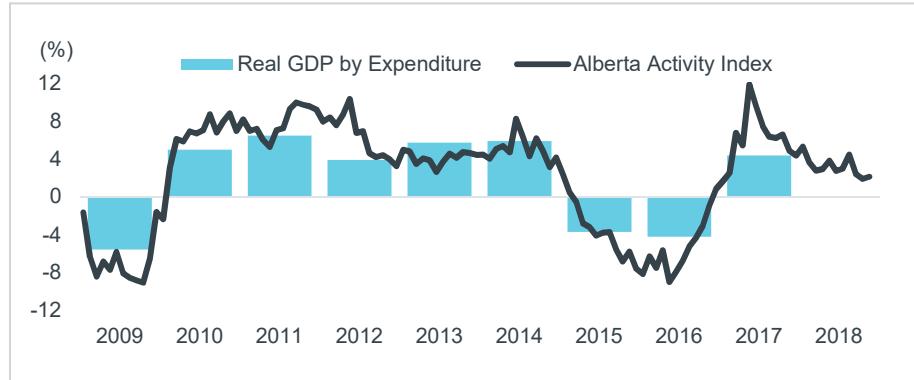
Alberta's unemployment rate increased 0.4 percentage point to 6.8% in January. Canada's unemployment rate increased 0.2 percentage point to 5.8%.

Rigs Drilling

The number of active rigs in Alberta averaged 146 in January, down 26% y/y. The rig utilization rate averaged 37%, down 9.7 percentage points from a year ago.

Economic Activity

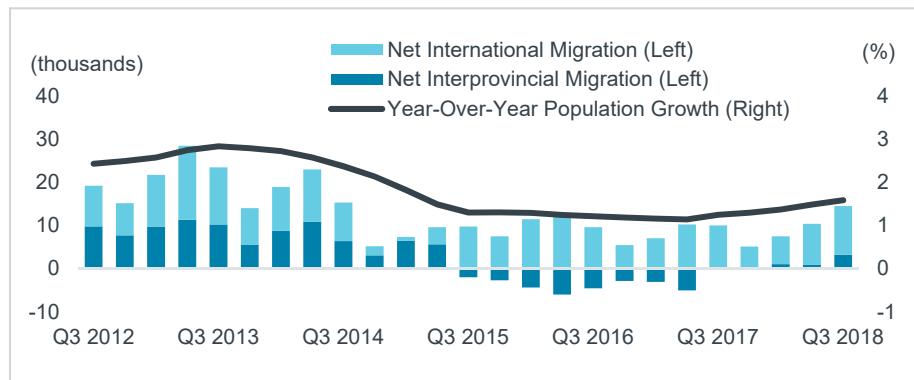
Year-over-year % change



Sources: Statistics Canada and Alberta Treasury Board and Finance

Demographics

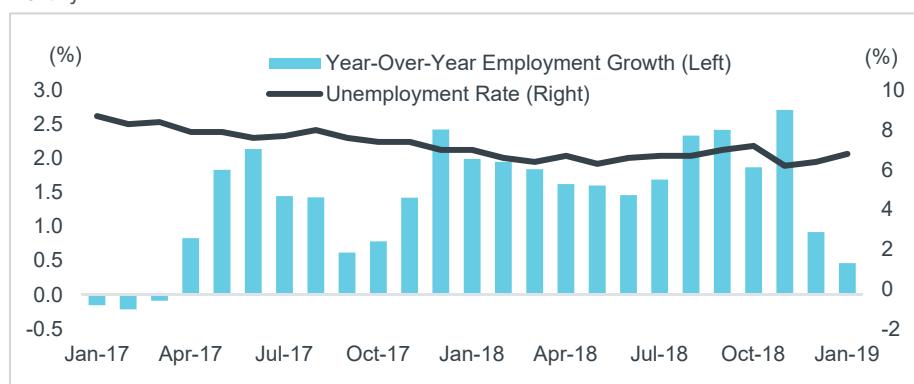
Quarterly



Source: Statistics Canada

Labour Market

Monthly



Source: Statistics Canada

Inflation

The inflation rate in Alberta increased in December to 2.1% y/y, up from 1.7% y/y in the previous month. Inflation excluding food and energy jumped to 2.1% y/y.

Average Weekly Earnings¹

Average weekly earnings (AWE) in Alberta edged up 0.6% y/y in November. Gains in the service sector (+2.0% y/y) were offset by lower earnings in the goods sector (-1.0% y/y). On a year-to-date basis, earnings were up 2.0%.

NEW: 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 increased 26% m/m in January to 24,076 units (annualized). On a year-over-year basis, housing starts were down 4.9%, due to fewer single detached starts.

New Housing Price Index

Alberta's New Housing Price Index (NHPI) closed 2018 up 0.1% m/m. Compared to a year ago, the NHPI is 0.7% lower with the house-only component down 1.2% y/y, while land prices were up 0.3% y/y.

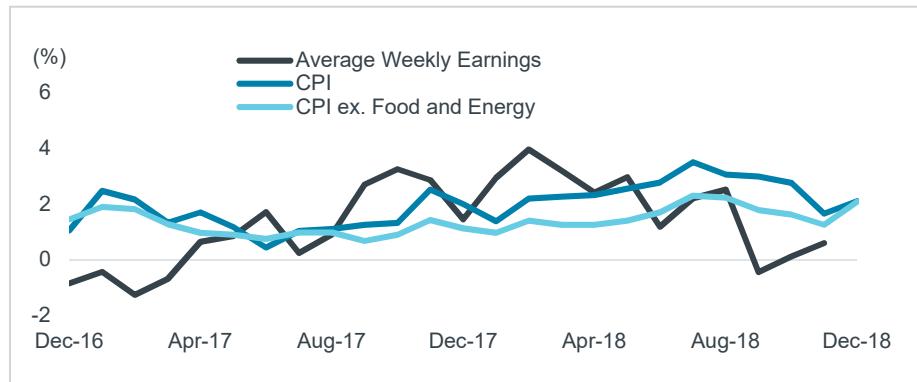
Building Permits¹

Alberta building permits were up 5.6% m/m in December to \$1.13 billion. Annually, construction intentions were 4.8% lower than 2017, with declines in both residential and non-residential building permits.

¹ Seasonally adjusted

Inflation and Earnings

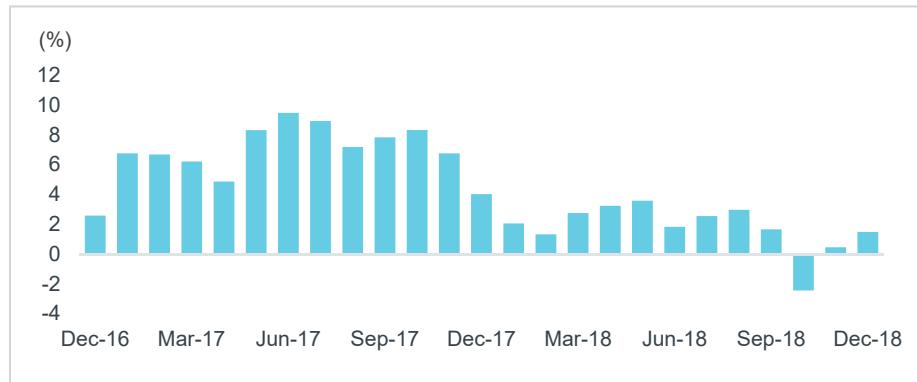
Monthly, year-over-year % change



Source: Statistics Canada

Retail Sales

Monthly, year-over-year % change



Source: Statistics Canada

Housing Market

Monthly



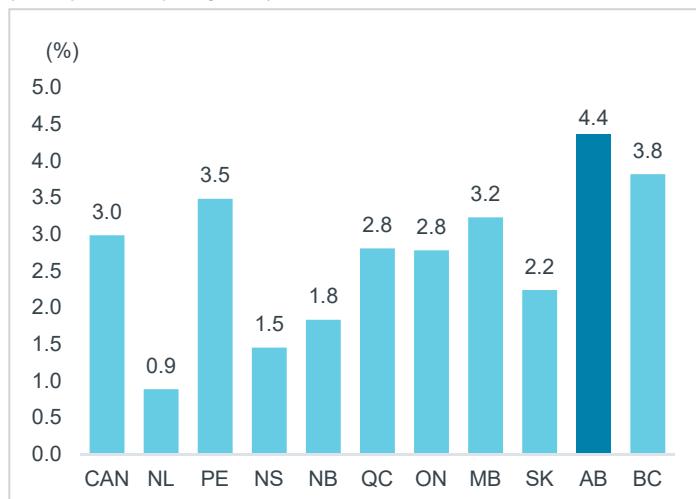
Source: Statistics Canada, Canada Mortgage and Housing Corporation

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

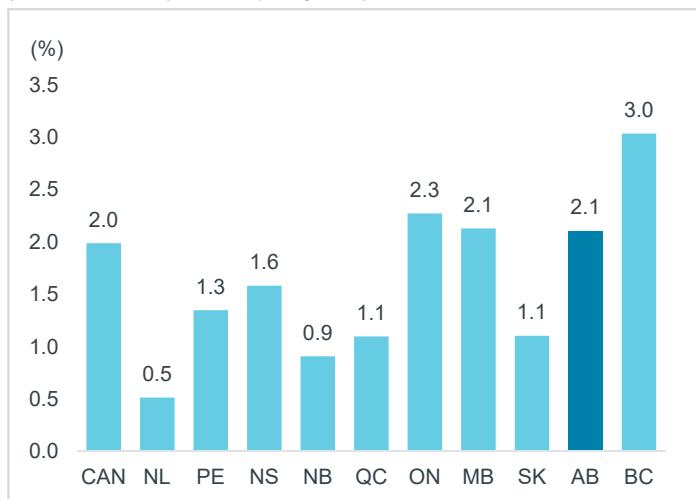
Real GDP by Expenditure

(2017, year-over-year growth)



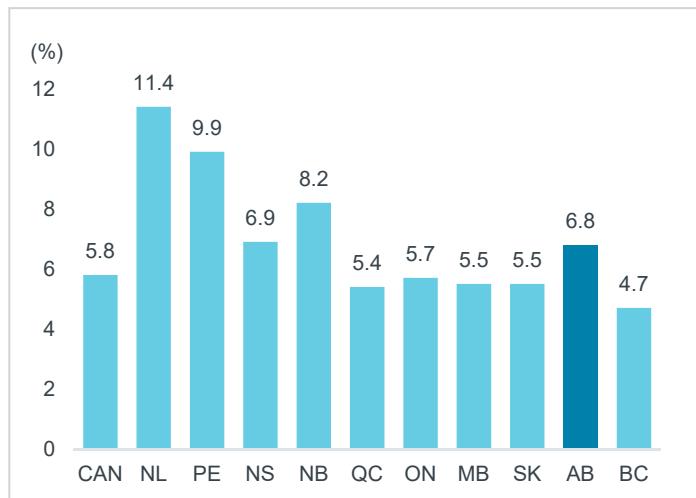
CPI Inflation

(December 2018, year-over-year growth)



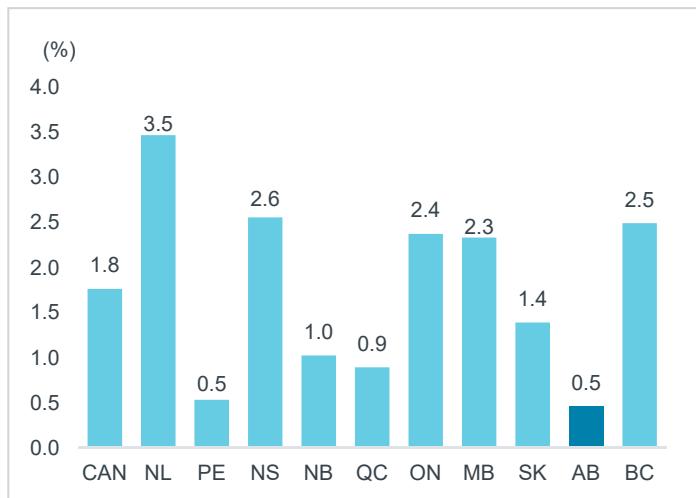
Unemployment Rate

(January 2019)



Employment

(January 2019, year-over-year growth)



Average Weekly Earnings

(November 2018, year-over-year growth)



Housing Starts

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



Alberta Economic Indicators

	2017	2018YTD	2019YTD	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19
Alberta Activity Index (y/y % change)	5.1	2.7		3.7	2.0	1.6	1.8		
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	2,326	2,340	2,339	2,337	2,357	2,342	2,326
m/m change (thousands)				15.7	-1.7	-1.6	20.0	-15.0	-15.5
y/y % change	1.0	1.9	0.5	2.3	2.4	1.9	2.7	0.9	0.5
Unemployment Rate (% , SA)	7.8	6.6	6.8	6.7	7.0	7.2	6.2	6.4	6.8
Participation Rate (% , SA)	72.4	71.9	71.3	72.1	72.2	72.2	72.0	71.6	71.3
Average Weekly Earnings (\$, SA)	1,130	1,150		1,162	1,140	1,143	1,154		
y/y % change	1.0	2.0		2.5	-0.4	0.1	0.6		
Household Sector									
NEW Retail Sales (\$ million, SA)	80,318	81,703		6,867	6,838	6,662	6,779	6,777	
y/y % change	7.1	1.7		3.0	1.7	-2.5	0.5	1.5	
New Vehicle Sales (units, thousands)	249	237		21	21	20	17	15	
y/y % change	11.3	-4.8		-4.8	-6.0	-3.3	-9.0	-11.8	
Consumer Price Index (y/y % change)	1.6	2.4		3.1	3.0	2.8	1.7	2.1	
Excluding Food & Energy	1.1	1.6		2.2	1.8	1.6	1.3	2.1	
Housing Starts (SAAR, 000's)	29.5	26.1	24.1	33.2	22.2	17.5	25.9	19.1	24.1
y/y % change	20.1	-11.4	-4.9	28.7	-23.6	-41.7	-25.2	-17.8	-4.9
New Housing Price Index (y/y % change)	-0.2	-0.4		-0.7	-0.7	-0.8	-0.9	-0.7	
Resale Home Sales	57,324	53,182	4,173	4,572	4,448	4,211	4,331	4,246	4,173
y/y % change	4.3	-7.2	-16.1	0.5	-3.8	-9.1	-9.2	-21.4	-16.1
Sales to New Listing Ratio	0.49	0.45	0.43	0.46	0.46	0.44	0.45	0.44	0.43
MLS Average Resale Prices (\$ thousands)	398	387	374	386	386	384	379	377	374
y/y % change	0.4	-2.6	-5.1	-2.2	-1.5	-3.7	-2.2	-1.9	-5.1
Consumer Bankruptcies (level)	5,008	4,925		423	348	447	440	342	
y/y % change	-7.7	-1.7		-6.0	-13.9	-0.7	9.2	-2.3	
Business Sector									
Goods Exports (customs based, \$ million)	100,930	108,091		10,835	9,665	10,761	9,457		
y/y % change	27.4	17.6		32.9	30.0	28.1	11.4		
Energy Products (\$ million)	70,544	76,937		7,922	6,848	7,705	6,576		
y/y % change	36.0	20.1		37.3	37.3	33.8	11.9		
Agricultural Products (\$ million)	7,876	7,337		551	626	754	757		
y/y % change	17.2	1.4		-1.3	11.3	-2.7	9.4		
Rigs Drilling	131	133	146	147	134	138	134	98	146
y/y % change	66.0	1.6	-26.3	16.7	5.1	3.4	-6.5	-36.7	-26.3
Manufacturing Shipments (\$ million, SA)	70,940	76,405		6,594	6,777	6,783	6,308	6,059	
y/y % change	13.3	7.7		12.5	15.9	12.4	3.0	-2.2	
NEW Wholesale Trade (\$ million, SA)	78,032	82,060		6,930	6,822	6,732	6,700	6,715	
y/y % change	9.2	5.2		6.1	3.4	0.5	1.4	1.2	
Building Permits (\$ million, SA)	14,245	13,555		1,060	1,007	968	1,071	1,132	
y/y % change	0.3	-4.8		-11.2	-31.5	-3.8	-16.8	0.1	
Residential Permits (\$ million, SA)	8,400	7,804		575	538	525	599	593	
y/y % change	5.9	-7.1		-26.0	-22.2	-13.4	-16.2	-21.9	
Non-Residential Permits (\$ million, SA)	5,845	5,751		484	469	443	472	538	
y/y % change	-6.8	-1.6		16.4	-39.8	10.6	-17.6	45.2	
NEW 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