



Labour Market Bulletin

Saskatchewan

December 2015



This Labour Market Bulletin provides an analysis of Labour Force Survey results for the province of Saskatchewan, including Regina-Moose Mountain, Swift Current-Moose Jaw, Saskatoon-Biggar, Yorkton-Melville and Prince Albert & Northern economic regions.

OVERVIEW

Just over 577,000 people were working in Saskatchewan during the fourth quarter of 2015, as provincial employment increased by 5,000 on the quarter. This is a positive development for a Saskatchewan economy that faced significant challenges in 2015 due to slumping oil prices. Employment growth in the province has essentially been flat over the past year. Compared to the fourth quarter of 2014, employment in the province is up by just 2,000, representing year-over-year employment growth of 0.3%. This lags behind national employment growth of 0.8% during the same period.

Quarterly employment gains were entirely full-time (+8,800), while the number individuals employed part-time decreased by nearly 4,000 positions. Despite these gains in the fourth quarter, full-time employment in Saskatchewan is still down from a year ago; there were 1,400 fewer full-time positions during the fourth quarter of 2015 compared to the same period in 2014.

Saskatchewan Quarterly Labour Force Statistics

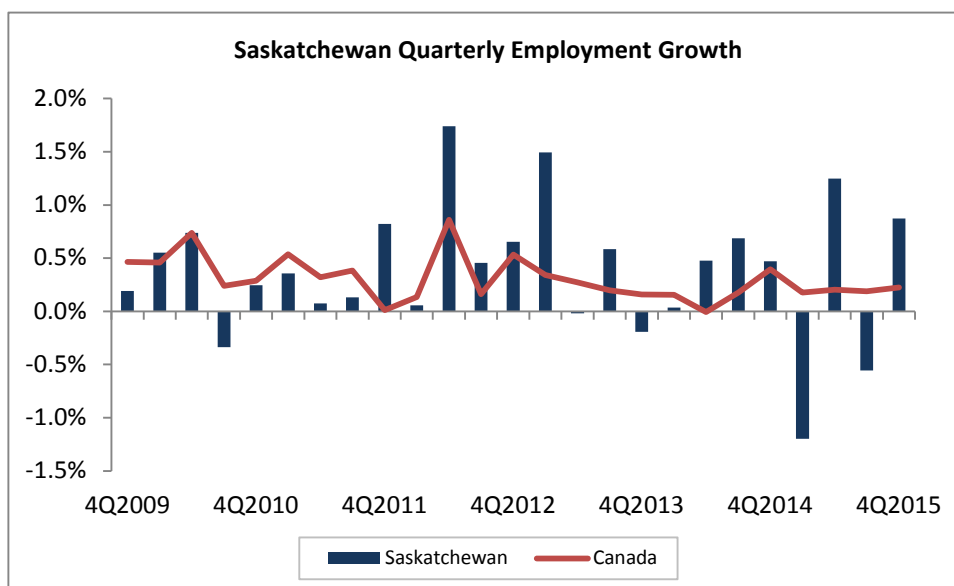
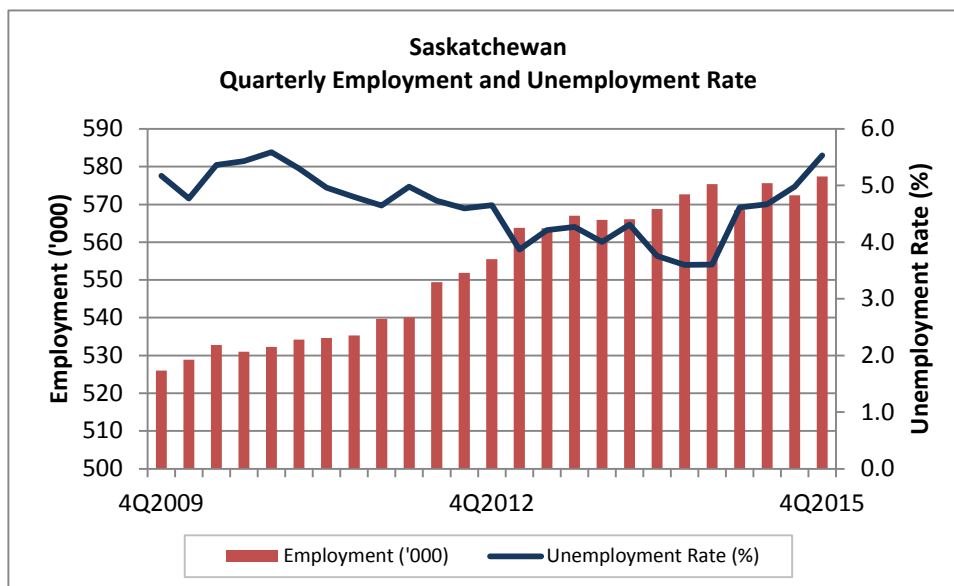
Seasonally Adjusted Quarterly Data	4th Quarter 2015	3rd Quarter 2015	4th Quarter 2014	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	864.5	862.7	856.2	1.8	0.2	8.3	1.0
Labour Force ('000)	611.2	602.5	596.9	8.7	1.4	14.3	2.4
Employment ('000)	577.4	572.4	575.4	5.0	0.9	2.0	0.3
Full-Time ('000)	475.5	466.7	476.9	8.8	1.9	-1.4	-0.3
Part-Time ('000)	101.9	105.7	98.5	-3.8	-3.6	3.4	3.5
Unemployment ('000)	33.8	30.0	21.5	3.8	12.7	12.3	57.2
Unemployment Rate (%)	5.5	5.0	3.6	0.5	-	1.9	-
Participation Rate (%)	70.7	69.8	69.7	0.9	-	1.0	-
Employment Rate (%)	66.8	66.3	67.2	0.4	-	-0.4	-

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0087

Looking at classes of workers, there were modest quarterly gains both in the private sector employment (+300) and in the public sector (+300). Meanwhile, self-employment was up 4,300 in the fourth quarter.

The number of unemployed in Saskatchewan increased this quarter (+3,800), as labour force expansion outpaced employment growth during the period. As a result, Saskatchewan's unemployment rate increased 0.5 percentage points to 5.5% in the fourth quarter. However, Saskatchewan's unemployment rate is still the lowest among provinces and is well below the national rate of 7.1%.



Looking at quarterly labour force results for demographic groupings, the unemployment rate for youth aged 15 to 24 was 10.1% in the fourth quarter, more than double that of adults aged 25 years and over (4.7%). On a quarterly basis, the youth unemployment rate increased by 0.7 percentage points, while the unemployment rate among those aged 25 and older increased by 0.5 percentage points. Although overall youth unemployment is up, the unemployment rate among young men actually declined on the quarter – by 0.5 percentage points to 9.5%. Conversely, the unemployment rate for young women jumped by 2.0 percentage points to 10.8% in the fourth quarter.

Saskatchewan Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	4th Quarter 2015	3rd Quarter 2015	4th Quarter 2014	Quarterly Variation	Yearly Variation
				(% points)	(% points)
Total	5.5	5.0	3.6	0.6	1.9
25 years and over	4.7	4.2	3.0	0.5	1.7
Men - 25 years and over	5.4	4.8	3.0	0.6	2.3
Women - 25 years and over	3.9	3.5	2.9	0.4	1.0
15 to 24 years	10.1	9.4	6.9	0.7	3.2
Men - 15 to 24 years	9.5	10.0	8.1	-0.5	1.4
Women - 15 to 24 years	10.8	8.8	5.5	2.0	5.3

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0087

EMPLOYMENT BY INDUSTRY

Fourth quarter employment gains were concentrated entirely in Saskatchewan's goods-producing sector (+5,500), while employment in the province's services-producing sector was flat. On an annual basis, however, the services-producing sector is leading the way in terms of provincial job growth. Since the fourth quarter of 2014, employment in the services-producing sector has increased 8,200, while the goods-producing sector has shed over 6,000.

Within the goods-producing sector, Saskatchewan's agriculture industry posted the largest quarterly increase (+2,200) with industry employment reaching 42,200. Saskatchewan livestock producers received positive news on December 18 when the United States Congress repealed country-of-origin labelling (COOL) legislation. According to the World Trade Organization, COOL legislation cost the Canadian beef and pork industry an estimated \$1-billion annually.¹

Employment in the construction industry also advanced in the fourth quarter (+2,100) as employment rebounded from a sluggish third quarter. Even with these recent gains, year-over-year employment in the construction industry is still down 1,400. Relatively stagnant employment growth in construction can largely be attributed to reduced activity in the province's residential construction industry. Housing starts were down significantly in 2015, especially in the larger urban centres of Regina and Saskatoon. According to Canada Mortgage and Housing Corporation, urban housing starts in Saskatchewan declined 40% through the first eleven months of 2015 compared to the same period in 2014.²

Saskatchewan Quarterly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	4th Quarter 2015	3rd Quarter 2015	4th Quarter 2014	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	577.4	572.4	575.4	5.0	0.9	2.0	0.3
Goods-producing sector	158.9	153.4	165.2	5.5	3.6	-6.3	-3.8
Agriculture	42.2	40.0	43.9	2.2	5.5	-1.7	-3.9
Forestry, fishing, mining, quarrying, oil and gas	26.6	25.5	28.7	1.1	4.3	-2.1	-7.3
Utilities	6.7	7.0	6.3	-0.3	-4.3	0.4	6.3
Construction	56.8	54.7	58.2	2.1	3.8	-1.4	-2.4
Manufacturing	26.6	26.3	28.1	0.3	1.1	-1.5	-5.3
Services-producing sector	418.5	419.0	410.3	-0.5	-0.1	8.2	2.0
Trade	86.1	85.0	83.3	1.1	1.3	2.8	3.4
Transportation and warehousing	29.1	30.0	28.6	-0.9	-3.0	0.5	1.7
Finance, insurance, real estate and leasing	30.8	30.5	31.6	0.3	1.0	-0.8	-2.5
Professional, scientific and technical services	26.3	24.7	27.1	1.6	6.5	-0.8	-3.0
Business, building and other support services	13.9	14.3	13.6	-0.4	-2.8	0.3	2.2
Educational services	41.6	42.5	43.7	-0.9	-2.1	-2.1	-4.8
Health care and social assistance	79.2	79.3	73.7	-0.1	-0.1	5.5	7.5
Information, culture and recreation	21.0	19.3	16.5	1.7	8.8	4.5	27.3
Accommodation and food services	38.7	39.0	36.9	-0.3	-0.8	1.8	4.9
Other services	24.5	27.1	24.8	-2.6	-9.6	-0.3	-1.2
Public administration	27.3	27.3	30.6	0.0	0.0	-3.3	-10.8

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0088

Despite an uptick in the number of people working in Saskatchewan's resource extraction industry this quarter, overall employment growth for this industry is negative the past year. Compared to the fourth quarter of 2014, there are now 2,100 fewer people employed in the province's resource extraction industry. No doubt, low commodity prices continue to adversely impact Saskatchewan's labour market. At the beginning of December, BHP Billiton issued layoff notices to approximately 70 employees and contractors in Saskatchewan. The majority of affected employees work in the company's administration, finance, human resources, and information management departments at their Saskatoon headquarters. Despite uncertain market conditions, BHP indicates that work will continue at its \$3.8 billion Jansen potash project, with production at the mine slated to begin in 2020.³

Turning to services-producing industries, the largest quarterly employment gains were registered in information, culture and recreation (+1,700) and in professional, scientific and technical services (+1,600). However, these employment gains were more than offset by losses in other services (-2,600) and in transportation and warehousing (-900).

Over the past year, employment growth has been particularly strong in information, culture and recreation (+27.3%), health care and social assistance (+7.5%), and accommodation and food services (+4.9%). On the other hand, employment in public administration is down by almost 11.0% from the fourth quarter of 2014.

REGIONAL ANALYSIS

Year-over-year employment varied across Saskatchewan, with annual employment increasing in three out of the five regions, and the unemployment rate increasing in every region in the province.

Saskatchewan Quarterly Labour Force Statistics

Seasonally Unadjusted Data	Employment			Unemployment Rate		
	4th Quarter 2015 ('000)	4th Quarter 2014 ('000)	Yearly Variation (%)	4th Quarter 2015 (%)	4th Quarter 2014 (%)	Yearly Variation (% points)
Saskatchewan	576.2	573.9	0.4	5.0	3.2	1.8
Economic Regions						
Regina-Moose Mountain	186.6	183.1	1.9	3.7	3.0	0.7
Swift Current-Moose Jaw	52.2	52.7	-0.9	3.0	1.5	1.5
Saskatoon-Biggar	199.6	198.6	0.5	5.6	3.4	2.2
Yorkton-Melville	37.6	39.6	-5.1	5.3	3.6	1.7
Prince Albert and Northern	100.1	99.9	0.2	7.1	3.9	3.2

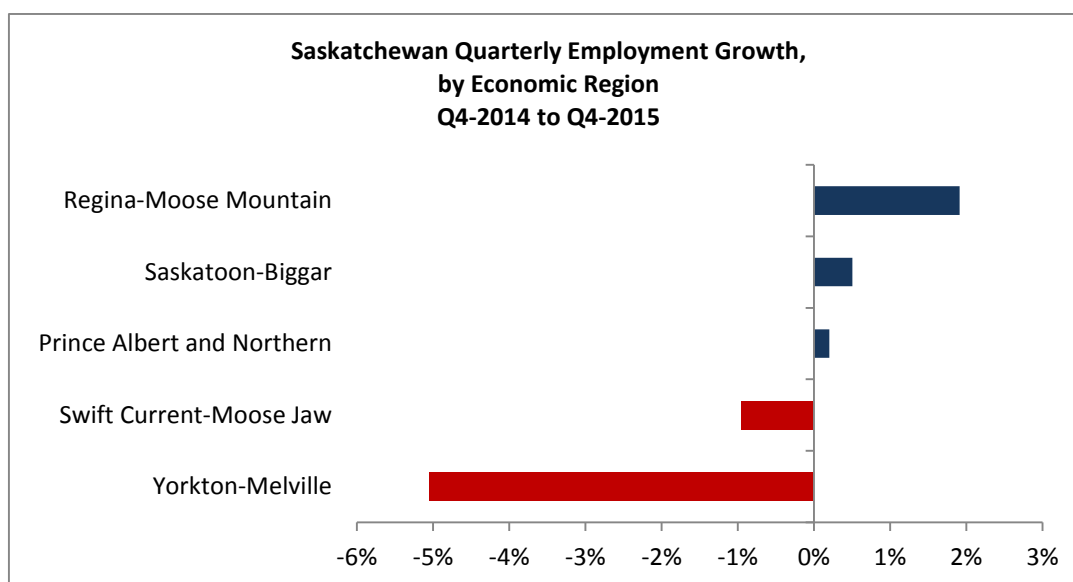
Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0122

The majority of all employment growth over the past year can be attributed to gains in the province's two largest economic regions. There are 3,500 more people working in Regina-Moose Mountain and 1,000 additional people employed in Saskatoon-Biggar compared to a year ago. Non-residential construction activity is providing a boost to employment in the Regina area. Projects such as the new football stadium, construction of several new schools, and construction of a wastewater treatment plant elevated permit values to about \$675 million in 2015, up almost 8% from 2014 levels. In contrast, demand for new housing slowed considerably in Regina last year, with the value of residential housing permits falling by more than 30%.⁴

Despite posting year-over-year employment growth, the unemployment rate also rose in Saskatoon-Biggar and in Regina-Moose Mountain. In Saskatoon-Biggar, the unemployment rate is up more than two full percentage points to 5.6%. This is due to the fact that labour force expansion has outpaced employment growth over the past year, meaning that more people are actively looking for work in this region.

Yorkton-Melville's labour market has performed poorly over the past year as employment fell by over 5.0%. Not surprisingly, the region's unemployment rate is also up, increasing by 1.7 percentage points to 5.3% since the fourth quarter of 2014. Meanwhile, year-over-year employment growth is down slightly in Swift-Current Moose Jaw (-0.9%) and is essentially flat in Prince Albert and Northern (+0.2%).



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 The Western Producer (December 18, 2015). COOL is DONE: U.S. repeals country of origin labelling for cattle and hogs. Retrieved from <http://www.producer.com/2015/12/cool-is-done-u-s-repeals-country-of-origin-labelling-for-cattle-and-hogs/>

² Global News (December 8, 2015). November housing starts down, prices cooling in Saskatoon. Retrieved from <http://globalnews.ca/news/2388337/november-housing-starts-down-prices-cooling-in-saskatoon/>

³ CTV News Saskatoon (December 4, 2015). BHP Billiton laying off 70 Sask. Workers. Retrieved from <http://saskatoon.ctvnews.ca/bhp-billiton-laying-off-70-sask-workers-1.2687109>

⁴ Regina Leader-Post (January 6, 2015). Non-residential construction projects push permits past \$675M in 2015. Retrieved from <http://leaderpost.com/business/local-business/non-residential-construction-projects-push-permits-past-675m-in-2015>