



# Labour Market Bulletin

## Saskatchewan

August 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

Employment in Saskatchewan has grown significantly (+4,000) over the last month. The increase in August adds to recent gains and continues the province's recovery from earlier in 2015, when employment decreased steadily for months. Overall, employment in Saskatchewan was 1,500 higher in August than one year earlier. Meanwhile the Saskatchewan labour force has increased by 1,300 over the last month and by 5,500 over the last year.

The increase in employment in August is welcome news and may signal a change of fortune for the province, which has experienced slow employment growth in recent months due to low oil prices. At the same time, some analysts expect employment growth to remain slow moving forward. According to Conference Board of Canada projections, the province will have slow employment growth in the months ahead, with only 3,000 new positions (+0.5%) expected this year. Nonetheless, the provincial economy appears well-positioned for future growth, with a rebound expected in 2016.<sup>i</sup>

### Saskatchewan Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	August 2015	July 2015	August 2014	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	862.8	861.9	854.0	0.9	0.1	8.8	1.0
<b>Labour Force ('000)</b>	600.9	599.6	595.4	1.3	0.2	5.5	0.9
<b>Employment ('000)</b>	572.7	568.7	571.2	4.0	0.7	1.5	0.3
Full-Time ('000)	466.3	464.6	475.9	1.7	0.4	-9.6	-2.0
Part-Time ('000)	106.4	104.2	95.3	2.2	2.1	11.1	11.6
<b>Unemployment ('000)</b>	28.2	30.9	24.2	-2.7	-8.7	4.0	16.5
<b>Unemployment Rate (%)</b>	4.7	5.2	4.1	-0.5	-	0.6	-
<b>Participation Rate (%)</b>	69.6	69.6	69.7	0.0	-	-0.1	-
<b>Employment Rate (%)</b>	66.4	66.0	66.9	0.4	-	-0.5	-

Note: Totals may not add due to rounding

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



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

The unemployment rate has declined for adults (aged 25+) of both sexes over the last month but remains elevated in comparison to last year. Meanwhile the unemployment rate among female youth (aged 15 to 24) has increased to the same level as last August. The unemployment rate for male youth has stayed the same over the last few months but still has the highest increase over last year.

## EMPLOYMENT BY INDUSTRY

Employment in Saskatchewan's **services-producing** sectors increased by 3,500 this month, leading to an increase of 13,500 over the last year. The **goods-producing** sector saw limited growth (+500) this month, which has done little to mitigate the loss in employment (-12,000) over the last year.

**Saskatchewan Monthly Labour Force Statistics, by Industry**

Seasonally Adjusted Data ('000)	August 2015	July 2015	August 2014	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	572.7	568.7	571.2	4.0	0.7	1.5	0.3
<b>Goods-producing sector</b>	152.7	152.2	164.7	0.5	0.3	-12.0	-7.3
Agriculture	39.0	40.5	44.9	-1.5	-3.7	-5.9	-13.1
Forestry, fishing, mining, quarrying, oil and gas	25.2	25.4	28.0	-0.2	-0.8	-2.8	-10.0
Utilities	6.9	7.2	6.1	-0.3	-4.2	0.8	13.1
Construction	55.3	52.7	57.2	2.6	4.9	-1.9	-3.3
Manufacturing	26.3	26.4	28.5	-0.1	-0.4	-2.2	-7.7
<b>Services-producing sector</b>	420.0	416.5	406.5	3.5	0.8	13.5	3.3
Trade	84.8	84.8	83.8	0.0	0.0	1.0	1.2
Transportation and warehousing	30.4	30.1	28.9	0.3	1.0	1.5	5.2
Finance, insurance, real estate and leasing	30.7	30.5	31.2	0.2	0.7	-0.5	-1.6
Professional, scientific and technical services	25.1	24.3	26.0	0.8	3.3	-0.9	-3.5
Business, building and other support services	14.3	14.4	11.3	-0.1	-0.7	3.0	26.5
Educational services	44.3	41.3	45.6	3.0	7.3	-1.3	-2.9
Health care and social assistance	79.4	78.6	72.6	0.8	1.0	6.8	9.4
Information, culture and recreation	18.0	18.4	15.8	-0.4	-2.2	2.2	13.9
Accommodation and food services	39.2	38.6	36.4	0.6	1.6	2.8	7.7
Other services	27.0	27.9	24.9	-0.9	-3.2	2.1	8.4
Public administration	27.0	27.6	30.1	-0.6	-2.2	-3.1	-10.3

Note: Totals may not add due to rounding

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

Saskatchewan's **construction** industry recovered in August with an employment increase of 2,600, but employment remains 1,900 lower than the same month last year. The year-over-year decrease is due in part to the decline in housing starts throughout Saskatchewan. Regina housing starts as of July had declined by almost a quarter compared to the same period last year, while Saskatoon housing starts declined almost a third.<sup>ii</sup> Many other smaller cities such as Prince Albert, North Battleford, Estevan, Weyburn, and Lloydminster also experienced a decline in housing starts.<sup>iii</sup>

Saskatchewan's **manufacturing** industry has stayed fairly level this month (-100) but still employs 2,200 fewer people than it did last year. According to industry representatives, manufacturing sales are down primarily due to the decline in commodities prices, which lowers demand for manufactured goods.<sup>iv</sup>

The **forestry, fishing, mining, quarrying, oil and gas** industry has stayed relatively level over the last month (-200) and remains well below last year's employment levels (-2,800). This decline is expected as the drop in commodity prices directly impacts this sector. Bucking the current downward trend of the mining industry, ura-

Uranium mining has been doing well recently after recovering from the backlash against nuclear power following the nuclear disaster at the Fukushima power plant in Japan. This has led to strong growth for Saskatoon-based uranium-mining company Cameco.<sup>v</sup> As well, Chinese mining company Yancoal has proposed the development of a potash mine near Earl Grey. The mine would employ 2,000 people during construction, which is planned to begin in 2016, and would create 350 mining jobs upon completion, which is planned for 2020.<sup>vi</sup>

Agricultural employment has declined by 1,500 over the last month, and employment is 5,900 lower than last year. Dry and hot conditions over the late spring and early summer damaged the **agriculture** sector,<sup>vii</sup> but due to some timely rains, this has not resulted in as disastrous a situation as previously feared. While yields will still be average at best, they will still be better than was anticipated and the harvest is proceeding ahead of schedule.<sup>viii</sup>

Saskatchewan's **services-producing** sector has seen significant gains over both the past month (+3,500) and the past year (+13,500). The **educational services** sector saw a large monthly drop of 4,700 jobs last month, which resulted in a drop in the services sector as a whole. However, gains this month have reversed the downward trend in the education sector, as it has grown by 3,000 since last month and is only 1,300 less than last year.

Yearly growth in other services sectors such as **healthcare and social assistance** (+6,800), **business, building, and other support services** (+3,000), **accommodation and food services** (+2,800), **information, culture, and recreation** (+2,200), **transportation and warehousing** (+1,500), and **trade** (+1,000) have driven the growth of the services-producing sector. **Public administration** (-3,100), **professional, scientific, and technical services** (-900), and **finance, insurance, real estate and leasing** (-500) have seen declines.

## REGIONAL ANALYSIS

**Swift Current—Moose Jaw** has posted minor employment gains (+0.4%) due to slowing activity in the oil patch. This stall ends the recent trend of this region leading employment gains in Saskatchewan. Meanwhile, **Yorkton—Melville** has posted a strong decline in employment (-4.8%). The oil sector, largely concentrated in these regions, has seen the number of drills operating drop from 83 last year to only 31 this year, leading many smaller companies to lay off workers.<sup>ix</sup> **Prince Albert & Northern** has led the province in employment growth (+2.1%), thanks to strong services-sector gains. For example, a new Montana's opened in Prince Albert, creating 65 to 70 jobs.<sup>x</sup>

In Saskatchewan's larger centres, employment increased somewhat in **Regina—Moose Mountain** (+1.0%), while **Saskatoon—Biggar** has shown no growth. Saskatoon-Biggar had strong declines occurred in earlier months of the past year, but employment has been stable or growing over the last few months, and it looks like the region is on the verge of recovering its losses. Both centres are projected to show low employment growth and higher unemployment rates this year.<sup>xi</sup> A recent report on the hottest job markets in Canada from Express Employment Professionals shows both Regina and Saskatchewan have slipped in rankings. Regina has dropped from 3<sup>rd</sup> to 5<sup>th</sup> hottest job market while Saskatchewan has moved from 9<sup>th</sup> to 11<sup>th</sup>.<sup>xii</sup> Slower growth is not necessarily an economic negative given the hiring challenges over the past few years.

## Saskatchewan Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	August 2015 ('000)	August 2014 ('000)	Yearly Variation (%)	August 2015 (%)	August 2014 (%)	Yearly Variation (% points)
<b>Saskatchewan</b>	581.0	578.7	0.4	5.2	4.0	1.2
<b>Economic Regions</b>						
Regina-Moose Mountain	185.2	183.4	1.0	4.2	3.5	0.7
Swift Current-Moose Jaw	53.8	53.6	0.4	4.1	2.7	1.4
Saskatoon-Biggar	201.6	201.5	0.0	5.6	4.2	1.4
Yorkton-Melville	37.5	39.4	-4.8	5.6	3.4	2.2
Prince Albert and Northern	103.0	100.9	2.1	6.6	5.5	1.1

Note: Totals may not add due to rounding

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

**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](http://www.statcan.gc.ca)

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<sup>i</sup> Conference Board of Canada. (August 2015). Provincial Outlook Executive Summary: Summer 2015. Retrieved from: <http://www.conferenceboard.ca/e-library/abstract.aspx?did=7287> (subscription required for full report)

<sup>ii</sup> Johnstone, Bruce (August 12, 2015). Regina housing starts down 47% in July, CMHC says. *Regina Leader-Post*. Retrieved from: <http://www.leaderpost.com/business/Housing+starts+down+July+CMHC+says/11282080/story.html>

<sup>iii</sup> Battleford News-Optimist (August 21, 2015). Battlefords buildings permits decline for July. Retrieved from: <http://www.newsoptimist.ca/news/local-news/battlefords-buildings-permits-decline-for-july-1.2037528>

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<sup>iv</sup> Johnstone, Bruce (August 14, 2015). Manufacturing sales slump in June due to commodity price plunge, CME's Lothian says. *Regina Leader-Post*. Retrieved from: <http://www.leaderpost.com/business/Manufacturing+sales+slump+June+commodity+price+plunge+Lothian+says/11291172/story.html>

<sup>v</sup> Donville, Christopher (August 13, 2015). Nuclear revival sparks Cameco rally as uranium demand grows. *The Globe and Mail*. Retrieved from: <http://www.theglobeandmail.com/globe-investor/nuclear-revival-sparks-cameco-rally-as-uranium-demand-grows/article25961434/>

<sup>vi</sup> CBC News (July 23, 2015). People around Earl Grey, Sask., discuss proposed potash mine. Retrieved from: <http://www.cbc.ca/news/canada/saskatchewan/people-around-earl-grey-sask-discuss-proposed-potash-mine-1.3165238>

<sup>vii</sup> CBC News (July 14, 2015). Hot, dry conditions taking toll on Saskatchewan crop. Retrieved from: <http://www.cbc.ca/news/canada/saskatchewan/hot-dry-conditions-taking-toll-on-saskatchewan-crop-1.3151807>

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<sup>viii</sup> Johnstone, Bruce (August 26, 2015). No drought 'disaster' in Sask., suggests crop insurer. *Regina Leader-Post*. Retrieved from: <http://www.leaderpost.com/drought+disaster+Sask+suggests+crop+insurer/11316392/story.html>

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<sup>ix</sup> Cowan, Micki (August 20, 2015). Oil prices bad news for slowing Saskatchewan oil sector. *CBC*. Retrieved from: <http://www.cbc.ca/news/canada/saskatchewan/oil-prices-bad-news-for-slowing-saskatchewan-oil-sector-1.3198350>

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<sup>x</sup> The Prince Albert Daily Herald (August 9, 2015). Montana's BBQ & Bar opening Monday. Retrieved from: <http://www.paherald.sk.ca/News/Local/2015-08-09/article-4240596/Montana%26rsquo%3Bs-BBQ-%26amp%3B-Bar-opening-Monday/1>

<sup>xi</sup> The Conference Board of Canada expects that employment in both Saskatoon and Regina will advance by only 0.6% in 2015, while their respective unemployment rates could rise around one percentage point.

Conference Board of Canada. (May 2015). Metropolitan Outlook 1: Economic Insights Into 13 Canadian Metropolitan Economies. Retrieved from: <http://www.conferenceboard.ca/e-library/abstract.aspx?did=7104> (subscription required for full report)

<sup>xii</sup> Leader-Post (September 3, 2015). Saskatoon job market slips in rankings. *The StarPhoenix*. Retrieved from: <http://www.thestarphoenix.com/business/saskatoon+market+slips+rankings/11336529/story.html>

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