



Labour Market Bulletin

Saskatchewan

April 2017



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 and Northern economic regions.

OVERVIEW

Just over 568,000 people were working in Saskatchewan in April, as provincial employment declined 2,200 (-0.4%) on the month. This marks the second consecutive month of declining employment in the province, following strong gains in February. Overall, 1,300 more individuals were employed in the province this April compared to April 2016.

Part-time employment increased by 5,000 positions on the month, but this was offset by significant losses in full-time employment (-7,200). A similar trend is observed on an annual basis; however, gains in part-time employment (+6,400) outweighed losses in full-time employment (-5,000) over this period.

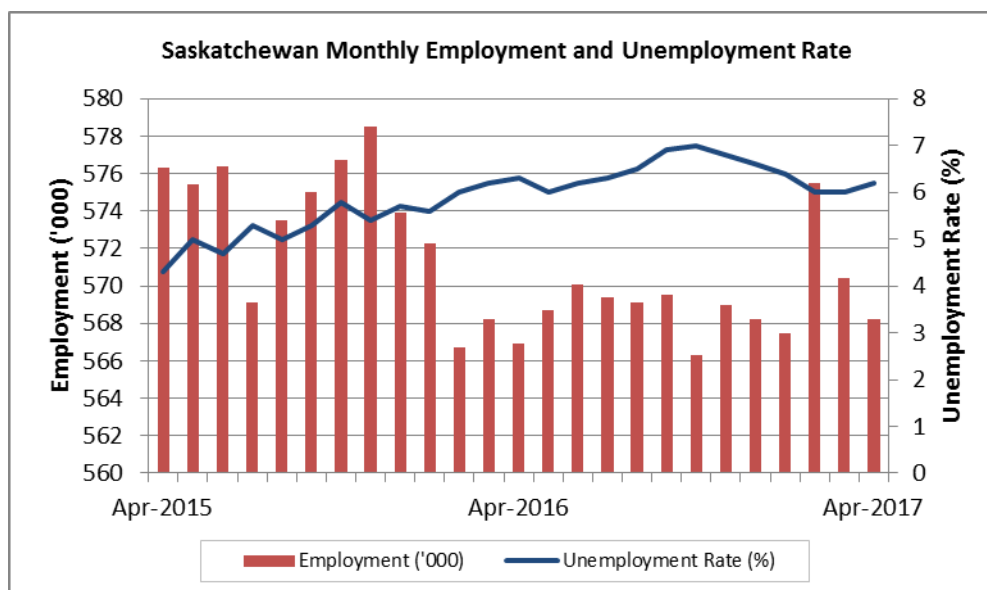
Saskatchewan Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	April 2017	March 2017	April 2016	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	875.2	874.3	867.0	0.9	0.1	8.2	0.9
Labour Force ('000)	605.4	606.9	605.2	-1.5	-0.2	0.2	0.0
Employment ('000)	568.2	570.4	566.9	-2.2	-0.4	1.3	0.2
Full-Time ('000)	463.7	470.9	468.7	-7.2	-1.5	-5.0	-1.1
Part-Time ('000)	104.5	99.5	98.1	5.0	5.0	6.4	6.5
Unemployment ('000)	37.3	36.4	38.3	0.9	2.5	-1.0	-2.6
Unemployment Rate (%)	6.2	6.0	6.3	0.2	-	-0.1	-
Participation Rate (%)	69.2	69.4	69.8	-0.2	-	-0.6	-
Employment Rate (%)	64.9	65.2	65.4	-0.3	-	-0.5	-

Note: Totals may not add due to rounding

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

Looking at classes of workers, both public- and private- sector employment declined in April, by 600 and 1,700 respectively. Meanwhile, the number of self-employed Saskatchewanians was unchanged on a monthly basis.



Saskatchewan's unemployment rate rose 0.2 percentage points to 6.2% in April, marking the first monthly unemployment rate increase since November 2016. However, economic and labour market conditions are improving in the province as losses begin to subside in the oil and gas industry. On an annual basis, Saskatchewan's unemployment rate is down slightly (-0.1 percentage point), while the number of unemployed individuals decreased 1,000 from year-ago levels.

Saskatchewan Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	April 2017 (%)	March 2017 (%)	April 2016 (%)	Monthly Variation	Yearly Variation
				(% points)	(% points)
Total	6.2	6.0	6.3	0.2	-0.1
25 years and over	5.4	5.2	5.3	0.2	0.1
Men - 25 years and over	5.9	5.8	5.2	0.1	0.7
Women - 25 years and over	4.9	4.5	5.5	0.4	-0.6
15 to 24 years	10.4	10.8	12.0	-0.4	-1.6
Men - 15 to 24 years	11.1	12.8	15.2	-1.7	-4.1
Women - 15 to 24 years	9.7	8.4	8.3	1.3	1.4

Note: Totals may not add due to rounding

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

The unemployment rate for youth (15 to 24 years) was 10.4% in April, nearly double the rate for those aged 25 years and over (5.4%). From March to April, the youth unemployment rate fell 0.4 percentage points, while the rate among those aged 25 years and older increased slightly over the same period (+0.2 percentage points).

While overall youth unemployment is down on an annual basis, the unemployment rate among young women actually increased between April 2016 and April 2017 – by 1.4 percentage points to 9.7%. Conversely, the

unemployment rate for young men declined considerably during this period (-4.1 percentage points) and now sits at 11.1%.

EMPLOYMENT BY INDUSTRY

Saskatchewan's services-producing sector was responsible for the majority of employment losses in April, losing 1,400 positions this month. Meanwhile, employment in the good-producing sector also declined, both on the month (-800), as well as on the year (-6,600).

Agriculture was the only industry in the goods-producing sector that had positive employment growth in April. The number of people employed in agriculture stood at 39,000 this month – up 700 from March. Seeding is already underway in Saskatchewan, but progress has been slow due to wet field conditions in many parts of the province. Seeding operations have also been delayed by last year's unfinished harvest, as an estimated 1.3 million acres of 2016 crop remained in the field over winter. Efforts to clean up those fields have been slow, hindered again by wet field conditions and cool temperatures in late April. According to the provincial government's first weekly provincial crop report, just one percent of the province's 2017 crops have been seeded as of May 1, down from 15% last year at this time.¹

Manufacturing registered the largest employment increase in the goods-producing sector on the year (+3,100), pushing overall industry employment up 12.4% between April 2016 and April 2017. A lower Canadian dollar, along with strengthening U.S. demand, is providing manufacturers in the province with a much needed boost. Moreover, many of the provinces manufacturers produce equipment for the agriculture, oil and gas industries, and with conditions in these industries improving, Saskatchewan's manufacturing outlook is brighter. Kinder Morgan, for example, recently announced plans to buy more than 75% of the pipe it needs for its Trans Mountain Pipeline expansion from Evraz's steelmaking factory in Regina. The deal, which is contingent upon Kinder Morgan's final investment decision, is to supply about 250,000 metric tonnes (or 800 kilometres) of pipe for the project.²

Turning to services-producing industries, employment in trade (wholesale and retail) has risen significantly during the past year. There are 6,000 more individuals employed in this industry compared to a year ago. Companies such as Save-on Foods and Loblaw have been expanding their presence and plan on opening additional stores in the province. For instance, Save-on Foods' newest store is slated to open in Saskatoon's Kensington neighbourhood this year and the company plans to open another five stores in the city.³ Similarly, a new Real Canadian Superstore recently opened its doors in Regina's south-end, as Loblaw expands its Saskatchewan operations.⁴

The finance, insurance, real estate and leasing industry suffered the largest year over year decline in employment among services-producing industries (-2,800). A slowdown in consumer borrowing and fewer people visiting bricks and mortar banks, coupled with a cooling real estate market, has negatively impacted employment in this industry. For instance, three of the largest financial institutions in Canada, Canadian Imperial Bank of Commerce (CIBC), Royal Bank of Canada (RBC) and Toronto-Dominion (TD) Bank, recently announced that they will be closing several branches in rural Saskatchewan this year. All three banks report that the closures are a result of more people choosing to bank online rather than visit a physical branch.⁵

Mixed results were observed among Saskatchewan's public-sector industries in April. Employment declined in educational services (-500) and in health care and social assistance (-300), while the number of people employed in public administration was virtually unchanged (+100). The provincial government's 2017-18 budget reduced funding for a number of services, including a \$32.5 million funding cut for provincial post-secondary institutions and a \$22 million reduction in funding for 28 school divisions.⁶ Consequently, public sector organizations are reducing staffing levels to overcome this decrease in funding. For instance, Saskatchewan Polytechnic and Prairie South school division recently issued layoff notices to 23 and 25 employees, respectively.⁷

Saskatchewan Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	April 2017	March 2017	April 2016	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	568.2	570.4	566.9	-2.2	-0.4	1.3	0.2
Goods-producing sector	146.5	147.3	153.1	-0.8	-0.5	-6.6	-4.3
Agriculture	39.0	38.3	42.3	0.7	1.8	-3.3	-7.8
Forestry, fishing, mining, quarrying, oil and gas	23.7	23.9	25.8	-0.2	-0.8	-2.1	-8.1
Utilities	6.9	7.0	7.2	-0.1	-1.4	-0.3	-4.2
Construction	48.8	49.4	52.6	-0.6	-1.2	-3.8	-7.2
Manufacturing	28.2	28.7	25.1	-0.5	-1.7	3.1	12.4
Services-producing sector	421.7	423.1	413.8	-1.4	-0.3	7.9	1.9
Trade	93.2	92.7	87.2	0.5	0.5	6.0	6.9
Transportation and warehousing	26.4	28.0	27.0	-1.6	-5.7	-0.6	-2.2
Finance, insurance, real estate and leasing	27.1	27.1	29.9	0.0	0.0	-2.8	-9.4
Professional, scientific and technical services	32.4	32.4	27.5	0.0	0.0	4.9	17.8
Business, building and other support services	12.4	13.1	12.7	-0.7	-5.3	-0.3	-2.4
Educational services	40.3	40.8	40.5	-0.5	-1.2	-0.2	-0.5
Health care and social assistance	77.0	77.3	78.6	-0.3	-0.4	-1.6	-2.0
Information, culture and recreation	22.0	21.3	19.1	0.7	3.3	2.9	15.2
Accommodation and food services	36.8	36.7	36.9	0.1	0.3	-0.1	-0.3
Other services	24.4	24.2	25.5	0.2	0.8	-1.1	-4.3
Public administration	29.8	29.7	28.8	0.1	0.3	1.0	3.5

Note: Totals may not add due to rounding

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

REGIONAL ANALYSIS

Employment growth varied across Saskatchewan, with annual employment declining in two out of five regions. At the same time, unemployment rates have declined in most parts of the province.

Saskatchewan Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	April 2017 ('000)	April 2016 ('000)	Yearly Variation (%)	April 2017 (%)	April 2016 (%)	Yearly Variation (% points)
Saskatchewan	561.6	558.1	0.6	6.7	6.9	-0.2
Economic Regions						
Regina-Moose Mountain	184.1	181.5	1.4	5.3	6.0	-0.7
Swift Current-Moose Jaw	51.6	52.4	-1.5	3.9	4.2	-0.3
Saskatoon-Biggar	190.6	190.0	0.3	7.9	7.1	0.8
Yorkton-Melville	38.4	35.1	9.4	5.7	8.1	-2.4
Prince Albert and Northern	96.9	99.2	-2.3	9.0	8.9	0.1

Note: Totals may not add due to rounding

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

There are slightly more individuals working in Saskatchewan's most populous region – Saskatoon-Biggar (+600) – than a year ago. Employment in a number of services-industries, such as professional, scientific and technical services, has been increasing in this region. With an increasing number of firms using technology to deliver services to the public, and internet-based services rising in general, Saskatoon's tech-industry is booming. A number of technology start-ups have set up shop or are expanding operations in Saskatoon-Biggar including: Vendasta, Noodlecake Studios Inc., Solido Design Automation Inc. and 7Shifts Inc.⁸ Meanwhile, persistently weak potash and uranium prices continue to constrain employment growth in the goods-producing sector.

Meanwhile, employment in Regina-Moose Mountain edged up 2,600 on an annual basis. With the manufacturing industry performing well, Regina-Moose Mountain's economic prospects are improving. Several new manufacturing projects are being planned in the region. For instance, Sustaina-Pulp intends to build its first straw-to-pulp mill in Belle Plaine this year, with production beginning at the facility in 2018. In addition, Genesis Grain and Fertilizer plans to open its first of seven supercentres, as well as a manufacturing plant, in Belle Plaine.⁹ Looking ahead, the Conference Board of Canada expects employment in Regina-Moose Mountain to advance 1.2% in 2017.¹⁰

Employment in Yorkton-Melville is up 3,300 compared to the same month last year, led by growth in industries such as construction, transportation and warehousing. Yorkton-Melville has a diversified economic base and is the third largest trading area in Saskatchewan, which makes this region attractive for manufacturing firms. Several manufacturers are either planning to set up operations or are expanding their presence in the region. For example, Canopy Growth Corp. plans to expand its marijuana production facility and will be hiring 40 to 50 workers for operations.¹¹ Also, Grain Millers is expanding its oat plant in Yorkton – adding 80,000 tonnes of production capacity to their mill. The \$100 million project will create 25 permanent jobs, along with 110 positions during construction.¹²

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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