



Labour Market Bulletin

Saskatchewan

July 2018



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

The number of people employed in Saskatchewan declined 4,200 in July following significant employment gains in June. Heavy losses in full-time employment (-7,700) overshadowed moderate gains in part-time employment this month. Meanwhile, Saskatchewan's labour force shrank by 2,400 in July compared to the previous month. Overall, labour market conditions in Saskatchewan have remained stable over the past year with provincial employment virtually unchanged between July 2017 and July 2018 (-0.1%).

Saskatchewan Monthly Labour Force Statistics

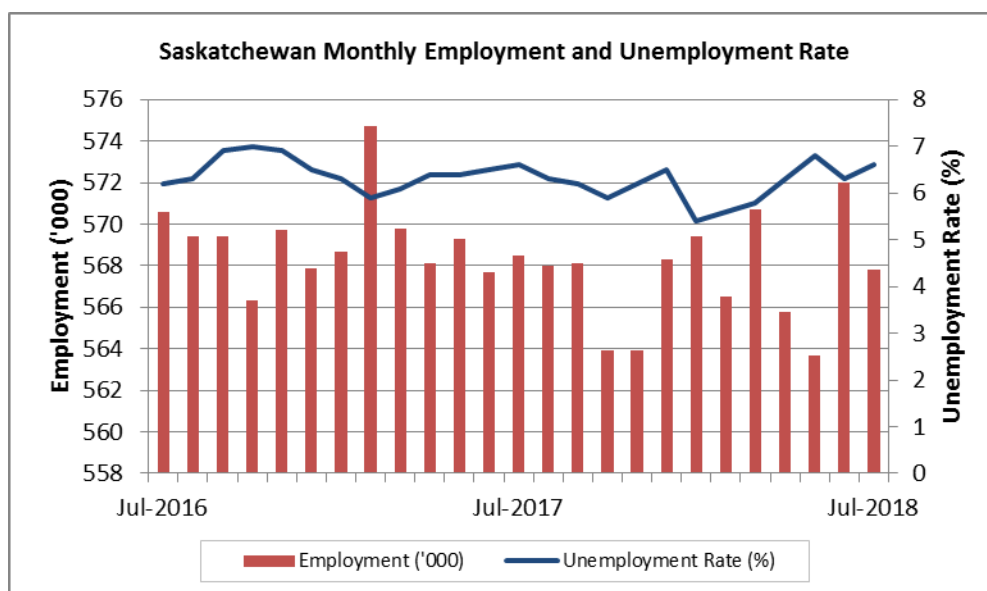
Seasonally Adjusted Monthly Data	July 2018	June 2018	July 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	885.3	884.8	877.5	0.5	0.1	7.8	0.9
Labour Force ('000)	607.8	610.2	608.5	-2.4	-0.4	-0.7	-0.1
Employment ('000)	567.8	572.0	568.5	-4.2	-0.7	-0.7	-0.1
Full-Time ('000)	465.8	473.5	466.4	-7.7	-1.6	-0.6	-0.1
Part-Time ('000)	102.1	98.4	102.0	3.7	3.8	0.1	0.1
Unemployment ('000)	40.0	38.2	40.1	1.8	4.7	-0.1	-0.2
Unemployment Rate (%)	6.6	6.3	6.6	0.3	-	0.0	-
Participation Rate (%)	68.7	69.0	69.3	-0.3	-	-0.6	-
Employment Rate (%)	64.1	64.6	64.8	-0.5	-	-0.7	-

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0287-01, formerly CANSIM 282-0087

Public sector employment (-2,200) and self-employment (-2,800) declined markedly on the month, while the number of people employed in the private sector was virtually unchanged.

Average weekly earnings in Saskatchewan were up 1.1% in May compared to a year ago, and now stand at \$1,010.28.¹ However, this increase in wages has not kept pace with inflation and the cost of living has risen for Saskatchewanians. According to Statistics Canada, the provincial Consumer Price Index rose by four points between May 2017 and May 2018.²



Saskatchewan Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	July 2018 (%)	June 2018 (%)	July 2017 (%)	Monthly Variation (% points)	Yearly Variation (% points)
Total	6.6	6.3	6.6	0.3	0.0
25 years and over	5.3	5.1	5.6	0.2	-0.3
Men - 25 years and over	5.3	4.9	5.9	0.4	-0.6
Women - 25 years and over	5.4	5.4	5.2	0.0	0.2
15 to 24 years	14.0	13.3	12.5	0.7	1.5
Men - 15 to 24 years	16.6	16.4	13.3	0.2	3.3
Women - 15 to 24 years	11.1	9.7	11.5	1.4	-0.4

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0287, formerly CANSIM 282-0087

Saskatchewan's unemployment rate increased 0.3 percentage points to 6.6% in July. The provincial rate exceeded the national average of 5.8% this month and was the second highest in Western Canada after Alberta (6.7%).

Looking at results by demographic groupings, the largest increase in annual unemployment rate occurred for young women (+1.4 percentage points to 11.1%), whereas the unemployment for women over the age of 25 years remained unchanged at 5.4% this month. Meanwhile, unemployment rates for men of all ages rose slightly during this period.

EMPLOYMENT BY INDUSTRY

The goods-producing sector was responsible for all employment losses (-4,200) in July, while the number of people employed in the services-producing sector was unchanged on the month.

Saskatchewan Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	July 2018	June 2018	July 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	567.8	572.0	568.5	-4.2	-0.7	-0.7	-0.1
Goods-producing sector	144.6	148.8	148.4	-4.2	-2.8	-3.8	-2.6
Agriculture	35.7	36.8	37.2	-1.1	-3.0	-1.5	-4.0
Forestry, fishing, mining, quarrying, oil and gas	23.5	24.7	24.2	-1.2	-4.9	-0.7	-2.9
Utilities	7.0	7.0	6.9	0.0	0.0	0.1	1.4
Construction	50.4	50.9	51.8	-0.5	-1.0	-1.4	-2.7
Manufacturing	28.0	29.3	28.3	-1.3	-4.4	-0.3	-1.1
Services-producing sector	423.2	423.1	420.1	0.1	0.0	3.1	0.7
Trade	91.4	90.6	90.8	0.8	0.9	0.6	0.7
Transportation and warehousing	26.5	28.1	29.1	-1.6	-5.7	-2.6	-8.9
Finance, insurance, real estate and leasing	29.3	29.3	27.8	0.0	0.0	1.5	5.4
Professional, scientific and technical services	26.7	26.0	30.6	0.7	2.7	-3.9	-12.7
Business, building and other support services	14.6	15.0	14.5	-0.4	-2.7	0.1	0.7
Educational services	41.4	40.6	39.9	0.8	2.0	1.5	3.8
Health care and social assistance	78.3	78.7	76.5	-0.4	-0.5	1.8	2.4
Information, culture and recreation	19.8	19.5	20.7	0.3	1.5	-0.9	-4.3
Accommodation and food services	36.5	36.7	36.8	-0.2	-0.5	-0.3	-0.8
Other services	26.8	26.2	24.2	0.6	2.3	2.6	10.7
Public administration	31.9	32.5	29.3	-0.6	-1.8	2.6	8.9

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0355, formerly CANSIM 282-0088

Employment in agriculture decreased 1,100 this month. According to the provincial government's latest crop report, harvest has started and two percent of the province's crops are either swathed or ready to straight cut.³ Saskatchewan farmers seeded more wheat and barley this year compared to 2017 levels, while total seeded acres of canola, soybeans, and oats are down, potentially due to weaker prices for these crops.⁴

The number of people employed in the resource extraction industry (i.e. forestry, fishing, mining, quarrying, oil and gas) dropped 1,200 from June to July. Saskatchewan's uranium industry is struggling as the global uranium market remains oversupplied. Citing imbalance in the uranium market, Cameco Corporation indefinitely suspended operations at its McArthur River uranium mine and Key Lake mill in northern Saskatchewan on July 25, after shuttering operations temporarily earlier this year. Approximately 550 employees were permanently laid-off from the site, including those that had been temporarily laid-off in January this year. In addition, approximately 150 positions were cut at the company's head office in Saskatoon. Only 200 workers will remain on site at the McArthur River uranium mine and Key Lake mill to maintain facilities during the shutdown.⁵

Meanwhile, Canada's largest potash producer, Nutrien Ltd., announced that it will lay off 80 people at its Vanscoy Potash mine near Saskatoon in the fourth quarter of 2018. Of the 80 positions being reduced, 50 are hourly positions. The company will provide severance packages, transition programs and information on existing and upcoming job openings at other potash mines in Saskatchewan to the affected staff. Nutrien states that the cuts will help the company in rebalancing its total potash production.⁶

Employment in construction declined 500 in July. The summer construction season is currently underway in Saskatchewan and work is either in progress or has been completed on number of infrastructure projects. The Government of Saskatchewan has earmarked \$924.5 million for highway and road projects this fiscal year. Some of the major projects that the Province is funding include: 700km of repaving and preventative maintenance projects across the province (\$118 million), as well as Phase II of the Regina Bypass (\$330 million).

There were 1,300 fewer individuals employed in manufacturing this month. Conditions in the manufacturing industry are uncertain with NAFTA negotiations underway. For instance, the U.S. government imposed a 25% tariff on Canadian steel imports on June 1. The changes affect EVRAZ Regina, which produces high-strength steel that is rolled into plate and coil, primarily for tubular products. The facility in Regina employs more than a 1,000 people and spurs six to 10 times as many indirect jobs through a supply chain, primarily in Western Canada.⁷

The legalization of marijuana will positively impact job growth in Saskatchewan's manufacturing industry. A number of marijuana companies are setting up operations across the province, including United Greeneries, Canopy Growth Corporation and OneLeaf Cannabis Corporation. The three companies are planning to construct marijuana growing facilities in Lucky Lake, Yorkton and Regina. These new developments are expected to create over a 100 new positions.⁸

The transportation and warehousing industry recorded the largest decrease in employment among the services-producing industries this month (-1,600). Canadian Pacific (CP) Railway and Teamsters Canada Rail reached a four-year tentative agreement for a new contract on May 30. Consequently, full rail operations – which had been affected in April and early May – have resumed across the country.⁹ On another positive note, CN Railway plans to invest \$210 million to expand its Saskatchewan network in 2018. Moreover, the company is looking to increase its workforce by approximately 20% across Canada by the end of this year, and is offering bonuses to attract more workers. CN's investment in Saskatchewan is part of a \$3.4 billion national capital program for 2018.¹⁰

Lastly, mixed employment results were observed among Saskatchewan's public sector industries in July. Employment in educational services increased 800 on the month, while the number of people employed in public administration (-600) and health care and social assistance (-400) declined over the same period. On the education front, school divisions in Regina and Saskatoon are planning to hire more teachers and support staff for the upcoming school year due to an increase in student enrolment. The Saskatoon Public School Division, for instance, plans to hire more than 39 new teachers and educational assistants. Similarly, the Saskatoon Catholic division is set to hire 37 teachers and 19 education assistants to support an increase of 490 students in the upcoming school year.¹¹

REGIONAL ANALYSIS

Compared to the same period last year, employment is down in two out of five economic regions in Saskatchewan, while the unemployment rate increased in all economic regions except Saskatoon-Biggar.

Saskatchewan Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	July 2018 ('000)	July 2017 ('000)	Yearly Variation (%)	July 2018 (%)	July 2017 (%)	Yearly Variation (% points)
Saskatchewan	575.6	577.7	-0.4	6.5	6.2	0.3
Economic Regions						
Regina - Moose Mountain	186.7	184.6	1.1	6.0	5.3	0.7
Swift Current - Moose Jaw	50.2	51.7	-2.9	4.7	4.3	0.4
Saskatoon - Biggar	204.5	202.2	1.1	6.7	7.6	-0.9
Yorkton - Melville	35.3	40.4	-12.6	6.4	3.3	3.1
Prince Albert and Northern	99.0	98.9	0.1	8.1	7.2	0.9

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0293, formerly CANSIM 282-0122

The number of people employed in Regina-Moose Mountain increased 2,100 between July 2017 and July 2018. Educational services led employment gains in the region, adding 2,600 positions on the year.¹² In the 2018-19 provincial budget, the Province restored \$30 million for K-12 education after funding was reduced in 2017. The funding allows school divisions across the province to hire up to 400 teachers and other educational support staff.¹³ Overall, The Regina Public and Catholic School Divisions are planning to add over 43 full-time-equivalent (FTE) teachers and nearly 31 FTE educational support staff for the upcoming school year.¹⁴

Year-over-year employment is up significantly in Saskatoon-Biggar (+2,300), led by gains in manufacturing and accommodations and food services.¹⁵ Manufacturing activity is booming in Saskatoon, due in part to existing companies winning new contracts. For instance, Saskatoon-based Crestline Coach, which builds small to mid-sized buses, has won a five-year contract worth \$22 million to build fully accessible community shuttle buses for Calgary Transit. Overall, the Conference Board of Canada anticipates Saskatoon's manufacturing output to increase 1.3% in 2018 and 2.4% in 2019.¹⁶

The number of people employed in Yorkton-Melville declined significantly over the past year. There are now 35,300 people employed in the region, down 5,100 compared to July 2017. The largest declines were in Yorkton-Melville's construction and accommodation and food services industries. In 2017, the \$3 billion expansion of Nutrien's (previously Potash Corporation of Saskatchewan) Rocanville mine was a significant source of employment in this region. With the project completed in October 2017, and no major construction projects underway, employment levels in construction have declined.¹⁷

Finally, employment in Prince Albert and Northern economic region remained virtually unchanged in July (+100). With Cameco Corporation indeterminately shuttering operations at its McArthur River uranium mine and Key Lake mill, secondary industries, suppliers and services in Northern Saskatchewan are feeling the effects of the closures. Northern Resource Trucking (NRT), a chemicals and supplies shipping firm, for instance, laid-off

22 drivers in January when Cameco announced temporary layoffs. NRT is mainly owned by Indigenous stakeholders and nearly 80% of its business comes from Cameco. And in light of Cameco shutting down operations indeterminately, the company is working to diversify its services.¹⁸ Similarly, West Wind Aviation is also being impacted by the closures. The company runs regular charter flights from southern Saskatchewan to the northern mines and transports “several thousand” workers each week on their Saskatoon-Prince Albert-La Ronge and Buffalo Narrows-Athabasca Basin flight lanes.¹⁹

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.

Prepared by: Labour Market Information (LMI) Directorate, Service Canada, Saskatchewan

For further information, please contact the LMI team at: http://www.esdc.gc.ca/cqi-bin/contact/edsc-esdc/eng/contact_us.aspx?section=lmi

For information on the Labour Force Survey, please visit the Statistics Canada Web site at: www.statcan.gc.ca

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