



Labour Market Bulletin

Saskatchewan

August 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

There were just over 569,000 people employed in Saskatchewan in August 2018, as provincial employment increased 1,400 on the month. Gains in full-time employment (+2,100) overshadowed slight losses in part-time employment (-900) during this period. Overall, the number of people actively looking for employment in the province increased significantly over the last year (+4,200), which has resulted in tighter labour market conditions.

The Canadian Federation of Independent Business's (CFIB) latest Help Wanted report shows that Saskatchewan's private sector job vacancy rate – the proportion of unfilled jobs relative to all available jobs in the private sector – declined 0.2 percentage points in the second quarter of 2018 and now stands at 1.7%.¹

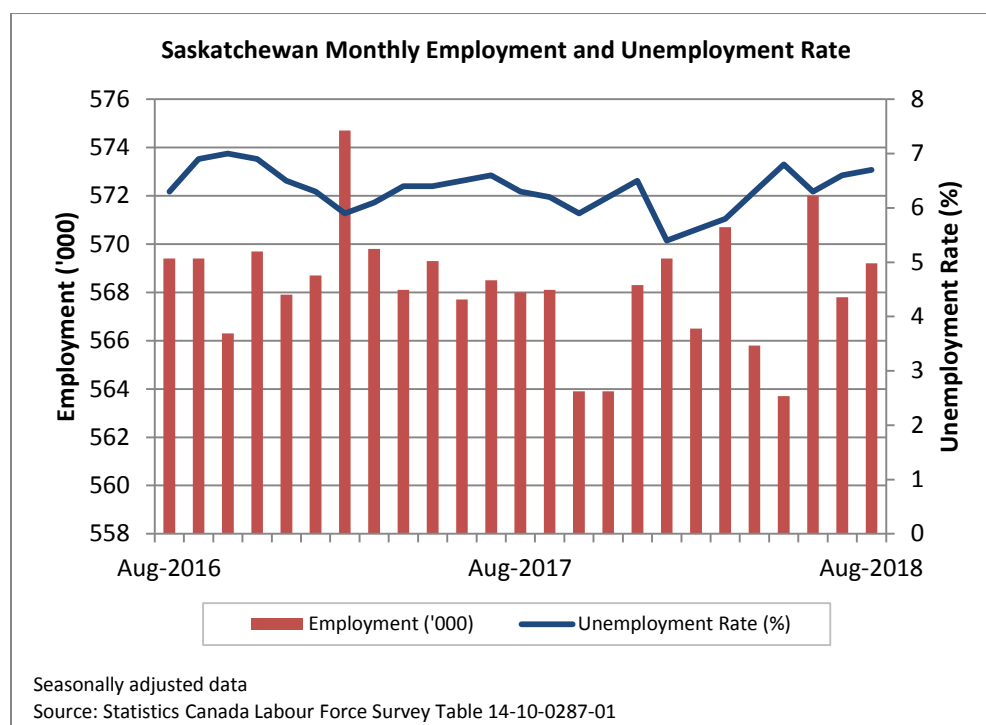
Saskatchewan Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	August 2018	July 2018	August 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	885.5	885.3	878.0	0.2	0.0	7.5	0.9
Labour Force ('000)	610.2	607.8	606.0	2.4	0.4	4.2	0.7
Employment ('000)	569.2	567.8	568.0	1.4	0.2	1.2	0.2
Full-Time ('000)	467.9	465.8	464.7	2.1	0.5	3.2	0.7
Part-Time ('000)	101.2	102.1	103.3	-0.9	-0.9	-2.1	-2.0
Unemployment ('000)	41.1	40.0	37.9	1.1	2.8	3.2	8.4
Unemployment Rate (%)	6.7	6.6	6.3	0.1	-	0.4	-
Participation Rate (%)	68.9	68.7	69.0	0.2	-	-0.1	-
Employment Rate (%)	64.3	64.1	64.7	0.2	-	-0.4	-

Note: Totals may not add due to rounding

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

In terms of the types of employment, both public and private sector employment increased markedly on the month. Meanwhile, the number of self-employed Saskatchewanians dropped significantly during this period (-1,900).



Saskatchewan Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	August 2018	July 2018	August 2017	Monthly Variation	Yearly Variation
	(%)	(%)	(%)	(% points)	(% points)
Total	6.7	6.6	6.3	0.1	0.4
25 years and over	5.6	5.3	5.2	0.3	0.4
Men - 25 years and over	5.5	5.3	5.0	0.2	0.5
Women - 25 years and over	5.8	5.4	5.5	0.4	0.3
15 to 24 years	13.5	14.0	12.4	-0.5	1.1
Men - 15 to 24 years	15.8	16.6	14.5	-0.8	1.3
Women - 15 to 24 years	10.8	11.1	10.1	-0.3	0.7

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 was virtually unchanged in August at 6.7% (+0.1 percentage points). The provincial rate exceeded the national average of 6.0% this month and was one of the highest in Western Canada. According to the Conference Board of Canada's latest provincial outlook, economic conditions in Saskatchewan are anticipated to remain sluggish for the duration of 2018 due in part to weakness in the wholesale and retail trade industry. Consequently, real GDP is expected to grow by just 1.2% in 2018. And a relatively weak economy is negatively impacting the provincial labour market. Overall, employment is projected to remain unchanged in Saskatchewan in 2018 compared to 2017 levels (-0.1 percentage points).²

Turning to results by demographic groupings, the unemployment rate for men and women of all ages increased in August compared to the previous year. The largest increase in unemployment rate occurred for young men during this period (+1.3 percentage points to 15.8%).

EMPLOYMENT BY INDUSTRY

Employment in Saskatchewan's services-producing sector increased 2,700 in August, while the number of people employed in the goods-producing sector fell 1,400 on the month.

Saskatchewan Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	August 2018	July 2018	August 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	569.2	567.8	568.0	1.4	0.2	1.2	0.2
Goods-producing sector	143.2	144.6	148.5	-1.4	-1.0	-5.3	-3.6
Agriculture	36.7	35.7	36.9	1.0	2.8	-0.2	-0.5
Forestry, fishing, mining, quarrying, oil and gas	23.2	23.5	24.4	-0.3	-1.3	-1.2	-4.9
Utilities	7.6	7.0	6.8	0.6	8.6	0.8	11.8
Construction	48.9	50.4	52.0	-1.5	-3.0	-3.1	-6.0
Manufacturing	26.8	28.0	28.4	-1.2	-4.3	-1.6	-5.6
Services-producing sector	425.9	423.2	419.6	2.7	0.6	6.3	1.5
Trade	89.7	91.4	91.9	-1.7	-1.9	-2.2	-2.4
Transportation and warehousing	26.9	26.5	28.3	0.4	1.5	-1.4	-4.9
Finance, insurance, real estate and leasing	29.4	29.3	27.7	0.1	0.3	1.7	6.1
Professional, scientific and technical services	25.7	26.7	29.2	-1.0	-3.7	-3.5	-12.0
Business, building and other support services	16.5	14.6	14.2	1.9	13.0	2.3	16.2
Educational services	43.6	41.4	40.7	2.2	5.3	2.9	7.1
Health care and social assistance	78.5	78.3	74.7	0.2	0.3	3.8	5.1
Information, culture and recreation	20.4	19.8	21.2	0.6	3.0	-0.8	-3.8
Accommodation and food services	37.8	36.5	37.4	1.3	3.6	0.4	1.1
Other services	26.4	26.8	24.4	-0.4	-1.5	2.0	8.2
Public administration	31.0	31.9	29.8	-0.9	-2.8	1.2	4.0

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 increased 1,000 in August. According to the provincial government's latest crop report, harvest is progressing rapidly in the province. As of September 6, 2018, 39% of this year's crop is in the bin – well ahead of the five year average of 25% for this time of the year.³ Agricultural conditions remain dry in Saskatchewan, with topsoil moisture conditions on cropland rated as 22% adequate, 47% short and 31% very short. Dry conditions across the province have jeopardized winter feed supplies resulting in upward pressure on feed prices. Indeed, Saskatchewan cattle producers in drought areas are currently searching for alternative feed supplies. Without substitutes, ranchers face difficult decisions on herd downsizing – possibly selling off between 40% and 60% of their cattle.⁴

The number of people employed in the resource extraction industry (i.e. forestry, fishing, mining, quarrying, oil and gas) dropped for a second consecutive month (-300). 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, 2018. 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.⁵

Meanwhile, Saskatchewan's natural gas industry is being positively impacted by rising prices and demand for helium. North American Helium recently acquired rights to 1.2 million acres of land to extract helium from Saskatchewan's deep high-pressure fields in the southwestern region.⁶ Overall, there have been 41 new helium permits issued in the province between July 2017 and August 2018, which is nearly a quarter of the 171 helium permits and leases that are active in the province.⁷

Employment in manufacturing declined 1,200 this month. Conditions in the manufacturing industry are uncertain with NAFTA negotiations underway. On August 21, the U.S. government imposed preliminary anti-dumping duties on large-diameter welded pipe from Canada and five other countries. The U.S. will now collect 24.38% cash deposits on imports from Canada, while duties on the other five countries range from 3.45% for Turkey to more than 132% for China. The changes could affect Evraz Regina, which is the longest-running Large Diameter pipe producer in North America, with an annual capacity of 360,000 tons.⁸

The number of people employed in the transportation and warehousing industry increased 400 in August. In June, the Canadian National (CN) Railway announced plans to invest \$210 million to expand its Saskatchewan network in 2018. 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 2018.⁹

Lastly, the number of people employed in Saskatchewan's public sector industries is up compared to last August. Employment in health care and social assistance increased 3,800 during this period, while there were 2,900 more individuals working in educational services. Similarly, employment in public administration is up 1,200 over the past year. 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. Also, 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.¹⁰

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 in Saskatoon-Biggar.

Saskatchewan Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	August 2018 ('000)	August 2017 ('000)	Yearly Variation (%)	August 2018 (%)	August 2017 (%)	Yearly Variation (% points)
Saskatchewan	576.5	575.7	0.1	6.7	6.5	0.2
Economic Regions						
Regina - Moose Mountain	186.1	183.3	1.5	6.1	5.4	0.7
Swift Current - Moose Jaw	50.6	50.7	-0.2	4.9	4.2	0.7
Saskatoon - Biggar	205.2	204.2	0.5	7.0	7.6	-0.6
Yorkton - Melville	36.2	40.1	-9.7	4.7	4.3	0.4
Prince Albert and Northern	98.5	97.4	1.1	8.6	7.9	0.7

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 between August 2017 and August 2018. The services-producing sector led employment gains in the region, adding 3,500 positions on the year.¹¹ Growth in services industries is anticipated to continue over the medium-term, thanks to advances in the finance and real estate and trade industries.¹²

Meanwhile, employment also edged up in Saskatoon-Biggar over the past year (+1,000). 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.¹³

Employment in Yorkton-Melville declined significantly over the past year. There are now 36,200 people employed in the region, down 3,900 compared to August 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.¹⁴

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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