



# Labour Market Bulletin

## Saskatchewan

September 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

Just over 569,000 people were employed in Saskatchewan in the third quarter of 2018, 2,100 more than the previous quarter. Both full- and part-time employment increased during this period, by 800 and 1,400 respectively. The private sector led employment gains, adding 4,800 positions in the third quarter of 2018. Meanwhile, public sector employment remained virtually unchanged during this period (-100), while the number of self-employed Saskatchewanians dropped 2,600 in the third quarter.

#### Saskatchewan Quarterly Labour Force Statistics

Seasonally adjusted data	3rd Quarter 2018	2nd Quarter 2018	3rd Quarter 2017	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	885.4	884.1	878.1	1.3	0.1	7.3	0.8
<b>Labour Force ('000)</b>	609.4	606.2	606.8	3.2	0.5	2.6	0.4
<b>Employment ('000)</b>	569.3	567.2	568.2	2.1	0.4	1.1	0.2
Full-Time ('000)	466.9	466.1	465.8	0.8	0.2	1.1	0.2
Part-Time ('000)	102.5	101.1	102.3	1.4	1.4	0.2	0.2
<b>Unemployment ('000)</b>	40.1	39.0	38.6	1.1	2.8	1.5	3.9
<b>Unemployment Rate (%)</b>	6.6	6.4	6.4	0.2	-	0.2	-
<b>Participation Rate (%)</b>	68.8	68.6	69.1	0.2	-	-0.3	-
<b>Employment Rate (%)</b>	64.3	64.2	64.7	0.1	-	-0.4	-

Note: Totals may not add due to rounding

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

Despite falling self-employment numbers, optimism among Saskatchewan's small business owners remained moderately high in September. Of the small businesses surveyed, 41% report that their businesses are in good shape, while 14% indicate their firms are in poor shape. However, short-term hiring plans remain sluggish, with 13% of business owners looking to add workers and 15% looking to reduce full-time staffing numbers.<sup>1</sup>



The number of individuals actively looking for employment increased 1,100 in the third quarter. The provincial unemployment rate now stands at 6.6%, up 0.2 percentage points from the previous quarter. Saskatchewan's rate exceeded the national average of 5.9% during the same period, and was the second highest in Western Canada after Alberta (6.8%).

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 sector. 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, provincial employment is projected to be flat this year (-0.1 percentage points compared to 2017 levels).<sup>2</sup>

**Saskatchewan Quarterly Unemployment Rates, by Gender and Age**

Seasonally adjusted data	3rd Quarter 2018 (%)	2nd Quarter 2018 (%)	3rd Quarter 2017 (%)	Quarterly Variation	Yearly Variation
				(% points)	(% points)
<b>Total</b>	6.6	6.4	6.4	0.2	0.2
<b>25 years and over</b>	5.5	5.4	5.3	0.1	0.2
Men - 25 years and over	5.6	5.8	5.5	-0.2	0.1
Women - 25 years and over	5.3	5.0	5.2	0.3	0.1
<b>15 to 24 years</b>	13.1	12.8	12.4	0.3	0.7
Men - 15 to 24 years	15.4	16.4	13.8	-1.0	1.6
Women - 15 to 24 years	10.4	8.7	11.0	1.7	-0.6

*Note: Totals may not add due to rounding*

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

After two consecutive quarterly increases, the unemployment rate for young men (15 to 24 years) dropped one-full percentage point to 15.4% in the third quarter of 2018. In contrast, the unemployment rate for young women rose from 8.7% in the second quarter to 10.4% in the third quarter.

### Labour market indicators for Indigenous people

In the third quarter of 2018, the total population aged 15 and over in Saskatchewan was 885,400. The Indigenous population living off-reserve accounted for 9.8% of that, or 86,400 people. Employment among the Indigenous population in Saskatchewan stood at 46,000, representing a marginal increase of 100 positions (+0.2%) from a year earlier. The increase was driven entirely by a rise in the number of part-time positions (+500 or +6.8%) but mostly offset by a loss of 400 full-time positions from the year previous (-1.0 percentage point).

The unemployment rate among the Indigenous population was 16% in the third quarter of 2018, an increase of 2.3 percentage points from the previous year. Among the non-Indigenous population, the unemployment rate was 5.7% (+0.2 percentage points). Between the third quarter of 2017 and the third quarter of 2018, the participation rate of the Indigenous population was 63.4% (+0.9 percentage points) while among non-Indigenous population, it was 70.2% (-0.2 percentage points). The employment rate for the Indigenous

population was 53.2% (-0.7 percentage points) and the employment rate for the non-indigenous population also decreased, to 66.2% (-0.3 percentage points).

### Saskatchewan - Labour Market Indicators for Indigenous People

3-month moving averages Seasonally unadjusted data	Indigenous		Yearly variation (Indigenous)		Non-Indigenous		Yearly variation (non-Indigenous)	
	Q3 2018	Q3 2017	number	%	Q3 2018	Q3 2017	number	%
<b>Population 15 + ('000)</b>	86.4	85.2	1.2	1.4	799.0	792.9	6.1	0.8
<b>Labour Force ('000)</b>	54.8	53.2	1.6	3.0	560.5	558.4	2.1	0.4
<b>Employment ('000)</b>	46.0	45.9	0.1	0.2	528.6	527.4	1.2	0.2
Full-Time ('000)	38.1	38.5	-0.4	-1.0	442.5	440.6	1.9	0.4
Part-Time ('000)	7.9	7.4	0.5	6.8	86.1	86.8	-0.7	-0.8
<b>Unemployment ('000)</b>	8.8	7.3	1.5	20.5	32.0	31.0	1.0	3.2
<b>Unemployment Rate (%)</b>	16.0	13.7	2.3	-	5.7	5.5	0.2	-
<b>Participation Rate (%)</b>	63.4	62.5	0.9	-	70.2	70.4	-0.2	-
<b>Employment Rate (%)</b>	53.2	53.9	-0.7	-	66.2	66.5	-0.3	-

Notes: The Labour Force Survey excludes those living on-reserve.

Estimates are based on three-month moving averages.

Totals may not add due to rounding.

Totals may be different from other tables due to adjustments done to indigenous statistics in the Labour Force Survey.

Source: Statistics Canada Labour Force Survey – ESDC custom table

## EMPLOYMENT BY INDUSTRY

Considerable gains in services-producing industries (+3,900) overshadowed losses in the goods-producing sector (-1,800) in the third quarter of 2018. This is consistent with what happened on an annual basis. Year-over-year employment was up 4,100 in with the services-producing sector, while employment in the goods-sector was down 3,100.

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

Seasonally adjusted data ('000)	3rd Quarter 2018	2nd Quarter 2018	3rd Quarter 2017	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	569.3	567.2	568.2	2.1	0.4	1.1	0.2
<b>Goods-producing sector</b>	144.7	146.5	147.8	-1.8	-1.2	-3.1	-2.1
Agriculture	36.8	36.9	36.6	-0.1	-0.3	0.2	0.5
Forestry, fishing, mining, quarrying, oil and gas	23.2	24.8	24.2	-1.6	-6.5	-1.0	-4.1
Utilities	7.4	6.8	6.9	0.6	8.8	0.5	7.2
Construction	49.9	49.0	52.0	0.9	1.8	-2.1	-4.0
Manufacturing	27.5	29.0	28.0	-1.5	-5.2	-0.5	-1.8
<b>Services-producing sector</b>	424.6	420.7	420.5	3.9	0.9	4.1	1.0
Trade	89.7	90.3	91.7	-0.6	-0.7	-2.0	-2.2
Transportation and warehousing	27.2	28.0	28.9	-0.8	-2.9	-1.7	-5.9
Finance, insurance, real estate and leasing	29.1	28.8	27.8	0.3	1.0	1.3	4.7
Professional, scientific and technical services	26.2	26.0	29.8	0.2	0.8	-3.6	-12.1
Business, building and other support services	15.8	14.7	14.2	1.1	7.5	1.6	11.3
Educational services	43.4	41.0	40.5	2.4	5.9	2.9	7.2
Health care and social assistance	78.4	77.9	75.7	0.5	0.6	2.7	3.6
Information, culture and recreation	20.0	19.9	20.8	0.1	0.5	-0.8	-3.8
Accommodation and food services	37.6	36.9	36.7	0.7	1.9	0.9	2.5
Other services	26.3	25.7	24.6	0.6	2.3	1.7	6.9
Public administration	30.9	31.6	29.8	-0.7	-2.2	1.1	3.7

*Note: Totals may not add due to rounding*

*Source: Statistics Canada Labour Force Survey – Table T14-10-0355, formerly CANSIM 282-0088*

The largest quarterly decrease in employment was recorded in Saskatchewan's resource extraction industry, which includes the forestry, fishing, mining, quarrying, oil and gas (-1,600). Conditions in the province's uranium industry are challenging as the global uranium market remains oversupplied. Due to imbalanced conditions, Cameco Corporation indefinitely suspended operations at its McArthur River uranium mine and Key Lake mill in northern Saskatchewan on July 25, laying off 700 workers.<sup>3</sup>

On the oil front, the Petroleum Services Association of Canada (PSAC) has revised its drilling estimates for 2018, and now expects just 2,428 wells to be drilled in Saskatchewan this year, compared to its original projection of 2,931 wells. Overall, PSAC projects that there will be 6,900 wells drilled across the country, 500 fewer than its original forecast.<sup>4</sup> On a positive note, investment in oil has been on the rise in the province and the industry is

showing signs of recovery. For instance, Husky Energy is making progress on its six thermal plants, and expects that the first plant, Rush Lake 2, will be complete by the end of 2018. Meanwhile, construction at Dee Valley is underway with production anticipated in the first half of 2020.<sup>5</sup>

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. Overall, there were 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.<sup>6</sup>

There were 600 more individuals employed in the utilities industry in the third quarter of 2018. SaskPower, Saskatchewan's crown power utility, has committed to reduce power generation emissions and aims to generate 50% of the province's energy using renewable resources by 2030. To reach its goals, SaskPower has started work on projects such as its Chinook Power Station, and has developed a partnership with the First Nations Power Authority to secure 20 megawatts of flare gas projects from Indigenous-led businesses.<sup>7</sup> Moreover, the Blue Hill Wind Energy Project, which is also part of SaskPower's 2030 goal, was recently approved by the provincial government. The new project will be located south of Herbert and is expected to generate enough power for more than 70,000 homes. Algonquin Power Co. won the construction and maintenance contract, which is anticipated to create 295 person-years of direct, indirect, and induced employment. Construction of the project is to begin in 2019, with an in-service date possible as early as 2021.<sup>8</sup>

The number of people employed in educational services increased considerably this quarter (+2,400). The 2018-19 school year has started and school divisions across the province have hired more teachers and support staff due to an increase in student enrolment. The Regina Public School Division has added 23.5 full-time-equivalent (FTE) teachers and 16.5 FTE educational assistants. Meanwhile, the Regina Catholic school board has hired an additional 20 FTE teachers and 2.6 education support staff. Similarly, the Saskatoon Public School Division has hired more than 21 new teachers and over 18 full-time educational assistants. Likewise, the Saskatoon Catholic division has appointed an additional 37 teachers and 19 education assistants.

Employment in wholesale and retail trade fell 600 in the third quarter. However, the legalization of marijuana is anticipated to positively impact job growth in the province's retail trade industry. The provincial government has given out a total of 51 marijuana permits across the province. Many of these newly licensed retailers are in the final stages of preparation for the legalization date of October 17, and are looking to hire locally.<sup>9</sup>

## REGIONAL ANALYSIS

Year-over-year employment was down in Saskatoon-Biggar and Yorkton-Melville economic regions in the third quarter of 2018. Meanwhile, the unemployment rate increased in three of the five economic regions during this period.

Saskatchewan Quarterly Labour Force Statistics, by Economic Region

Seasonally unadjusted data	Employment			Unemployment Rate		
	3rd Quarter 2018 ('000)	3rd Quarter 2017 ('000)	Yearly Variation (%)	3rd Quarter 2018 (%)	3rd Quarter 2017 (%)	Yearly Variation (% points)
<b>Saskatchewan</b>	573.7	573.1	0.1	6.7	6.3	0.4
<b>Economic Regions</b>						
Regina - Moose Mountain	184.5	182.6	1.0	6.2	5.2	1.0
Swift Current - Moose Jaw	50.7	50.2	1.0	4.9	3.8	1.1
Saskatoon - Biggar	204.0	204.3	-0.1	7.2	7.3	-0.1
Yorkton - Melville	36.6	39.7	-7.8	3.9	4.8	-0.9
Prince Albert and Northern	97.9	96.3	1.7	8.2	7.8	0.4

Note: Totals may not add due to rounding

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

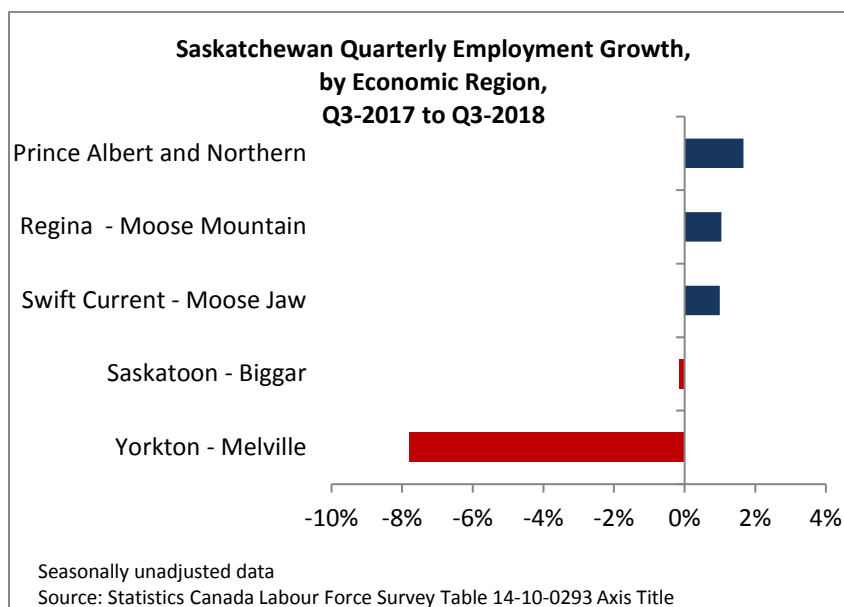
The number of people employed in Regina-Moose Mountain increased 1,900 between the third quarter of 2017 and the third quarter of 2018. The services-producing sector led employment growth during this period (+2,100). Meanwhile, employment in the goods-producing sector dropped slightly on an annual basis (-200) due mainly to a decline in manufacturing employment. NAFTA negotiations, which recently concluded, created uncertainty in the province's manufacturing industry. 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. is now collecting 24.38% cash deposits on imports from Canada. 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.<sup>10</sup>

Turning to Saskatchewan's most populous region, employment in Saskatoon-Biggar is down 300 this quarter compared to a year ago. There were 1,100 fewer individuals working in the goods-producing sector during this period, while employment in the services-producing sector increased slightly. The summer construction season is coming to an end and work has concluded on a number of major projects. Construction of the Chief Mistawasis Bridge, McOrmond Drive and Central Avenue extensions, and the new Traffic Bridge project in Saskatoon were recently completed and the new projects are ready for use.<sup>11</sup> Overall, the Conference Board of Canada expects Saskatoon's real GDP to grow 2% in 2018 and by 2.3% in 2019 as activity in the manufacturing industry picks up.<sup>12</sup>

The number of people employed in Yorkton-Melville declined significantly over the past year. The region now employs 36,600 people, down 3,100 compared to the same period last year. The largest drop in employment was recorded in the region's accommodation and food services industry. The \$3 billion expansion of Nutrien's (previously Potash Corporation of Saskatchewan) Rocanville mine was a source of significant employment in

the region. With the project completed in October 2017, there are now no major projects ongoing in the region, which has negatively impacted employment levels.<sup>13</sup>

Finally, employment in Prince Albert and Northern region increased 1,600 on an annual basis. Educational services led employment gains in the region during this period. The new school year has started, and a number of schools in this region are facing a shortage of teachers and educational staff. For instance, the Northern Lights School Division (NLS), which operates schools in communities such as La Loche, Sandy Bay, Pinehouse, Stony Rapids and La Ronge, has had difficulty recruiting and retaining teachers for years. The NLS states that this is due in part to baby boomers retiring and younger workers preferring to stay closer to home.<sup>14</sup>



**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>1</sup> Canadian Federation of Independent Business (September 27, 2018). Business Barometer. Retrieved from: [https://www.cfib-fcei.ca/sites/default/files/2018-09/business-barometer-provinces-2018-09\\_0.pdf](https://www.cfib-fcei.ca/sites/default/files/2018-09/business-barometer-provinces-2018-09_0.pdf)

<sup>2</sup> The Conference Board of Canada (September 5, 2018). Provincial Outlook Economic Forecast: Saskatchewan—Summer 2018. Retrieved from: <https://www.conferenceboard.ca/e-Library/abstract.aspx?did=9870>



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