



Labour Market Bulletin

Saskatchewan

April 2019



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

Over 580,000 people were working in Saskatchewan in April 2019, as employment edged up for a second consecutive month (+1,600). This monthly increase was led by gains in full-time employment (+5,700), while the number of individuals employed part-time decreased 4,200. All told, employment in Saskatchewan has risen 2.6% (+14,800 positions) since April 2018, outpacing national growth of 2.3%.

Saskatchewan Monthly Labour Force Statistics

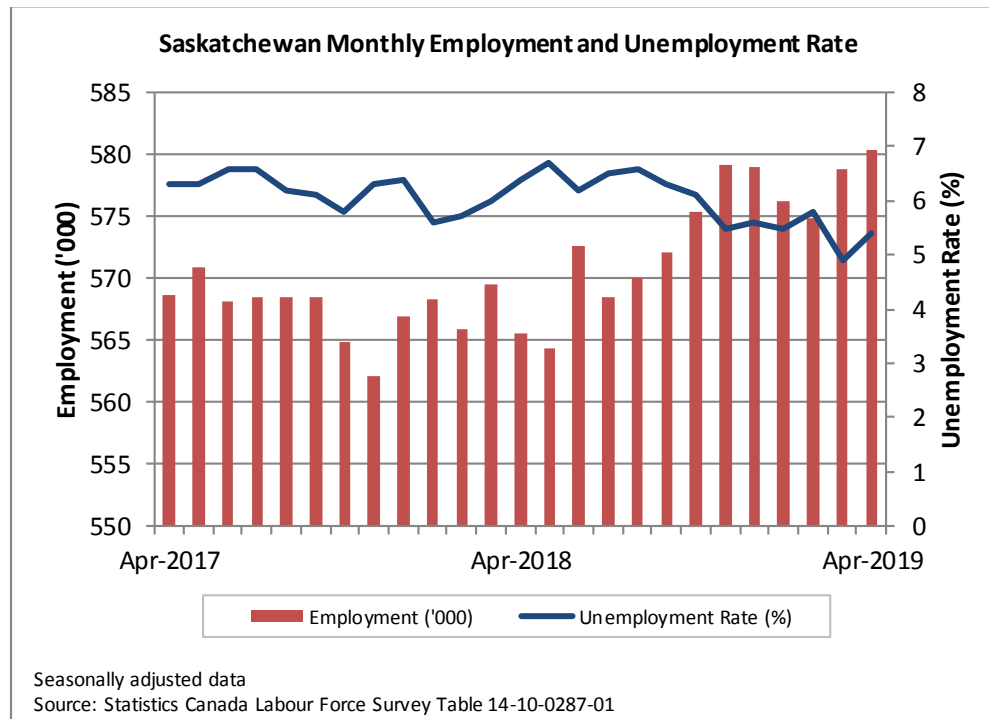
Seasonally Adjusted Monthly Data	April 2019	March 2019	April 2018	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	888.4	888.1	883.4	0.3	0.0	5.0	0.6
Labour Force ('000)	613.7	608.9	604.4	4.8	0.8	9.3	1.5
Employment ('000)	580.4	578.8	565.6	1.6	0.3	14.8	2.6
Full-Time ('000)	480.5	474.8	462.6	5.7	1.2	17.9	3.9
Part-Time ('000)	99.8	104.0	103.0	-4.2	-4.0	-3.2	-3.1
Unemployment ('000)	33.3	30.0	38.8	3.3	11.0	-5.5	-14.2
Unemployment Rate (%)	5.4	4.9	6.4	0.5	-	-1.0	-
Participation Rate (%)	69.1	68.6	68.4	0.5	-	0.7	-
Employment Rate (%)	65.3	65.2	64.0	0.1	-	1.3	-

Note: Totals may not add due to rounding

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

On an annual basis, the number of self-employed Saskatchewanians decreased 1,200 in April. However, this was offset by significantly higher public sector (+2,900) and private sector (+13,000) employment.¹

Small business confidence remains low in the province. According to the Canadian Federation of Independent Business' (CFIB) latest monthly Business Barometer, confidence in Saskatchewan stood at 50.4 points in April, unchanged from a month earlier; however, this was more than six points below the national average. Hiring plans also remain weak, with just 11% of small businesses indicating that they will add more employees over the next quarter. Meanwhile, 21% of businesses surveyed plan to lay-off employees.²



Labour force growth outpaced provincial employment growth in April. As a result, Saskatchewan’s unemployment rate rose 0.5 percentage points month-over-month. Even so, the provincial unemployment rate (5.4%) remains below the national average of 5.7%.

Saskatchewan Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	April 2019 (%)	March 2019 (%)	April 2018 (%)	Monthly Variation	Yearly Variation
				(% points)	(% points)
Total	5.4	4.9	6.4	0.5	-1.0
25 years and over	4.6	4.2	5.6	0.4	-1.0
Men - 25 years and over	5.1	4.2	6.3	0.9	-1.2
Women - 25 years and over	3.9	4.3	4.7	-0.4	-0.8
15 to 24 years	10.8	9.1	11.8	1.7	-1.0
Men - 15 to 24 years	11.1	9.6	15.1	1.5	-4.0
Women - 15 to 24 years	10.3	8.6	8.1	1.7	2.2

Note: Totals may not add due to rounding

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

The unemployment rate for Saskatchewan youth (15 to 24 years) climbed from 9.1% in March to 10.8% this month. The unemployment rate for both young men and women is up – by 1.5 percentage points and 1.7 percentage points respectively.

The story is much different on an annual basis, as young men fared considerably better than their female counterparts. The unemployment rate for young men decreased four percentage points between April 2018 and April 2019, while the rate for young women rose 2.2 percentage points.

EMPLOYMENT BY INDUSTRY

Saskatchewan's goods-producing sector added 1,100 positions in April, with gains occurring in three of five industries. Meanwhile, employment was virtually unchanged in the services-sector (+400).

Saskatchewan Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	April 2019	March 2019	April 2018	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	580.4	578.8	565.6	1.6	0.3	14.8	2.6
Goods-producing sector	148.9	147.8	145.8	1.1	0.7	3.1	2.1
Agriculture	40.9	40.2	37.0	0.7	1.7	3.9	10.5
Forestry, fishing, mining, quarrying, oil and gas	22.5	22.4	24.9	0.1	0.4	-2.4	-9.6
Utilities	7.2	7.4	6.6	-0.2	-2.7	0.6	9.1
Construction	47.6	48.1	48.8	-0.5	-1.0	-1.2	-2.5
Manufacturing	30.6	29.7	28.6	0.9	3.0	2.0	7.0
Services-producing sector	431.5	431.1	419.8	0.4	0.1	11.7	2.8
Trade	87.0	85.8	90.0	1.2	1.4	-3.0	-3.3
Transportation and warehousing	27.1	27.2	27.5	-0.1	-0.4	-0.4	-1.5
Finance, insurance, real estate and leasing	29.5	30.3	28.4	-0.8	-2.6	1.1	3.9
Professional, scientific and technical services	27.4	27.9	25.5	-0.5	-1.8	1.9	7.5
Business, building and other support services	16.8	17.1	15.1	-0.3	-1.8	1.7	11.3
Educational services	44.1	44.0	41.5	0.1	0.2	2.6	6.3
Health care and social assistance	80.5	81.2	77.7	-0.7	-0.9	2.8	3.6
Information, culture and recreation	21.2	20.8	20.2	0.4	1.9	1.0	5.0
Accommodation and food services	39.7	38.5	37.3	1.2	3.1	2.4	6.4
Other services	27.7	27.3	25.5	0.4	1.5	2.2	8.6
Public administration	30.5	31.0	30.9	-0.5	-1.6	-0.4	-1.3

Note: Totals may not add due to rounding

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

The number of people employed in agriculture increased 700 this month. Spring seeding has started in the province, and according to the Government of Saskatchewan's latest crop report, about 13% of the crop has been planted. This is slightly behind the five-year average for this time of the year (14%).³

Trade uncertainties continue to pose challenges for Saskatchewan farmers. In March, Chinese companies stopped buying canola seed from Canadian producers.⁴ China initially cited insect infestation for revoking the export permit from Winnipeg-based canola exporter Richardson International on March 6. The export ban was further extended to Regina-based Viterra on March 26, citing similar concerns.⁵ As a result, farmers are planning

to plant less canola this year. According to Statistics Canada's latest report, Saskatchewan farmers signalled planting 5.6% less canola in 2019 compared to a year ago.⁶

Employment in the construction industry declined 500 in April. A number of major projects have been completed or are nearing completion across the province. For instance, the new \$407 million Saskatchewan Hospital North Battleford opened its doors this month and work on Jim Pattison Children's Hospital in Saskatoon is complete.⁷ However, a few new projects are on the horizon that will provide a boost to construction employment levels. For instance, the Province has earmarked \$706 million for Saskatchewan highway and road improvements for the 2019-20 fiscal year.⁸ And in the private sector, work on Gensource's Potash Corporation's Vanguard One project is anticipated to begin this spring and will create approximately 150 positions. Meanwhile, construction on Western Potash Corporation's Milestone Project is also slated to begin in 2019.⁹

The number of people working in Saskatchewan's resource extraction industry (forestry, fishing, mining, quarrying, oil and gas) was virtually unchanged this month (+100). Conditions in the oil industry remain uncertain. According to a new report released by PetroLMI, employment in Canada's oil and gas sector is expected to decrease 12,500 in 2019; Saskatchewan is forecast to shed 600 positions, while Alberta is projected to lose 9,600 jobs. Factors such as low commodity prices, a decline in investment spending, and issues around market access have been cited as the reasons behind falling employment.¹⁰

On a positive note, exploration activity is ramping up at Star Diamond Corporation's Star-Orion South diamond mine at Fort à la Corne, east of Prince Albert. Rio Tinto, which signed an option and joint venture agreement with Star Diamond on this project, recently completed detailed drilling to determine the quality of diamond deposits. The company is now gearing up for a large-scale trench cutting to determine the feasibility of their diamond-mining project. For this part of the project, Rio Tinto has expanded its work camp from 90 to 150 people. If the entire project moves forward, about 66 million carats of diamonds could be recovered from a surface mine over a projected 34-year lifespan. The \$1.87 billion project is expected to employ an average of approximately 670 workers annually for a five-year construction period and 730 people during full operation.¹¹

Turning to the services-producing sector, finance, insurance, real estate and leasing (-800) saw the largest monthly decline in employment, followed by healthcare and social assistance (-700). In contrast, the trade and accommodation and food industries added 1,200 positions apiece.

Employment in transportation and warehousing dropped 100 in April. Despite this recent decline in employment, some positive developments are on the horizon for this industry. The Canadian National (CN) Railway, for instance, is planning to spend over \$245 million in 2019 to expand and improve its network in Saskatchewan – up \$35 million compared to 2018 levels. As part of their capital-spending program, CN plans to expand about 35 miles of double track and upgrade 66 miles of rail line. Overall, CN Railway has spent about \$700 million in Saskatchewan's railway infrastructure over the last five years. The company employs approximately 1,300 people in the province, and has major terminals in Saskatoon, Regina, and Melville.¹²

REGIONAL ANALYSIS

On an annual basis, employment is up in three of Saskatchewan's five economic regions, while the unemployment rate decreased in three of the province's regions during the same period.

Saskatchewan Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	April 2019 (‘000)	April 2018 (‘000)	Yearly Variation (%)	April 2019 (%)	April 2018 (%)	Yearly Variation (% points)
Saskatchewan	569.9	558.9	2.0	5.7	6.5	-0.8
Economic Regions						
Regina - Moose Mountain	188.3	183.0	2.9	4.7	5.8	-1.1
Swift Current - Moose Jaw	49.3	49.5	-0.4	5.6	4.6	1.0
Saskatoon - Biggar	201.1	193.2	4.1	6.0	6.9	-0.9
Yorkton - Melville	35.2	34.1	3.2	6.1	9.3	-3.2
Prince Albert and Northern	96.1	99.1	-3.0	7.0	7.0	0.0

Note: Totals may not add due to rounding

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

Employment in Saskatoon-Biggar is up nearly 8,000 compared to levels a year ago. Significant gains in the services-producing sector (+11,900) overshadowed considerable losses in this region's goods-producing industries (-4,000) over the year. The largest gains within the services-sector were in health care and social assistance (+4,600).¹³ Construction of the Jim Pattison Children's Hospital has been completed in Saskatoon.¹⁴ The hospital plans to open its doors this fall, and expects to employ 72 full-time doctors that specialize in over 20 fields.¹⁵ To support staffing at the new hospital, the provincial government has earmarked \$23 million in its 2019-20 budget to hire doctors, nurses and staff.¹⁶

The number of individuals employed in Regina-Moose Mountain rose 5,300 on a year-over-year basis. Despite overall growth in the region, cities such as Estevan are facing challenging economic conditions. Indeed, Estevan has been negatively impacted by the downturn in the oil and gas industry. As a result, the housing market in the city remains weak. According to RE/MAX, demand for housing has declined in the city over the past five years and housing inventories remain high.¹⁷

The Yorkton-Melville region added 1,100 positions between April 2018 and April 2019, due in large part to higher construction employment.¹⁸ Work is currently underway on Grain Millers' oat facility near Yorkton. The expansion will nearly double the company's production capacity, resulting in the need for approximately 30 more staff.¹⁹ Not surprisingly, the unemployment rate in this region has also improved – falling 3.2 percentage points to 6.1% since April 2018.

Year-over-year employment in Prince Albert and Northern region fell 3,000 due to significant losses in the trade (-1,900) and transportation and warehousing (-1,300) industries. The resource extraction industry also shed 1,100 positions during this period.²⁰ Weakness in the global uranium market and slow oil and gas activity continues to hamper growth in a region that is largely dependent on resource extraction activity. Overall, the year-over-year regional unemployment rate was unchanged in April, sitting at 7.0%.

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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