



# Labour Market Bulletin

## Saskatchewan

June 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

There were over 580,000 people working in Saskatchewan in the second quarter of 2019, up 4,000 from the previous quarter. Losses in part-time employment (-2,400) were exceeded by considerable gains in full-time employment (+6,300) during this period. All told, there are now over 13,000 more people employed in the province compared to the same period a year ago.

#### Saskatchewan Quarterly Labour Force Statistics

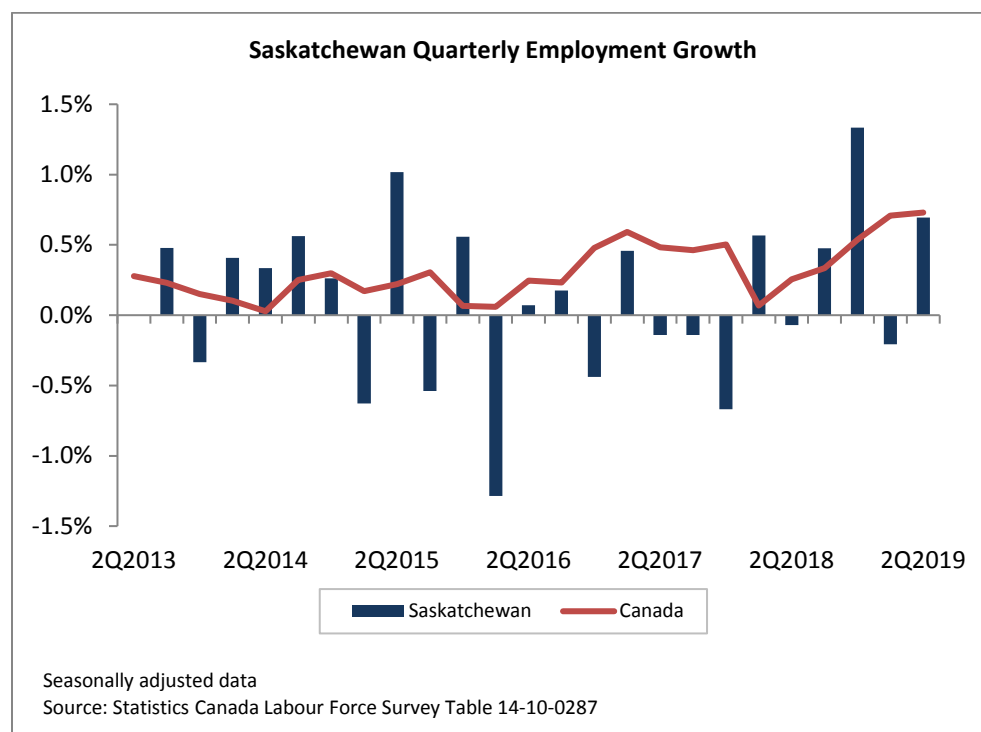
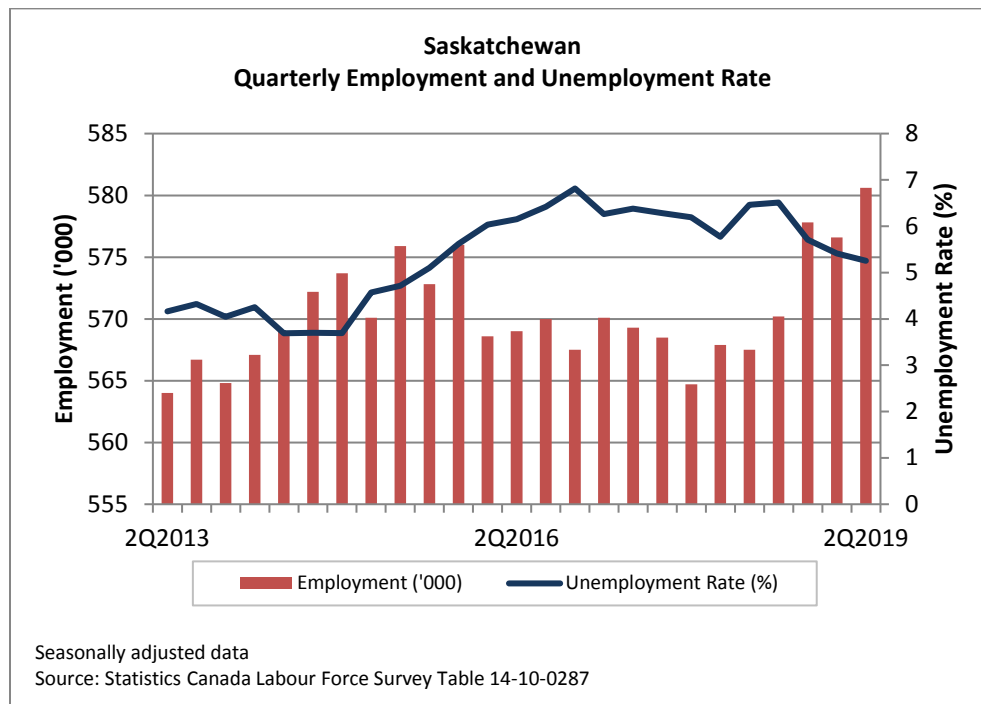
Seasonally adjusted data	2nd Quarter 2019	1st Quarter 2019	2nd Quarter 2018	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	888.6	887.8	884.1	0.8	0.1	4.5	0.5
<b>Labour Force ('000)</b>	612.7	609.7	606.8	3.0	0.5	5.9	1.0
<b>Employment ('000)</b>	580.6	576.6	567.5	4.0	0.7	13.1	2.3
Full-Time ('000)	478.9	472.6	466.1	6.3	1.3	12.8	2.7
Part-Time ('000)	101.6	104.0	101.4	-2.4	-2.3	0.2	0.2
<b>Unemployment ('000)</b>	32.2	33.0	39.2	-0.8	-2.4	-7.0	-17.9
<b>Unemployment Rate (%)</b>	5.3	5.4	6.5	-0.1	-	-1.2	-
<b>Participation Rate (%)</b>	69.0	68.7	68.6	0.3	-	0.4	-
<b>Employment Rate (%)</b>	65.3	64.9	64.2	0.4	-	1.1	-

Note: Totals may not add due to rounding

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

The majority of employment gains this quarter were in self-employment (+4,300), followed by advances in public sector-employment (+1,800). Meanwhile, private sector employment decreased 2,500 during the same period.<sup>1</sup>

Saskatchewan's small business owners were more optimistic in June. According to the Canadian Federation of Independent Business, optimism among small business owners stood at an index of 54.5 points in June, up 5.4 points from May 2019. About 30% of Saskatchewan's businesses indicate that their overall state of business is good, while 17% say it is bad. Meanwhile, 11% of businesses surveyed plan to increase employment in the next 3 months, whereas 16% plan to reduce positions.<sup>2</sup>



The provincial unemployment rate declined for a third straight quarter and now stands at 5.3%. Overall, Saskatchewan's unemployment rate remains below the national average of 5.5%.

According to the Conference Board of Canada, Saskatchewan's real GDP is expected to grow 1.3% in 2019, following a 1.5% increase in 2018. Trade tensions with China are putting a damper on the province's economic outlook. In addition, insufficient oil transportation capacity is creating challenges for oil producers. Nonetheless, Saskatchewan's unemployment rate is forecast to gradually decline over the medium-term as investment slowly increases.<sup>3</sup>

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

Seasonally adjusted data	2nd Quarter 2019 (%)	1st Quarter 2019 (%)	2nd Quarter 2018 (%)	Quarterly Variation	Yearly Variation
				(% points)	(% points)
<b>Total</b>	5.3	5.4	6.5	-0.1	-1.2
<b>25 years and over</b>	4.4	4.7	5.4	-0.3	-1.0
<b>Men - 25 years and over</b>	4.8	4.7	5.7	0.1	-0.9
<b>Women - 25 years and over</b>	3.9	4.7	5.0	-0.8	-1.1
<b>15 to 24 years</b>	10.8	9.8	13.1	1.0	-2.3
<b>Men - 15 to 24 years</b>	11.7	9.8	16.3	1.9	-4.6
<b>Women - 15 to 24 years</b>	9.4	9.8	9.1	-0.4	0.3

Note: Totals may not add due to rounding

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

Saskatchewan's youth (15 to 24 years) unemployment rate of 10.8% is more than twice the rate for those aged 25 years and over (4.4%). On a quarterly basis, young women fared better than their male counterparts. The unemployment rate for young women declined 0.4 percentage points to 9.4%, while the rate for young men increased nearly two full percentage points to 11.7%.

### Labour Market Indicators for Indigenous People

#### Saskatchewan - Labour Market Indicators for Indigenous People

3-month moving averages Seasonally unadjusted data	Indigenous		Yearly variation (Indigenous)		Non-Indigenous		Yearly variation (non-Indigenous)	
	Q2 2019	Q2 2018	number	%	Q2 2019	Q2 2018	number	%
<b>Population 15 + ('000)</b>	88.1	86.1	2.0	2.3	800.5	798.0	2.5	0.3
<b>Labour Force ('000)</b>	54.9	56.9	-2.0	-3.5	562.6	555.5	7.1	1.3
<b>Employment ('000)</b>	47.2	48.2	-1.0	-2.1	537.3	524.5	12.8	2.4
Full-Time ('000)	38.9	39.3	-0.4	-1.0	443.6	431.3	12.3	2.9
Part-Time ('000)	8.3	8.9	-0.6	-6.7	93.7	93.2	0.5	0.5
<b>Unemployment ('000)</b>	7.7	8.7	-1.0	-11.5	25.4	30.9	-5.5	-17.8
<b>Unemployment Rate (%)</b>	14.0	15.3	-1.3	-	4.5	5.6	-1.1	-
<b>Participation Rate (%)</b>	62.3	66.1	-3.8	-	70.3	69.6	0.7	-
<b>Employment Rate (%)</b>	53.6	56.0	-2.4	-	67.1	65.7	1.4	-

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

In the second quarter of 2019, the total population aged 15 and over in Saskatchewan was 888,600. The Indigenous population living off-reserve accounted for 9.9% of that, or 88,100 people. Employment among the Indigenous population in Saskatchewan decreased by 1,000 positions compared to a year earlier, to reach 47,200 positions. The losses were in both full-time positions (-400 or -1.0%) and part-time positions (-600 or -6.7%).

The unemployment rate among the Indigenous population was 14.0% in the second quarter of 2019, a decrease of 1.3 percentage points from the previous year. The unemployment rate was also down among the non-Indigenous population, to 4.5% representing a decrease of 1.1 percentage points. Between the second quarter of 2018 and second quarter of 2019, the participation rate for Indigenous people decreased to 62.3% (-3.8 percentage points) while it increased slightly to 70.3% (+0.7 percentage points) for the non-Indigenous population. The employment rate decreased for the Indigenous population to 53.6%, while the rate for the non-Indigenous population increased to 67.1%.

## EMPLOYMENT BY INDUSTRY

Both goods- and services-producing employment increased in the second quarter of 2019, by 300 and 3,300 respectively. A similar trend is observed on an annual basis, with the goods-sector adding 1,100 positions and services-sector employment advancing 11,800.

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

Seasonally adjusted data ('000)	2nd Quarter 2019	1st Quarter 2019	2nd Quarter 2018	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	580.6	576.6	567.5	4.0	0.7	13.1	2.3
<b>Goods-producing sector</b>	147.4	146.9	146.3	0.5	0.3	1.1	0.8
Agriculture	39.6	39.6	36.9	0.0	0.0	2.7	7.3
Forestry, fishing, mining, quarrying, oil and gas	23.2	22.3	24.5	0.9	4.0	-1.3	-5.3
Utilities	6.9	7.2	6.8	-0.3	-4.2	0.1	1.5
Construction	46.9	48.2	49.2	-1.3	-2.7	-2.3	-4.7
Manufacturing	30.8	29.7	28.8	1.1	3.7	2.0	6.9
<b>Services-producing sector</b>	433.1	429.8	421.3	3.3	0.8	11.8	2.8
Trade	87.7	85.9	90.1	1.8	2.1	-2.4	-2.7
Transportation and warehousing	26.3	27.0	28.1	-0.7	-2.6	-1.8	-6.4
Finance, insurance, real estate and leasing	29.5	30.4	28.8	-0.9	-3.0	0.7	2.4
Professional, scientific and technical services	28.2	27.3	25.7	0.9	3.3	2.5	9.7
Business, building and other support services	16.4	16.5	14.9	-0.1	-0.6	1.5	10.1
Educational services	44.0	44.3	41.3	-0.3	-0.7	2.7	6.5
Health care and social assistance	80.2	81.1	78.0	-0.9	-1.1	2.2	2.8
Information, culture and recreation	21.6	20.4	19.9	1.2	5.9	1.7	8.5
Accommodation and food services	40.3	39.0	37.0	1.3	3.3	3.3	8.9
Other services	28.0	27.1	25.8	0.9	3.3	2.2	8.5
Public administration	30.9	30.6	31.6	0.3	1.0	-0.7	-2.2

Note: Totals may not add due to rounding

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

Within the goods-producing sector, the largest quarterly increase in employment was registered in the manufacturing industry (+1,100). On May 17, Canada reached an agreement with the US to end tariffs on Canadian metal. The 25% tariffs on steel and 10% tariffs on aluminum were introduced by the US almost a year ago under Section 232 of the Trade Expansion Act. In Saskatchewan, the steel tariffs affected EVRAZ Regina. The Regina plant is the longest-running Large Diameter Welded pipe producer in North America, employing approximately 1,000 people.<sup>4</sup>

Employment in the province's agriculture industry was unchanged this quarter. According to the provincial government's latest crop report, spring seeding is complete across the province. Lack of rain has affected agriculture conditions this year. Many areas of the province, particularly in the west central region, have received less than 100 millimetres of rain.<sup>5</sup>

Trade uncertainties continue to pose challenges for Canadian farmers. After banning Canadian canola in March, China has stopped buying meat products from Canada. In June, China banned the export permit of Quebec-based Frigo Royal after finding ractopamine residues – a banned additive in China – in their product, and suspended export permits for two pork producers in early May due to labelling issues. The suspension has created uncertainty for Canadian pork and beef producers.<sup>6</sup>

The construction industry shed 1,300 positions in the second quarter of 2019. Residential construction activity remains sluggish in Saskatchewan. According to the Canada Mortgage and Housing Corporation, there were 194 new housing starts in the province in May 2019, down 41% compared to the same month last year. Year-to-date, housing starts have declined almost 49% from 2018 levels.<sup>7</sup>

The number of people working in Saskatchewan's resource extraction industry (forestry, fishing, mining, quarrying, oil and gas) rose 900 this quarter. On the coal-mining front, the federal and provincial governments recently signed an Equivalency Agreement that will allow Boundary Dam Units 4 and 5 to operate longer. The Boundary Dam Power Station is the largest coal generated thermal electric power plant in Canada, employing 369 workers in southern Saskatchewan. Under the federal government's Climate Action Plan, the units were initially set to close this year. However, with the agreement coming into force on January 1, 2020, Boundary Dam Units 4 and 5 will remain open until 2021 and 2024, respectively.<sup>8</sup>

Meanwhile, weakness in the global potash market has resulted in producers curbing production. Saskatoon-based Nutrien, for example, is reducing production at its Vanscoy potash mine located 28kms southwest of the city. The company hopes to reduce costs and plans to shift production to lower-cost mines such as its recently expanded Rocanville mine. Approximately 20 full-time salaried staff and 60 hourly employees are being laid-off at the mine effective in the third quarter of 2019.<sup>9</sup>

Turning to the services-producing sector, employment in retail and wholesale trade increased 1,800 on a quarterly basis, followed by increases in accommodation and food services (+1,300).

Employment in finance, insurance, real estate and leasing decreased 900 in the second quarter of 2019. Industry employment has trended down since 2015 due to changing consumer service preferences and a downturn in the province's resource extraction industry. Conexis Credit Union, for instance, is closing nine branches in eight communities across Saskatchewan, effective October 2, 2019. The decision to shutter locations is a result of

Conexus changing the way it delivers services as customers shift away from visiting actual brick and mortar locations to online banking. Overall, the closures affect 38 employees.<sup>10</sup>

Finally, the educational services industry added 2,700 positions on an annual basis. Onion Lake Cree Nation is collaborating with the federal government to construct a new high school near Lloydminster. The federal government is contributing \$36.8 million towards the project, while the Onion Lake Cree Nation is providing an additional \$3.1 million. The new school will open its doors in 2021 and is expected to accommodate nearly 500 students. Onion Lake First Nation straddles the Saskatchewan-Alberta border. The reserve is Canada's only border Cree nation and 2,408 of the band's 4,003 members currently live on reserve lands.<sup>11</sup>

## REGIONAL ANALYSIS

Employment is up in three of Saskatchewan's five economic regions on an annual basis. Meanwhile, the unemployment rate is down in all economic regions, with the exception of Swift Current – Moose Jaw.

**Saskatchewan Quarterly Labour Force Statistics, by Economic Region**

Seasonally unadjusted data	Employment			Unemployment Rate		
	2nd Quarter 2019 (‘000)	2nd Quarter 2018 (‘000)	Yearly Variation (%)	2nd Quarter 2019 (%)	2nd Quarter 2018 (%)	Yearly Variation (% points)
<b>Saskatchewan</b>	583.8	571.2	2.2	5.4	6.5	-1.1
<b>Economic Regions</b>						
Regina - Moose Mountain	192.3	186.5	3.1	4.6	5.9	-1.3
Swift Current - Moose Jaw	50.1	50.2	-0.2	4.9	4.4	0.5
Saskatoon - Biggar	204.0	200.7	1.6	5.9	6.7	-0.8
Yorkton - Melville	38.5	34.7	11.0	4.0	8.0	-4.0
Prince Albert and Northern	98.9	99.2	-0.3	6.7	7.8	-1.1

*Note: Totals may not add due to rounding*

*Source: Statistics Canada Labour Force Survey – Table 14-10-0293, formerly CANSIM 28222*

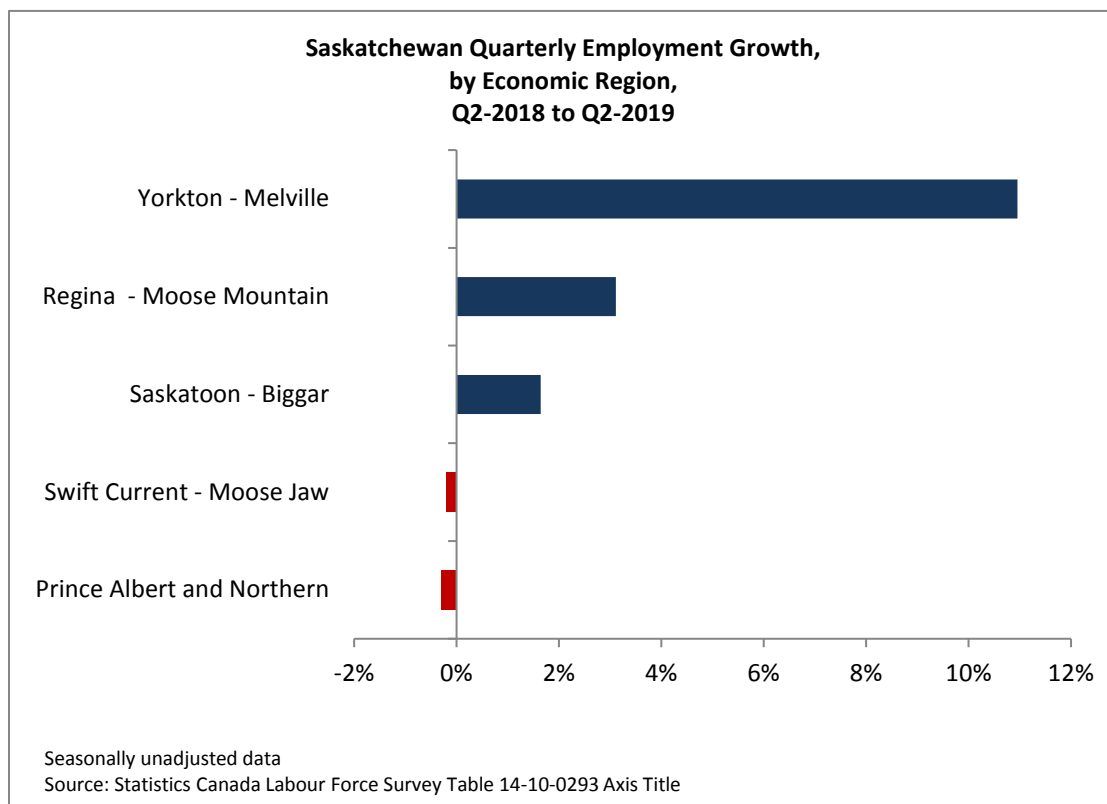
Employment in Saskatoon-Biggar is up 3,300 compared to levels a year ago. Significant gains in the services-producing sector (+11,300) overshadowed losses in the region's goods-producing sector (-8,000). The construction industry shed 2,800 positions during this period. A number of major commercial projects are now complete, including the Jim Pattison Children's Hospital in Saskatoon that is set to open its doors this fall.<sup>12</sup>

The number of individuals employed in Regina-Moose Mountain is up 5,800 on a year-over-year basis, led by gains in the agriculture industry (+3,000). Regina-based Protein Industries Canada (PIC) – one of five federally backed research and innovation supercluster comprising of businesses, post-secondary institutions and non-profits – is investing \$4 million over two years towards a project to commercialize a plant protein processing technology. PIC states that the project will help open new markets for canola and hemp products.<sup>13</sup>

Employment in Swift Current-Moose Jaw was virtually unchanged (-100). The region's services-industries shed 300 positions this quarter, with the largest losses in educational services and trade. Within the other services industry, the Moose Jaw YMCA closed its doors on July 2, 2019 – due to financial challenges – after being in

business for over a century. The decision to shutter operations will affect 31 employees and leaves hundreds of members without services.<sup>14</sup>

Finally, employment in Prince Albert and Northern region fell 300 on an annual basis. Weakness in the global uranium market and slow oil and gas activity continues to hamper growth in this region. Nonetheless, there are some positive developments in Prince Albert and Northern region. For example, the federal government is granting \$52.5 million to build the Meadow Lake Tribal Council Bioenergy Centre. The new centre will replace the current beehive burner at the NorSask mill, and is expected to create enough energy to power 5,000 homes.<sup>15</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> Statistics Canada (accessed July 8, 2019). Table: 14-10-0288-01 (formerly CANSIM 282-0089) Employment by class of worker, monthly, seasonally adjusted and unadjusted, last 5 months (x 1,000). Retrieved from: <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1410028801>

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<sup>3</sup> The Conference Board of Canada (June 7, 2019). Provincial Outlook Economic Forecast: Saskatchewan—Spring 2019. Retrieved from: <https://www.conferenceboard.ca/e-Library/abstract.aspx?did=10318>

<sup>4</sup> 650CKOM (May 17, 2019). Regina steelworkers feeling ‘relieved’ as U.S. lifts tariffs. Retrieved from: <https://www.ckom.com/syn/648/518725/regina-steelworkers-feeling-relieved-as-u-s-lifts-tariffs/>

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<sup>12</sup> CBC News (March 20, 2019). Saskatchewan Budget 2019: Saskatoon Children's Hospital gets \$23 million more for hiring. Retrieved from: <https://www.cbc.ca/news/canada/saskatoon/budget-childrens-hospital-23-million-more-1.5064597>

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