



# Labour Market Bulletin

## Saskatchewan

May 2020



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 impact of the COVID-19 pandemic on Saskatchewan's labour market showed signs of subsiding in May. The dramatic loss of employment that began in March, when physical distancing regulations became widespread and non-essential businesses and services closed, slowed in May. Provincial employment in May 2020 was 507,500, 72,000 below what it was one year earlier. Part-time work contributed all new positions in the past month (+5,100), while full-time positions continued to decline (-4,500).<sup>1</sup>

### Saskatchewan Monthly Labour Force Statistics

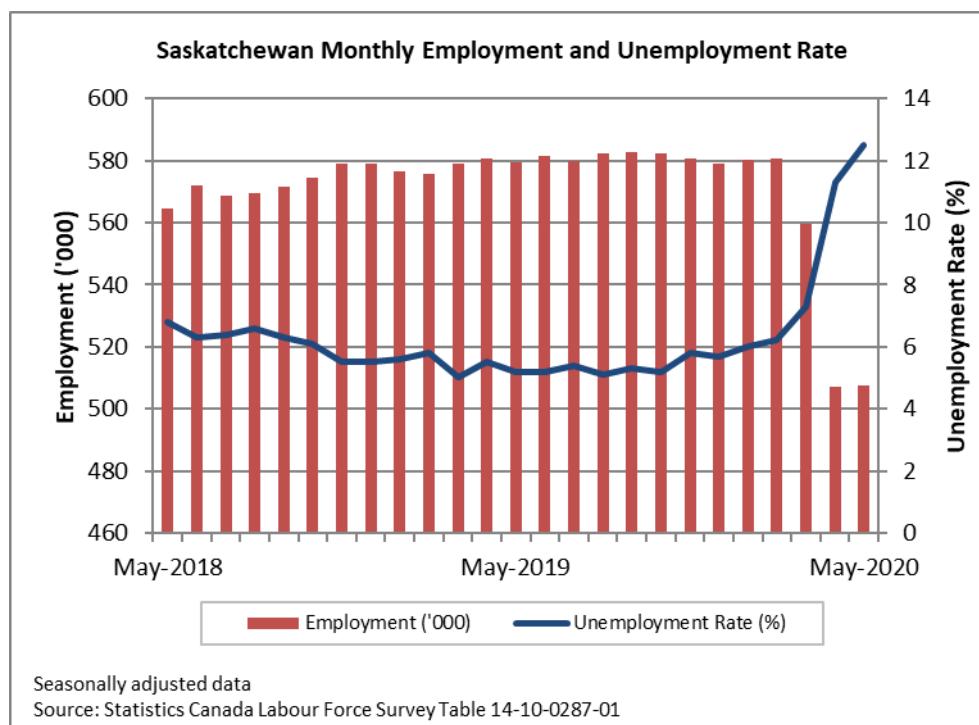
Seasonally Adjusted Monthly Data	May 2020	April 2020	May 2019	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	893.9	894.6	888.6	-0.7	-0.1	5.3	0.6
<b>Labour Force ('000)</b>	579.9	571.6	611.6	8.3	1.5	-31.7	-5.2
<b>Employment ('000)</b>	507.5	506.9	579.5	0.6	0.1	-72.0	-12.4
Full-Time ('000)	424.8	429.3	476.4	-4.5	-1.0	-51.6	-10.8
Part-Time ('000)	82.7	77.6	103.0	5.1	6.6	-20.3	-19.7
<b>Unemployment ('000)</b>	72.4	64.7	32.1	7.7	11.9	40.3	125.5
<b>Unemployment Rate (%)</b>	12.5	11.3	5.2	1.2	-	7.3	-
<b>Participation Rate (%)</b>	64.9	63.9	68.8	1.0	-	-3.9	-
<b>Employment Rate (%)</b>	56.8	56.7	65.2	0.1	-	-8.4	-

Note: Totals may not add due to rounding

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

Employment loss was concentrated in the private sector, with the number of jobs falling 57,900 between May 2019 and May 2020. In the short term, government support programs that encouraged private businesses to recall laid off staff appear to be effective in reversing the downward trend. Between April and May, 4,300 private

sector workers returned to work. In contrast, employment in the public sector (-7,700) and amongst the self-employed (-6,300) continued to decline both in the past month and year over year.<sup>2</sup>



Saskatchewan's unemployment rate (12.5%) rose for the third consecutive month in May and is more than double what it was in May 2019 (5.2%). Despite being at its highest level since Statistics Canada began tracking labour force data in 1976, the province's unemployment rate grew more slowly in May and continued to be among the lowest nationally.<sup>3</sup>

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

Seasonally Adjusted Data	May 2020 (%)	April 2020 (%)	May 2019 (%)	Monthly Variation (% points)	Yearly Variation (% points)
<b>Total</b>	12.5	11.3	5.2	1.2	7.3
<b>25 years and over</b>	10.3	9.5	4.3	0.8	6.0
Men - 25 years and over	10.7	8.9	4.6	1.8	6.1
Women - 25 years and over	9.9	10.1	4.0	-0.2	5.9
<b>15 to 24 years</b>	27.2	23.7	11.0	3.5	16.2
Men - 15 to 24 years	25.9	20.2	11.7	5.7	14.2
Women - 15 to 24 years	28.7	27.5	10.2	1.2	18.5

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 are more likely to be out of work than other age groups, with an unemployment rate (27.2%) more than two and half times that of their older counterparts (10.3%). Young women in particular (15 to 24 years) saw a significant increase in their unemployment rate year-over-year (+18.5 percentage points), reflecting their high representation in industries most affected by the pandemic, such as retail and food services.

## EMPLOYMENT BY INDUSTRY

Employment losses occurred across every industry in Saskatchewan on an annual basis, except for **public administration** (+1,000). Industries that offer public-facing activities or have limited ability to offer online alternatives, such as retail trade and food services, saw the largest employment declines. Less significant employment decreases were recorded in industries where telework is possible, such as office-based establishments in **finance, insurance, real estate and leasing** (-400).

Saskatchewan Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	May 2020	April 2020	May 2019	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	507.5	506.9	579.5	0.6	0.1	-72.0	-12.4
<b>Goods-producing sector</b>	127.6	128.2	147.2	-0.6	-0.5	-19.6	-13.3
Agriculture	38.8	38.2	39.2	0.6	1.6	-0.4	-1.0
Forestry, fishing, mining, quarrying, oil and gas	17.0	17.7	23.6	-0.7	-4.0	-6.6	-28.0
Utilities	5.4	5.8	6.8	-0.4	-6.9	-1.4	-20.6
Construction	36.9	38.3	46.9	-1.4	-3.7	-10.0	-21.3
Manufacturing	29.6	28.1	30.9	1.5	5.3	-1.3	-4.2
<b>Services-producing sector</b>	379.9	378.7	432.3	1.2	0.3	-52.4	-12.1
Trade	77.0	72.9	87.3	4.1	5.6	-10.3	-11.8
Transportation and warehousing	22.9	22.9	26.2	0.0	0.0	-3.3	-12.6
Finance, insurance, real estate and leasing	29.1	29.4	29.5	-0.3	-1.0	-0.4	-1.4
Professional, scientific and technical services	26.2	27.0	28.4	-0.8	-3.0	-2.2	-7.7
Business, building and other support services	14.6	14.0	15.9	0.6	4.3	-1.3	-8.2
Educational services	41.8	41.4	44.0	0.4	1.0	-2.2	-5.0
Health care and social assistance	74.5	74.6	79.8	-0.1	-0.1	-5.3	-6.6
Information, culture and recreation	14.4	16.7	21.7	-2.3	-13.8	-7.3	-33.6
Accommodation and food services	22.0	20.8	39.6	1.2	5.8	-17.6	-44.4
Other services	25.5	26.5	28.8	-1.0	-3.8	-3.3	-11.5
Public administration	31.9	32.6	30.9	-0.7	-2.1	1.0	3.2

Note: Totals may not add due to rounding

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

In the goods-producing sector, Saskatchewan's **construction** industry had the largest year-over-year decline in employment (-10,000). However, the outlook is promising for the industry as it is the focus of the provincial government's \$7.5B economic program aimed at stimulating the province's recovery from the pandemic. Announced funding includes \$300 million for highways upgrades, \$150 million for municipal infrastructure enhancements, \$17 million for post-secondary capital renovations, \$10.3 million for provincial parks facilities expansions, \$8.3 million for water management initiatives, \$6.3 million for correctional facilities upgrades and \$1.5 million for community airport improvements.<sup>4</sup>

The number of people employed in **agriculture** declined 400 between May 2019 and May 2020. Favourable spring weather allowed farmers to complete seeding throughout the province. According to the Government of

Saskatchewan's latest crop report, 96% of the crop has been planted. This is ahead of the five-year average for this time of the year (92%).<sup>5</sup> A weekly wheat export record was set in May, buoyed by a stronger demand for wheat and other grains from importing countries stockpiling commodities to meet domestic food needs.<sup>6</sup> Agricultural exports have also benefited from reduced competition from forestry and oil and gas products for rail capacity, allowing the shipment of more grains to market.

The COVID-19 pandemic is intensifying the downturn in Saskatchewan's resource extraction industry (**forestry, fishing, mining, quarrying, oil and gas**). Northern mines and mills responded to the province's worst regional virus outbreaks by shifting operations to maintenance mode and sending most workers home. Additional shutdowns in the potash sector may occur if the pandemic slows global demand for the fertilizer. Meanwhile, oil and gas companies paused non-essential projects, including the 10,000 barrel-per day Spruce Lake North thermal project, and laid off workers in response to reduced global demand.

Employment in the province's services-producing sector fell 52,400 between May 2019 and May 2020. **Accommodation and food services** (-17,600) and **trade** (-10,300) accounted for 53% of the losses during that period. Food establishments were among the most affected by physical distancing measures and travel restrictions. Employment plummeted as restaurants and bars pivoted to online delivery or closed completely. Even with support, an independent survey of restaurants suggests roughly 50% of restaurants may close over the next three months and most chains anticipate closing at least one location.<sup>7</sup>

Employment in the **trade** industry showed signs of improvement in May (+4,100), despite being significantly below what it was in May 2019 (-10,300). Within the industry, the outlook for businesses is mixed. Some essential retailers, such as grocery and hardware stores, expanded their workforce to ensure essential services are maintained. In contrast, the clothing and leisure sectors continue to struggle despite being permitted to re-open in mid-May. Several businesses are operating with fewer staff to meet the lower number of in-store and online purchases and services.

Saskatchewan's **professional, scientific and technical services** industry has developed significantly over the past decade and the influx of new health-related funding in the Saskatoon region has positioned the industry to recover quickly from the recent downturn. The University of Saskatchewan's Vaccine and Infectious Disease Organization-International Vaccine Centre (VIDO-InterVac) is spearheading efforts to develop a COVID-19 vaccine. The centre received \$23M in federal funding to undertake pre-clinical testing and two phases of clinical testing.<sup>8</sup> The centre is also collaborating with the National Research Council to develop COVID-19 antigens<sup>9</sup> and with Saskatoon-based ZYUS Life Sciences to develop a plant-based COVID-19 vaccine.<sup>10</sup>

Saskatchewan's public sector industries – **educational services** (-2,200), **healthcare and social assistance** (-5,300), and **public administration** (+1,000) – saw mixed year-over-year employment results as they balanced reduced revenue streams, the unknown fallout of the COVID-19 pandemic, and maintaining essential services.

Pandemic-related limits on non-essential travel and government directed closures are severely restricting summertime tourism and leisure activities in the province. The number of people employed in the **information, culture and recreation** industry dropped again in May, down 2,300 since April and 7,300 compared to May 2019. However, the May re-opening of provincial parks and some outdoor recreational activities to Saskatchewan residents and the lifting of travel restrictions in northern regions may provide some relief to the sector.

## REGIONAL ANALYSIS

Employment fell in every economic region in Saskatchewan over the past year. Job losses were greatest in the Regina and Saskatoon regions, driven in part by the intentional shutdown of non-essential businesses and services concentrated in urban centres. The dominance of public sector industries and agriculture in the labour forces of largely rural regions like **Swift Current-Moose Jaw** (-900) and **Yorkton-Melville** (-2,500) lessened the impact of the pandemic on local employment forces.

Saskatchewan Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	May 2020 ('000)	May 2019 ('000)	Yearly Variation (%)	May 2020 (%)	May 2019 (%)	Yearly Variation (% points)
<b>Saskatchewan</b>	521.0	577.0	-9.7	11.0	5.5	5.5
<b>Economic Regions</b>						
Regina - Moose Mountain	161.9	190.8	-15.1	10.9	4.5	6.4
Swift Current - Moose Jaw	48.6	49.5	-1.8	10.2	5.5	4.7
Saskatoon - Biggar	186.3	201.9	-7.7	12.5	6.2	6.3
Yorkton - Melville	34.4	36.9	-6.8	9.0	4.7	4.3
Prince Albert and Northern	89.9	98.0	-8.3	9.4	6.6	2.8

Note: Totals may not add due to rounding

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

Employment in **Regina-Moose Mountain** is down 28,900 on an annual basis, led by losses in accommodation and food services (-7,300) and wholesale and retail trade (-5,700). Regina's retail sector has been contracting since 2018, as several retailers closed their stores in the city even before the pandemic forced the temporary shuttering of others. The industry is expected to decline a further 4.7% in 2020 as it struggles to compete with online shopping options and adjust operations to comply with new public health and capacity restrictions.<sup>11</sup>

Year-over-year employment in **Saskatoon-Biggar** fell 15,600 due to significant losses in the services-producing sector. Saskatoon's population grew by 2.2% in 2019, making it the fourth fastest growing centre in Canada.<sup>12</sup> The expanding population is putting a strain on local utilities and roads, leading to more than \$1 billion in proposed transportation infrastructure projects being identified by the City Council. The city intends to use its \$35.5 million allocation under the new Municipal Economic Enhancement Program 2020 to begin work on civic construction projects and stimulate the local economy's recovery from the COVID-19 pandemic.<sup>13</sup>

The **Swift Current – Moose Jaw** economic region lost the fewest positions over the past year and two upcoming construction projects will further strengthen local employment in the short term. North American Helium Inc. will begin construction in October 2020 on Canada's largest helium purification facility near Battle Creek in southwest Saskatchewan. The company is undertaking an active drilling program in anticipation that the \$39 million plant will be in-service by July 2021.<sup>14</sup> Meanwhile, the Saskatchewan Polytechnic is proceeding with renovations to several campus buildings following receipt of \$12 million in provincial economic stimulus funding.<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.

**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](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](http://www.statcan.gc.ca)

© Her Majesty the Queen in Right of Canada as represented by Employment and Social Development Canada, 2020, all rights reserved

<sup>1</sup> Statistics Canada. Table 14-10-0287-01 Labour force characteristics, monthly, seasonally adjusted and trend-cycle, last 5 months. Accessed on June 5, 2020. <https://www150.statcan.gc.ca/t1/tbl1/en/cv.action?pid=1410028701>

<sup>2</sup> Statistics Canada. Table 14-10-0288-01 Employment by class of worker, monthly, seasonally adjusted and unadjusted, last 5 months (x 1,000). Accessed on June 5, 2020. <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1410028801>

<sup>3</sup> Statistics Canada. Table 14-10-0287-01 Labour force characteristics, monthly, seasonally adjusted and trend-cycle, last 5 months. Accessed on June 6, 2020. <https://www150.statcan.gc.ca/t1/tbl1/en/cv.action?pid=1410028701>

<sup>4</sup> Government of Saskatchewan. Building a Strong Saskatchewan: \$7.5 Billion Invested in Infrastructure Over Two Years to Stimulate Provincial Economic Recovery; May 6, 2020. <https://www.saskatchewan.ca/government/news-and-media/2020/may/06/capital-funding>

<sup>5</sup> Government of Saskatchewan. Crop Report: For the Period May 26 to June 1, 2020; June 4, 2020. <https://www.saskatchewan.ca/government/news-and-media/2020/june/04/crop-report>

<sup>6</sup> The Western Producer, Wheat Exports hit the roof; May 28, 2020. <https://www.producer.com/2020/05/wheat-exports-hit-the-roof/?module=under-carousel&pgtype=homepage&i=>

<sup>7</sup> Global News, Half of Canada's independent restaurants could close without help, industry group warns; April 23, 2020. <https://globalnews.ca/news/6860904/half-independent-restaurants-could-close-coronavirus/>

<sup>8</sup> University of Saskatchewan, USask VIDO-InterVac awarded \$23M for COVID-19 vaccine research; April 23, 2020. <https://news.usask.ca/articles/research/2020/usask-vido-intervac-awarded-23m-for-covid-19-vaccine-research.php>

<sup>9</sup> Government of Canada, The National Research Council of Canada and USask's VIDO-InterVac collaborate to advance development of vaccine against COVID-19; May 12, 2020. <https://www.canada.ca/en/national-research-council/news/2020/05/the-national-research-council-of-canada-and-usasks-vido-intervac-collaborate-to-advance-development-of-vaccine-against-covid-19.html>

<sup>10</sup> Zyus, Zyus Collaborates with USask's VIDO-InterVac to develop a Plant-Based Vaccine for COVID-19; May 7, 2020. <https://www.zyus.com/news-and-events/news/news-details/2020/ZYUS-Collaborates-with-USasks-VIDO-InterVac-to-Develop-a-Plant-Based-Vaccine-for-COVID-19/default.aspx>

<sup>11</sup> Conference Board of Canada, Major City Insights – Regina; May 12, 2020. <https://www.conferenceboard.ca/focus-areas/canadian-economics/major-city-insights/regina>

---

<sup>12</sup> Statistics Canada. Table 17-10-0135-01 Population estimates, July 1, by census metropolitan area and census agglomeration, 2016 boundaries. Accessed on March 9, 2020.

<https://www150.statcan.gc.ca/t1/tbl1/en/cv.action?pid=1710013501>

<sup>13</sup> Government of Saskatchewan, Municipal Economic Enhancement Details Announced; May 19, 2020.

<https://www.saskatchewan.ca/government/news-and-media/2020/may/19/meep-2020>

<sup>14</sup> Financial Post, North American Helium Raises \$39 Million and Signs Contract for Building Canada's Largest Helium Purification Facility in Saskatchewan; May 28, 2020.

<https://business.financialpost.com/pmn/press-releases-pmn/business-wire-news-releases-pmn/north-american-helium-raises-39-million-and-signs-contract-for-building-canadas-largest-helium-purification-facility-in-saskatchewan>

<sup>15</sup> Discover Moose Jaw, Saskatchewan Polytechnic in Moose Jaw to Receive \$12 for Renovations; May 27, 2020.

<https://www.discovermoosejaw.com/local/saskatchewan-polytechnic-in-moose-jaw-to-receive-12m-for-renovations>