



March Labour Market Report for Saskatchewan

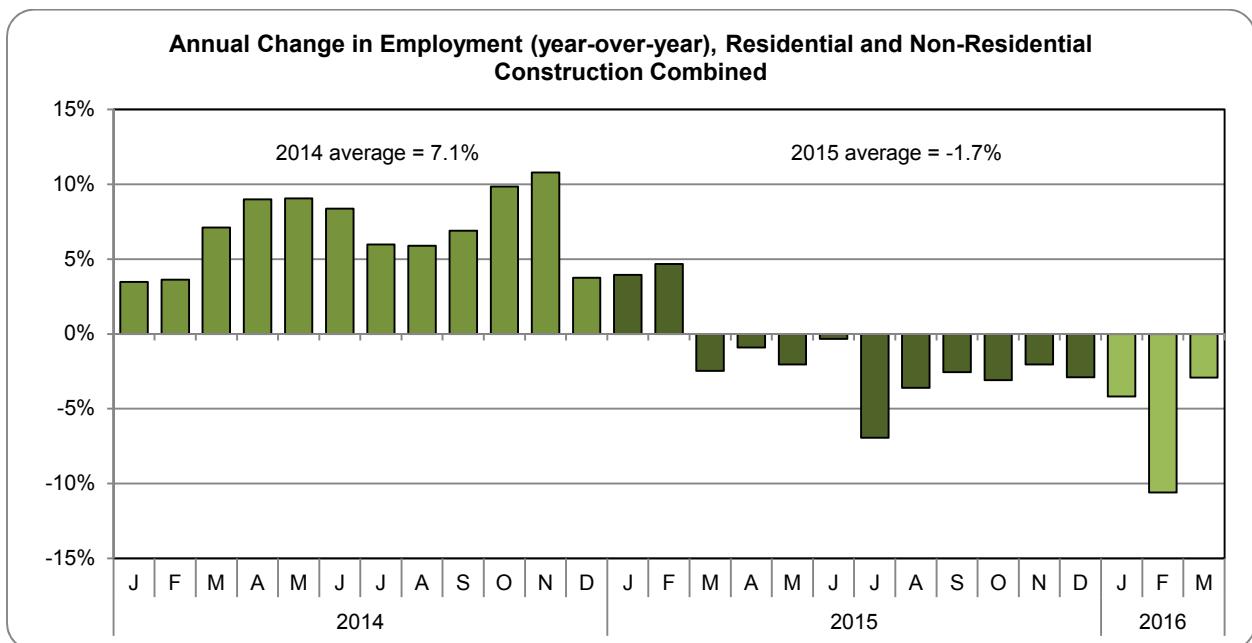
This report was prepared by the Sask Trends Monitor for the Saskatchewan Construction Association on April 10, 2016

Provincial Employment

The provincial labour market has shown no sign of recovery in the first quarter of 2016. Total employment is down 0.2% from the first quarter of 2015 with a particularly large year-over-year decline in the month of March. The March unemployment rate is uncharacteristically high at 6.9%.

Counting heavy construction and both the residential and non-residential sectors, construction employment fell by 6.0% in the first quarter compared with a year ago. This is equivalent to 3,000 fewer individuals working in the industry. A closer examination of the numbers shows that employment in heavy and engineering construction increased by 11% so the decline was limited to firms involved in building construction (down 16%) or trade contracting (down 4%). The figure below shows the decline was less pronounced in March than in February.

The drop in employment was evident among both the self-employed and paid workers. The average hours worked increased 1.4% to an average of 35.9 hours/week.

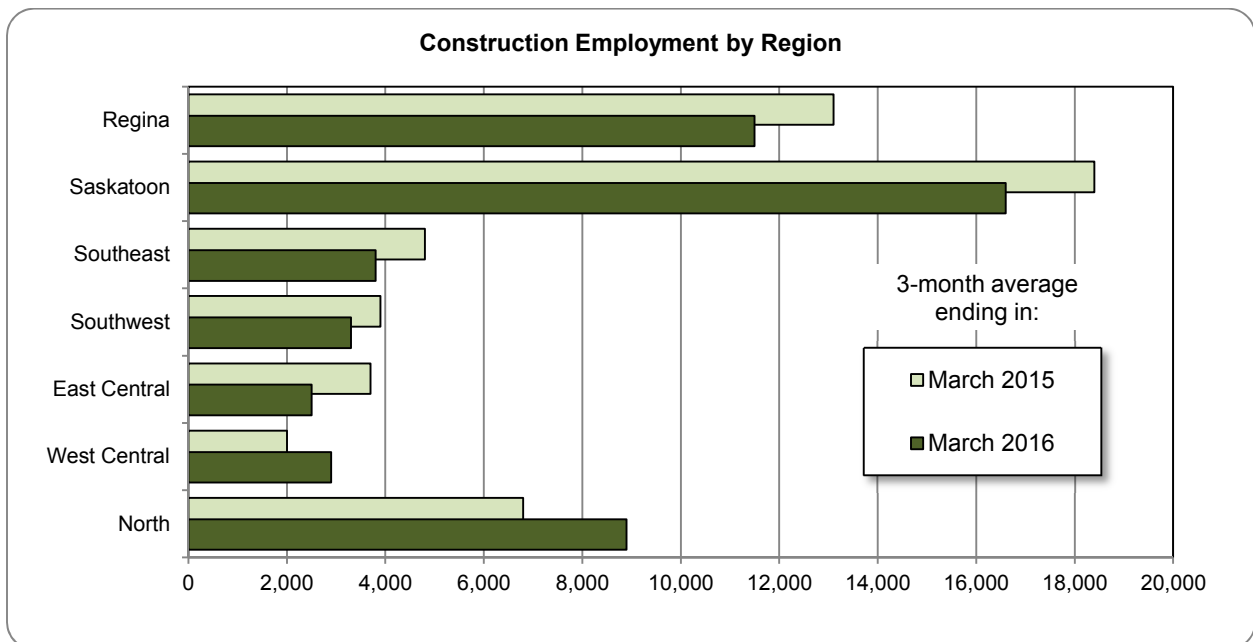




Regional Employment

The decline in construction employment during the first quarter was fairly widespread with employment down in five of the seven economic regions in the province. In absolute terms, the largest declines were in the Regina and Saskatoon metropolitan areas where employment in the first quarter of 2016 was 1,700 lower in the two cities than it was a year ago. The East Central (Yorkton/Melville) and Southeast (Estevan/Weyburn) regions have also been hit hard.

Employment has increased substantially in the North and the West Central (Kindersley/Rosetown) areas to offset the declines in other parts of the province.





Construction Wage Rates

In the first quarter of 2016, the average hourly wage rate among paid workers in construction was \$29.95 which was 2.4% higher than a year ago.

This increase is higher than expected – particularly the 6.0% jump in March. It may be because higher paying jobs in heavy construction are becoming more common whereas lower paying ones in residential construction are disappearing.

