

August Labour Market Report for Saskatchewan

This report was prepared by the Sask Trends Monitor for the Saskatchewan Construction Association on September 16, 2017

Provincial Employment

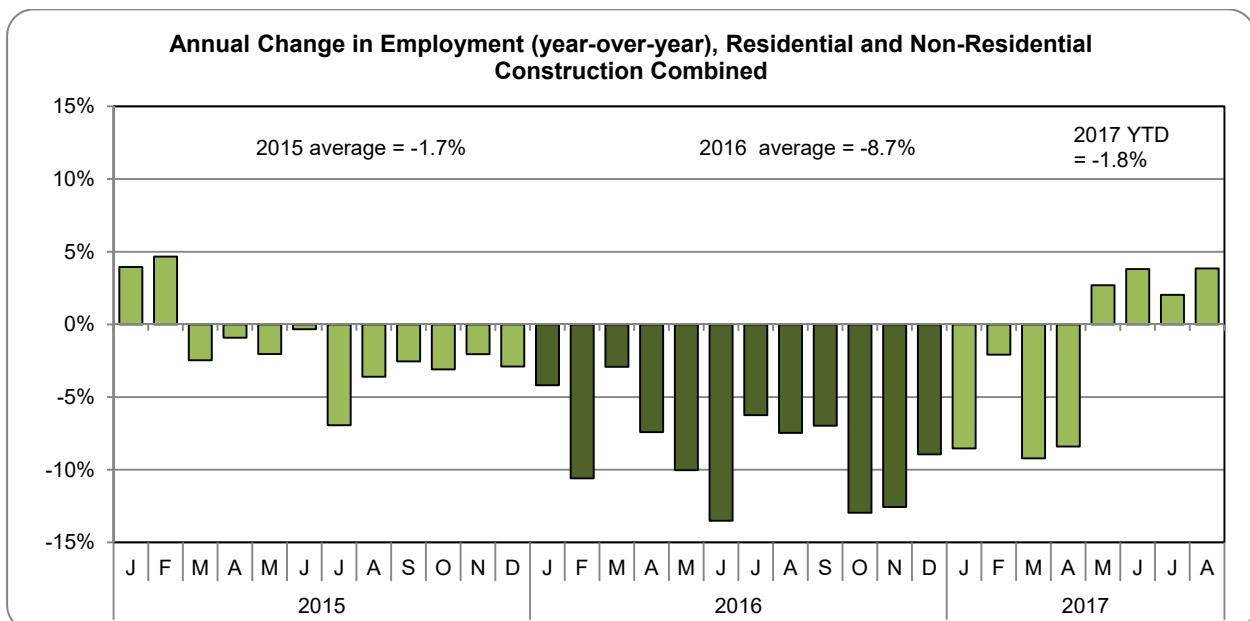
The provincial labour market has been effectively stagnant since early 2016. In an average month in 2017, employment has been 568,700 persons. This is effectively the same as the average for the first eight months of 2016.

Construction was one of the sectors that contributed to the slowdown but it is now showing an increase in labour market demand. Counting heavy construction and both the residential and non-residential building sectors, construction employment in August was 56,600 which is 3.9% higher than a year ago. This is the fourth increase in as many months.

The August increase is evident among both heavy/engineering and among trade contracting firms. Compared with August a year ago employment is:

- down 6% in residential and non-residential building construction;
- up 12% in heavy and engineering construction; and
- up 4% in trade contracting firms.

The increase was exclusively among the self-employed (+14%) – employment among paid workers was down 1.7% from August 2016. The hours worked fell by 6% to an average of 37.6 hours/week.

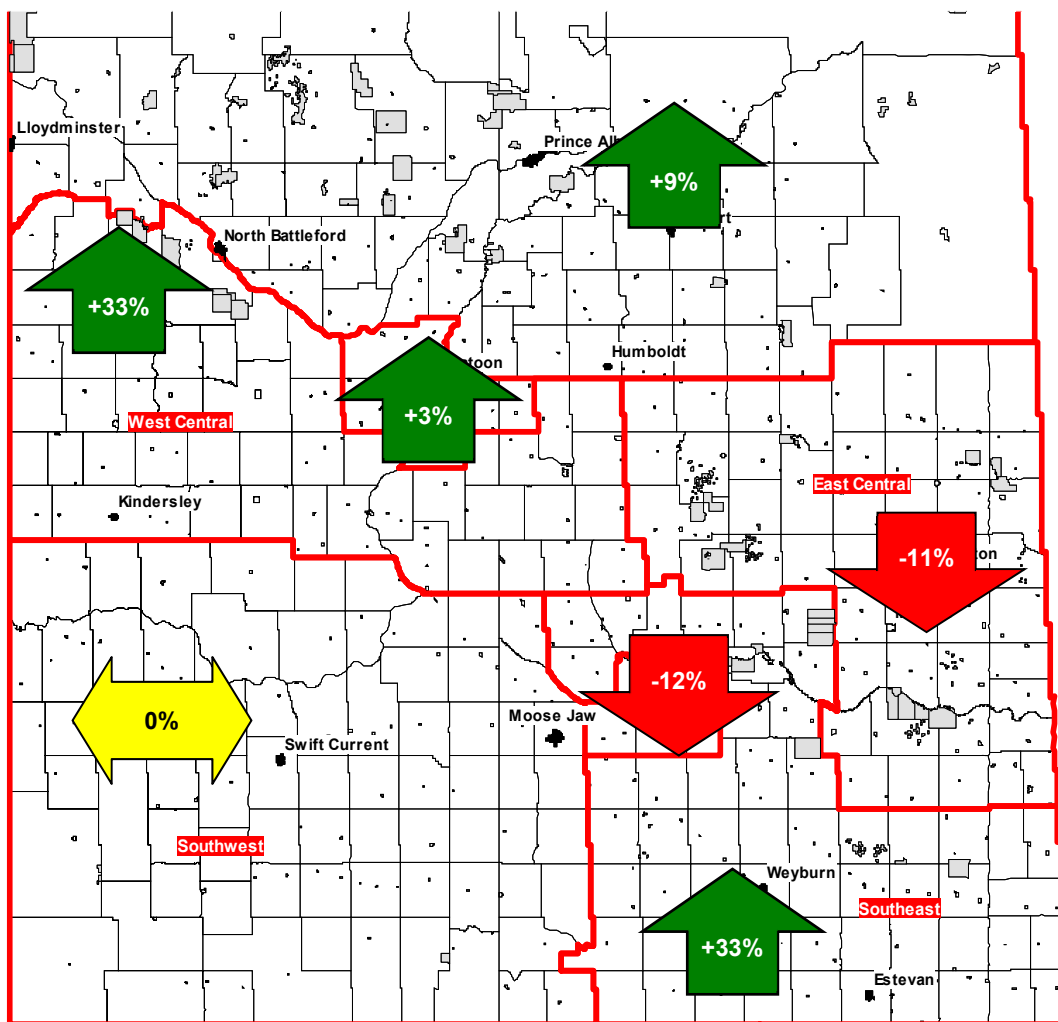


Regional Employment¹

From a regional perspective, the turnaround in construction employment in mid-2017 is broadly based. Employment in the three months ending in August 2017 increased in four of the seven sub-provincial regions used in the Labour Force Survey.

The parts of the province still showing a decline are the Regina Metropolitan Area and the East Central (Yorkton/Melville) region. In percentage terms, the strongest growth is in the West Central region. In absolute terms, the employment increase is most pronounced in the Saskatoon Metropolitan Area.

Change in Construction Employment, Residential and Non-Residential Combined, Three Months Ending in August, 2017 Compared with the Same Period in 2016



¹ In the Labour Force Survey, the regional data measure where you live not where you work. The figures for Regina and Saskatoon include the surrounding “bedroom communities” such as Lumsden, Emerald Park, Martensville and Warman.

Construction Wage Rates

After three consecutive years of wage increases that were well above the rate of inflation, the August figures confirm that the weak labour market has been exerting downward pressure on construction wages. On a year-over-year basis, construction wage rates in August were down for the eighth consecutive month. The same restraint in wage growth is evident in many other industry sectors and in the province as a whole.

In August 2017, the average hourly wage rate among paid workers in construction was \$28.73. This is 0.9% lower than in August 2016 and brings the year-to-date decline to 3.4%.

