

December Labour Market Report for Saskatchewan

This report was prepared by the Sask Trends Monitor for the Saskatchewan Construction Association on January 5, 2018

Provincial Employment

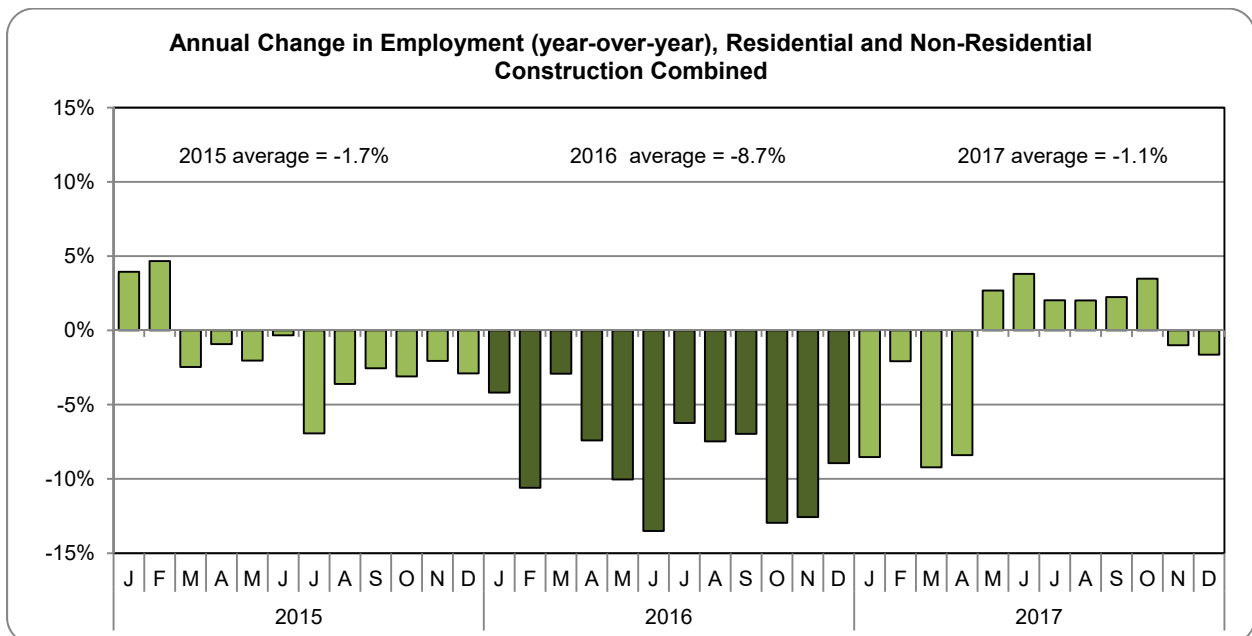
The provincial labour market was effectively stagnant in 2017 with employment dropping by 0.2%. This is the second year in a row for declines in overall employment.

Construction was one of the sectors that contributed to the poor showing. In December, and counting heavy construction and both the residential and non-residential building sectors, employment in December was 48,100 which is 1.6% lower than a year ago. The weakness is in contrast to the relatively strong employment growth over the summer and brings the average employment for 2017 to 50,700 which is down 1.1% from 2016.

The December decline was mainly in the heavy and engineering construction sector. Compared with December a year ago employment was:

- down 4% in residential and non-residential building construction;
- down 9% in heavy and engineering construction; and
- up 1% in trade contracting firms.

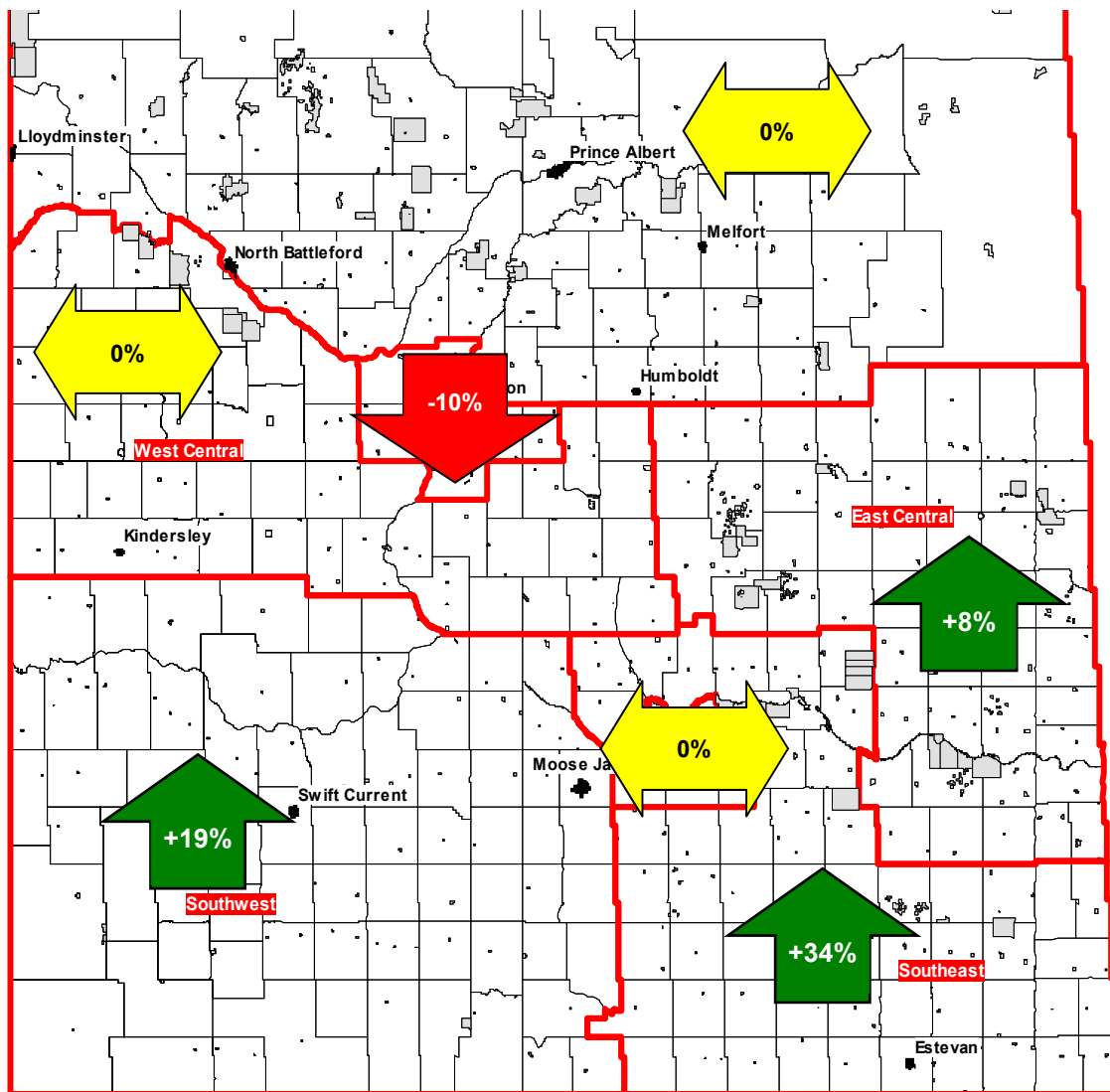
The decline was among paid workers where employment fell by 9%. Employment among the self-employed was up 19% from December 2016. The hours worked increased by 1% to an average of 37.5 hours/week.



Regional Employment¹

From a regional perspective, the slowdown in construction employment late in 2017 is mainly because of weak employment figures in Saskatoon (-10%). Employment in the three months ending in December 2017 increased in three of the seven sub-provincial regions used in the Labour Force Survey, was stable in three others, and declined in Saskatoon.

Construction Employment Change, Fourth Quarter of 2017 Compared with the Fourth Quarter of 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 average wage rates in the construction industry declined this year as the demand for workers slows.

In December 2017, the average hourly wage rate among paid workers in construction was \$29.25. This is 2.3% higher than in December 2016 and brings the year-to-date decline to 2.2% because of declines earlier in the year. With inflation in the 1%-2% range this year, this decline will translate into a significant loss in the purchasing power of the wage for the average construction worker.

