



## January Labour Market Report for Saskatchewan

This report was prepared by the Sask Trends Monitor for the Saskatchewan Construction Association on February 9, 2018

### Provincial Employment

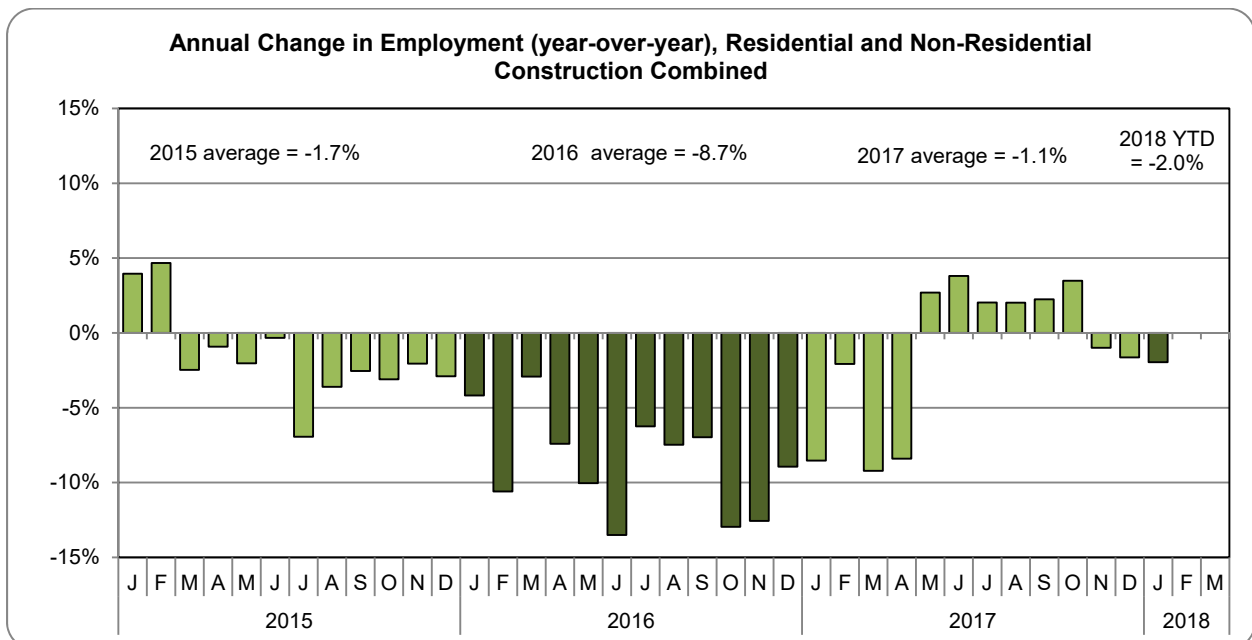
The overall provincial labour market started 2018 with a modest 0.3% increase in employment. This ends six consecutive months of year-over-year declines but it is too soon to say that the weak labour market has ended.

Construction was one of the sectors that contributed to the poor showing. Counting heavy construction and both the residential and non-residential building sectors, employment in January was 45,200 which is 2.0% lower than a year ago. This follows two consecutive years of employment declines, that is, 8.7% in 2016 and 1.1% in 2017.

The January decline was exclusively in the general building sector. Compared with January a year ago employment was:

- down 23% in residential and non-residential building construction;
- up 13% in heavy and engineering construction; and
- up 6% in trade contracting firms.

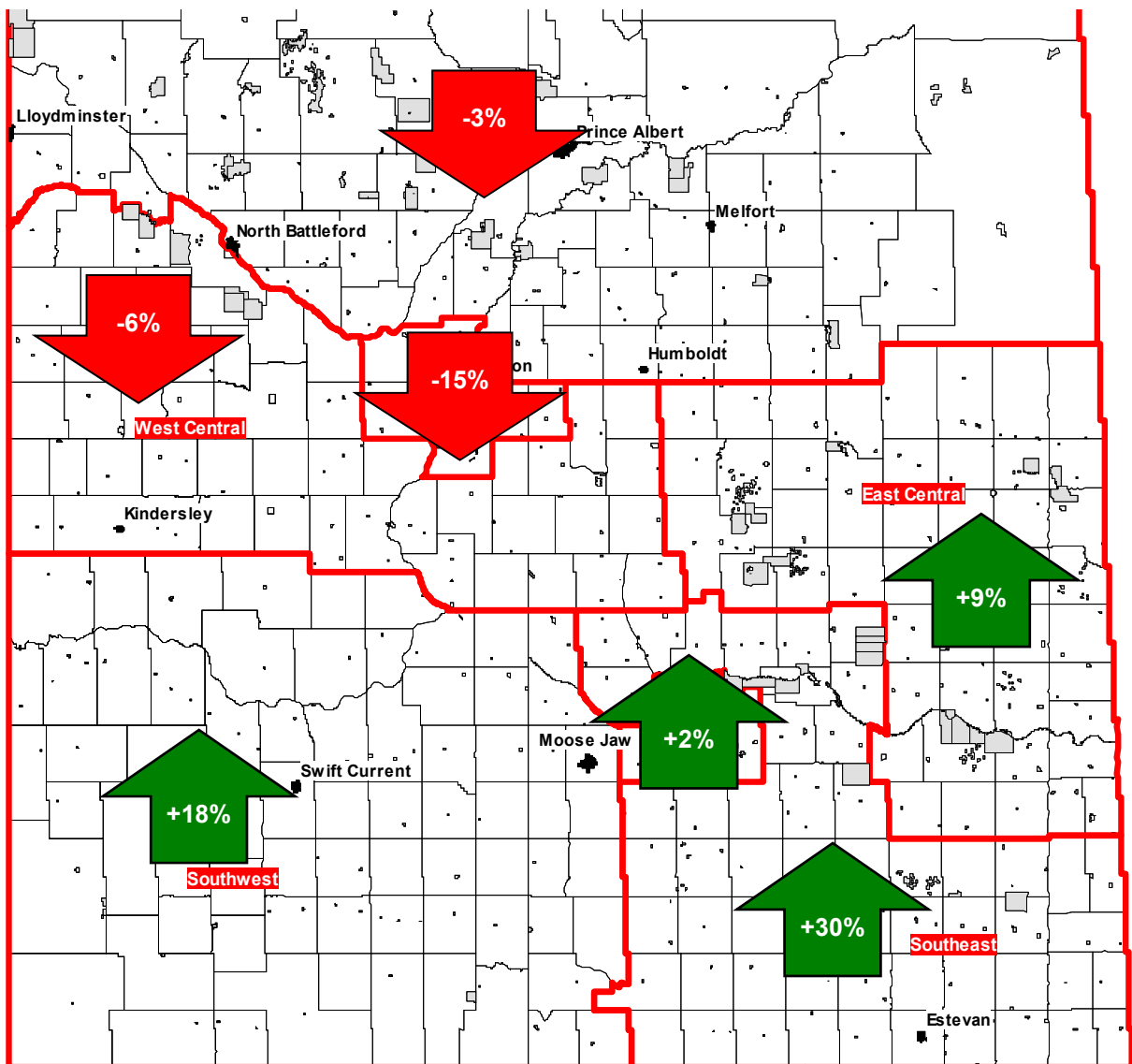
The decline was among paid workers where employment fell by 8%. Employment among the self-employed was up 12% from January 2017. The hours worked fell by 0.6% to an average of 36.0 hours/week.



## Regional Employment<sup>1</sup>

From a regional perspective, the slowdown in construction employment in the winter months is mainly because of weak employment figures in Saskatoon (-15%). The map below shows that employment in the three months ending in January 2018 increased in four of the seven sub-provincial regions used in the Labour Force Survey and declined in the other four.

### Annual Change in Residential and Non-Residential Construction Employment, Three Months Ending in January 2018



<sup>1</sup> 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 in 2017 as the demand for workers slows. Calendar year 2018 started off with a sharp increase in the average wage rate in spite of the weak labour market.

In January 2018, the average hourly wage rate among paid workers in construction was \$30.24. This is 8.8% higher than in January 2017. With inflation in the 1%-2% range this year, this increase, if it holds for the balance of the year, will translate into a significant increase in the purchasing power of the wage for the average construction worker.

