



May Labour Market Report for Saskatchewan

This report was prepared by the Sask Trends Monitor for the Saskatchewan Construction Association on June 10, 2018

Provincial Employment

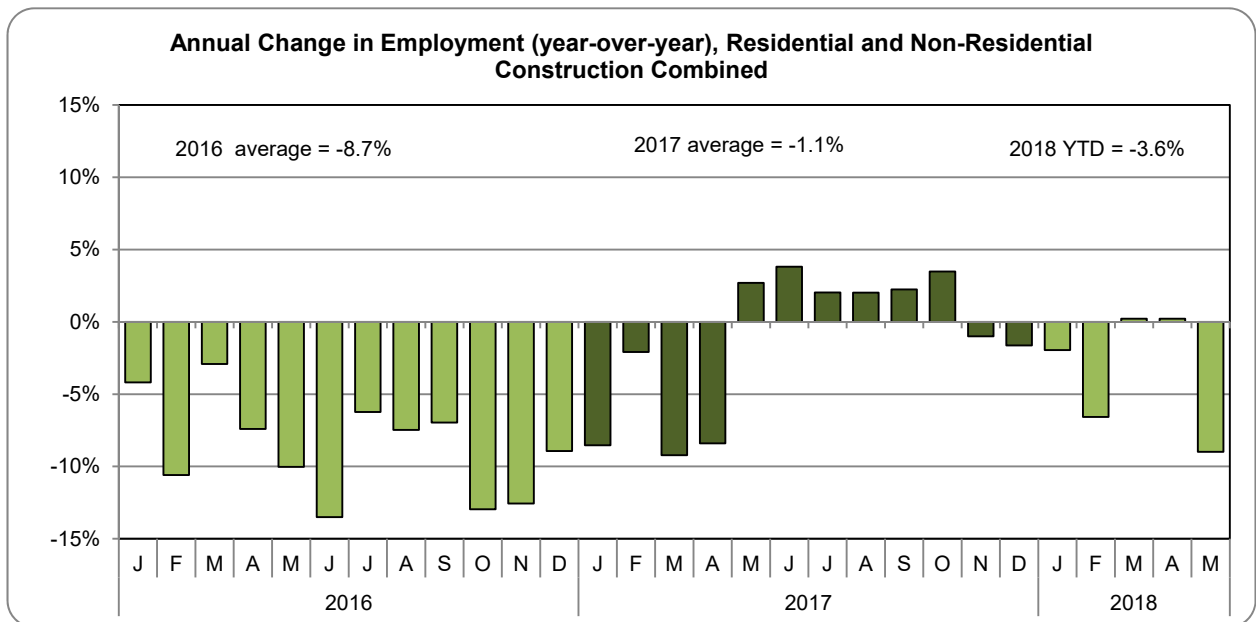
The labour market continued to perform poorly in early 2018 with a 1.3% decline in May compared with May a year ago. That brings the year-to-date decline to 0.5%, the worst showing since 2016.

Construction is one of the sectors contributing to the lack of growth. Counting heavy construction and both the residential and non-residential building sectors, employment in May was 46,900 which is down 9.0% from the 53,400 in May 2017.

The weakness in the labour market was broadly based in the sense that employment declined in all three categories. Compared with May a year ago, employment was:

- down 10.5% in residential and non-residential building construction;
- down 16.5% in heavy and engineering construction; and
- down 5.9% in trade contracting firms.

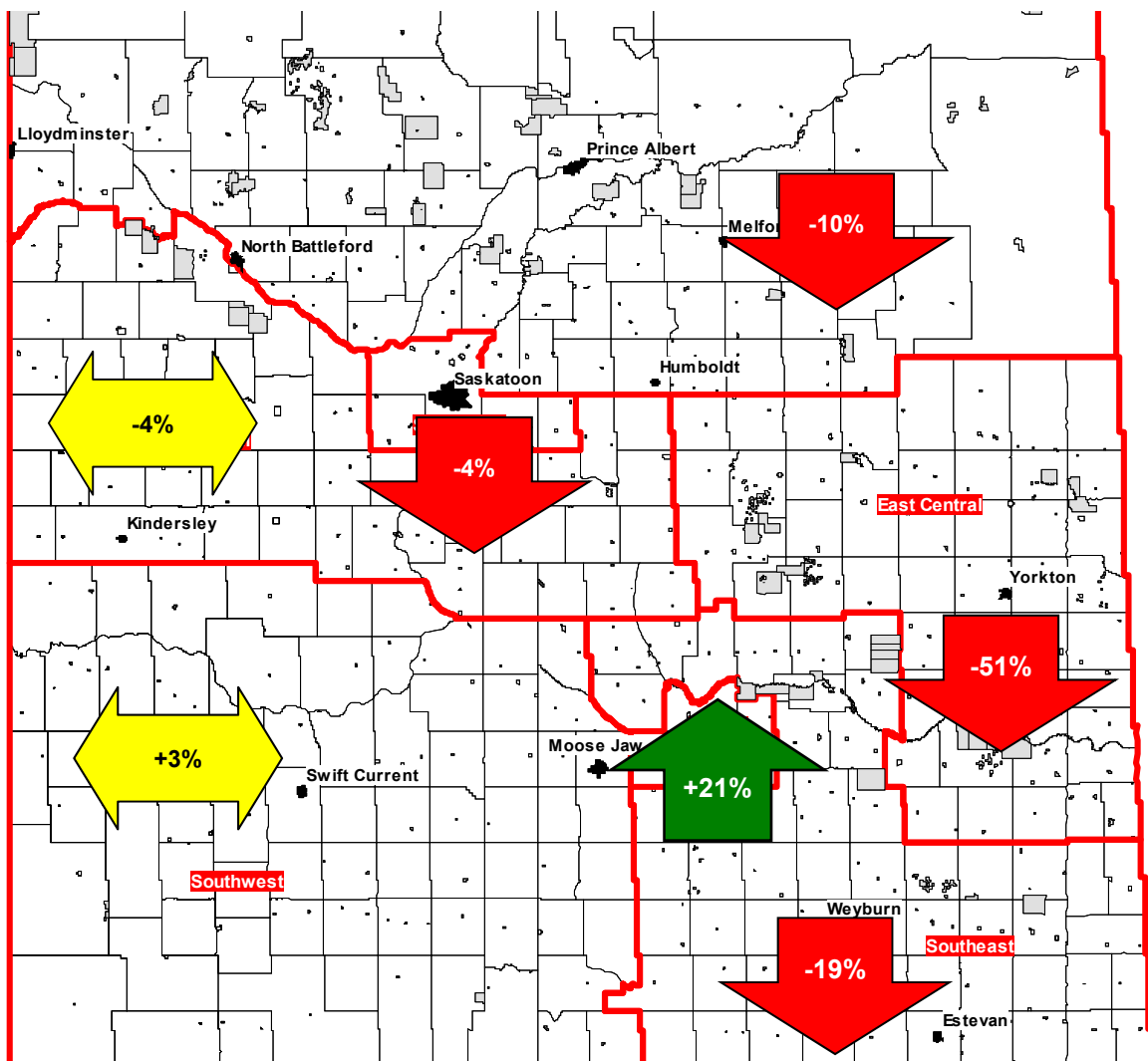
There was a 9.7% decline unpaid workers and a 7.7% decline among the self-employed. The hours worked declined by 2.1% to 36.9 hours per week.



Regional Employment¹

From a regional perspective, the slowdown in construction employment in early 2018 is mainly because employment is declining in four of the seven economic regions. The map below shows that employment in the five months ending in May 2018 is down or stable in every region except Regina.

Annual Change in Construction Employment, Three Months Ending in May 2018



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

Calendar year 2018 started with a sharp increase in the average wage rate in spite of the weak labour market. The figures were more in line with expectations over the next four months.

In May 2018, the average hourly rate among paid workers in construction was \$29.30. This is 3.2% higher than the \$28.48 registered in May of 2017 and brings the year-to-date increase to 2.7%. The average construction worker had a wage increase near the rate of inflation.

