



Q3 Labour Force Analysis

July - September 2024

Introduction

This Quarterly Labour Force Analysis provides an in-depth examination of the Region's labour market trends, employment statistics, and economic indicators for the third quarter of 2024. By analyzing data from Statistics Canada and other reliable sources, we aim to offer valuable insights into the current state of our local workforce and its economic trajectory.

Key takeaways from this quarter's report:

- 1. Robust Employment Growth:** The Saskatoon Region saw a 4.5% year-over-year rise in employment in Q3, adding 5,700 jobs. Growth was led by full-time positions in key sectors like Information, Culture and Recreation, Education, and Trade.
- 2. Leading Labour Market Indicators:** The Region leads Canada with a 67.8% employment rate and 71.6% participation rate. The unemployment rate is low at 5.3%, showing a tight labour market and strong economic engagement.
- 3. Wage Growth Challenges:** Despite minimum wage hikes, Saskatchewan's wage growth lags behind the national average, risking economic competitiveness and talent retention.

This report delves into these findings and provides a detailed analysis of their implications for the Saskatoon Region's economic landscape.

1. The Saskatoon Region saw a 4.5% year-over-year rise in employment in Q3, adding 5,700 jobs. Growth was led by full-time positions in key sectors like Information, Culture and Recreation, Education, and Trade.

- In the third quarter, the Saskatoon Region's labor market demonstrated significant strength, adding 5,700 jobs following a decline in the previous quarter. This growth outpaced nearly all major CMAs in Western Canada, with employment rising 4.5% year-over-year.
- Employment growth, on a seasonally unadjusted basis, was primarily driven by the following:
 - Industries: Information, Culture and Recreation (+25.1%), Education (+22.8%), Wholesale and Retail Trade (20.8%), Manufacturing (+10.7%), and Construction (+6.1%).
 - Employment Type: Full-time workers (+9.0%).
- Comparatively, employment fell across the following:
 - Industries: Agriculture (-20.8%), Accommodation and Food Services (-15.9%), Mining and Quarrying (-11.1%), and Transportation and Warehousing (-8.9%).
 - Employment Type: Part-time workers (-8.5%).
- With the addition of more jobs, the Region's labour force also grew, adding approximately 6,100 people from last quarter, and growing 4.6% from last year.

Despite labour force growth outpacing employment growth, the Saskatoon Region now leads Canada in employment rate, at 67.8%. This number showcases the Region's ability in providing jobs for residents, or residents being able to secure employment. However, the high employment and labour force participation rates also indicate a tight labour market, leading to continued hiring challenges and upward wage pressures as businesses compete for a limited pool of qualified workers.

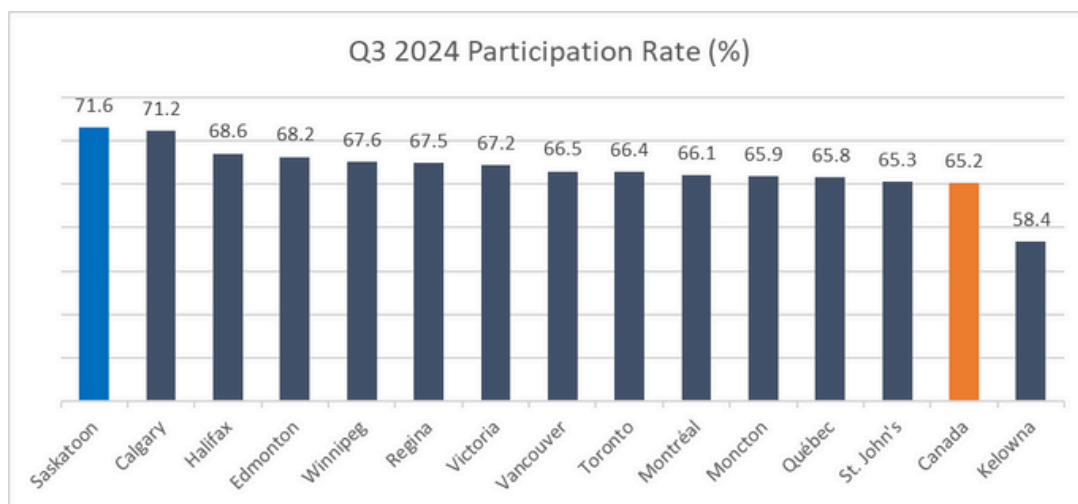


Source: Statistics Canada

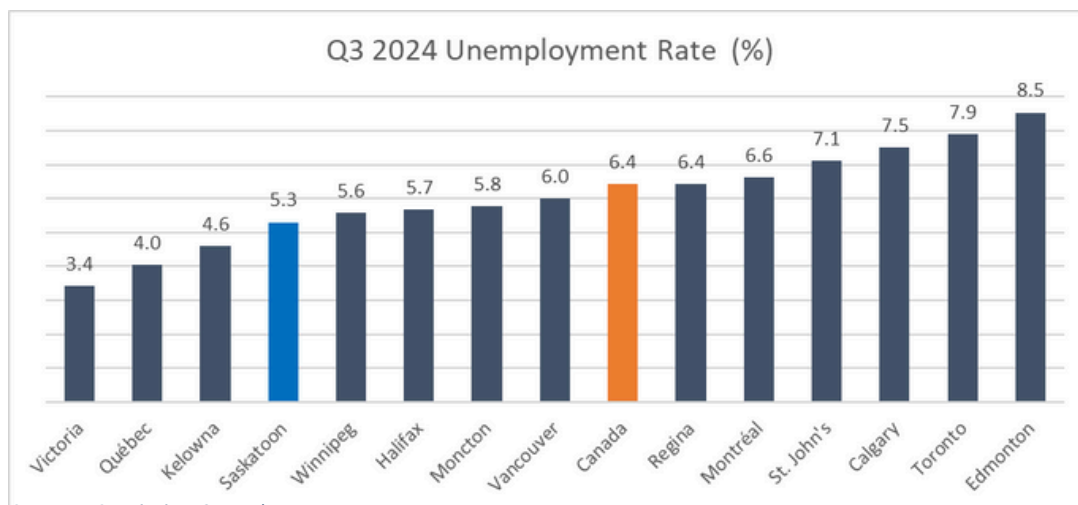
2. The Saskatoon Region leads Canada with a 67.8% employment rate and 71.6% participation rate. The unemployment rate is low at 5.3%, showing a tight labour market and strong economic engagement.

- The Saskatoon Region continues to demonstrate favourable market conditions, with unemployment holding steady at 5.3%. This rate remains unchanged from last quarter and has declined by 0.1 percentage point (PP) from Q1, showcasing the Region's economic resilience.
- Leading Canada with a labour force participation rate of 71.6%, up 1.2 PP from last quarter, the Region demonstrates a highly engaged workforce that surpasses both provincial and national averages.

The Saskatoon Region's consistently low unemployment rate and high labour force participation rate reflect a dynamic local economy, indicating strong hiring intentions and engagement among businesses and residents. These conditions, however, also highlight the potential challenges businesses may face in attracting and retaining talent in a competitive labour market.



Source: Statistics Canada

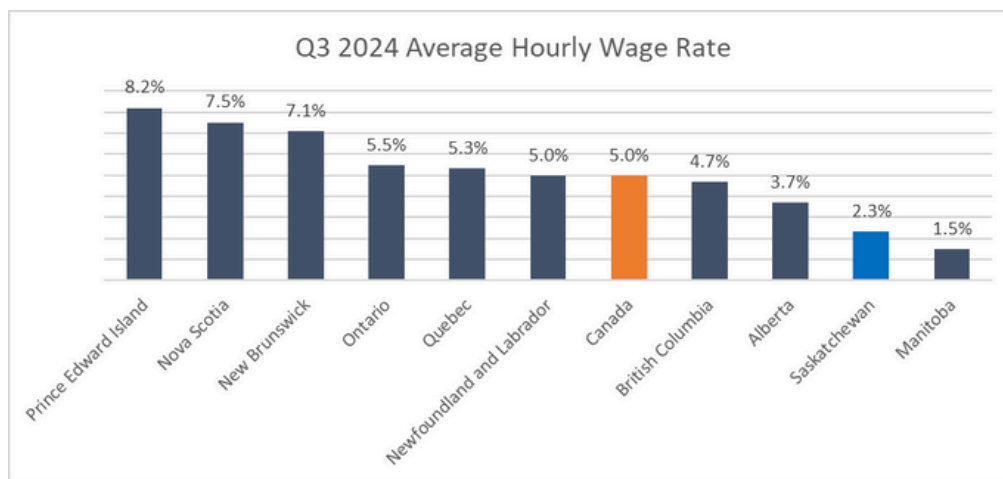


Source: Statistics Canada

3. Despite minimum wage hikes, Saskatchewan's wage growth lags behind the national average, risking economic competitiveness and talent retention.

- For the 15th consecutive quarter, Saskatchewan's wage increase of 2.3% significantly trails the national average of 5.0%, positioning the province second-to-last among Canadian provinces.
- Saskatchewan's minimum wage rose to \$15 per hour on October 1, 2024, marking the final step in a series of planned increases. This ties the province for the lowest minimum wage in Canada, alongside Alberta.

The persistent pattern of low wage growth in Saskatchewan poses risks to the province's economic competitiveness and talent retention. This trend may lead to a "brain drain" effect, potentially hampering the Saskatoon Region's ability to attract and retain skilled workers and young professionals, which could impede long-term economic growth and development in key sectors.



Source: Statistics Canada

Recent Announcements Shaping the Labour Landscape

Canada's Immigration Levels Plan 2025-2027

- By November 1, 2024, Canada will release Canada's 2025-2027 Immigration Level Plan, which aims to strengthen temporary residence programs and manage the volume of temporary residents in Canada.
 - These measures include reducing the intake cap on international student study permits for 2025 by 10% from the 2024 target, updating the Post-Graduation Work Permit Program, and limiting work permit eligibility for certain groups. Significantly, the government has decided to include temporary residents in the immigration levels plan for the first time, marking a major shift in how Canada manages its immigration targets.
 - While not specific to the Region, these national policy shifts could potentially impact the local labour market by affecting the inflow of international students and temporary foreign workers, which may influence workforce dynamics and the economic landscape in the coming years.
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Glossary

Labour Force is the number of persons 15 years of age and over who, during the reference week, were employed or unemployed.

Employment is the number of persons who, during the reference week, worked for pay or profit, performed unpaid family work, or had a job but were not at work due to own illness or disability, personal or family responsibilities, labour dispute, vacation, or other reasons.

Unemployment Rate is the number of unemployed persons expressed as a percentage of the labour force.

Participation Rate is the the number of labour force participants expressed as a percentage of the population 15 years of age and over.

Job Finding Rate is the proportion of unemployed individuals who find employment within a given period.

