



Tracking economic, social, and demographic trends from a Saskatchewan perspective.

# Recent Trends in the Saskatchewan Labour Market

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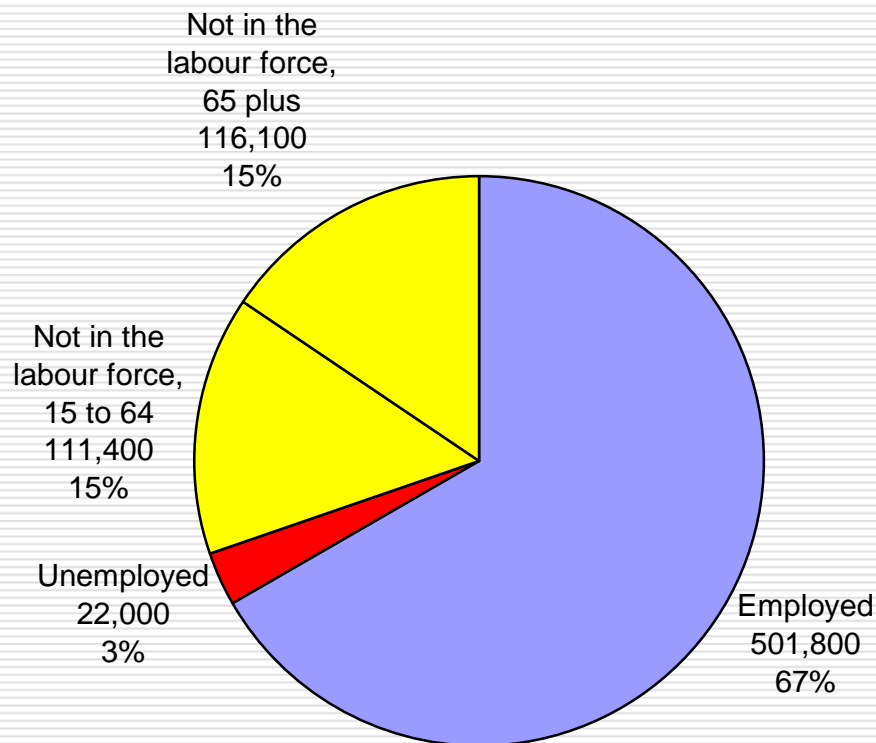
Presentation to the  
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# Main Data Source: The Labour Force Survey

**Labour Force Status, Annual Averages**  
**Saskatchewan, 2007** (adult population = 751,400)

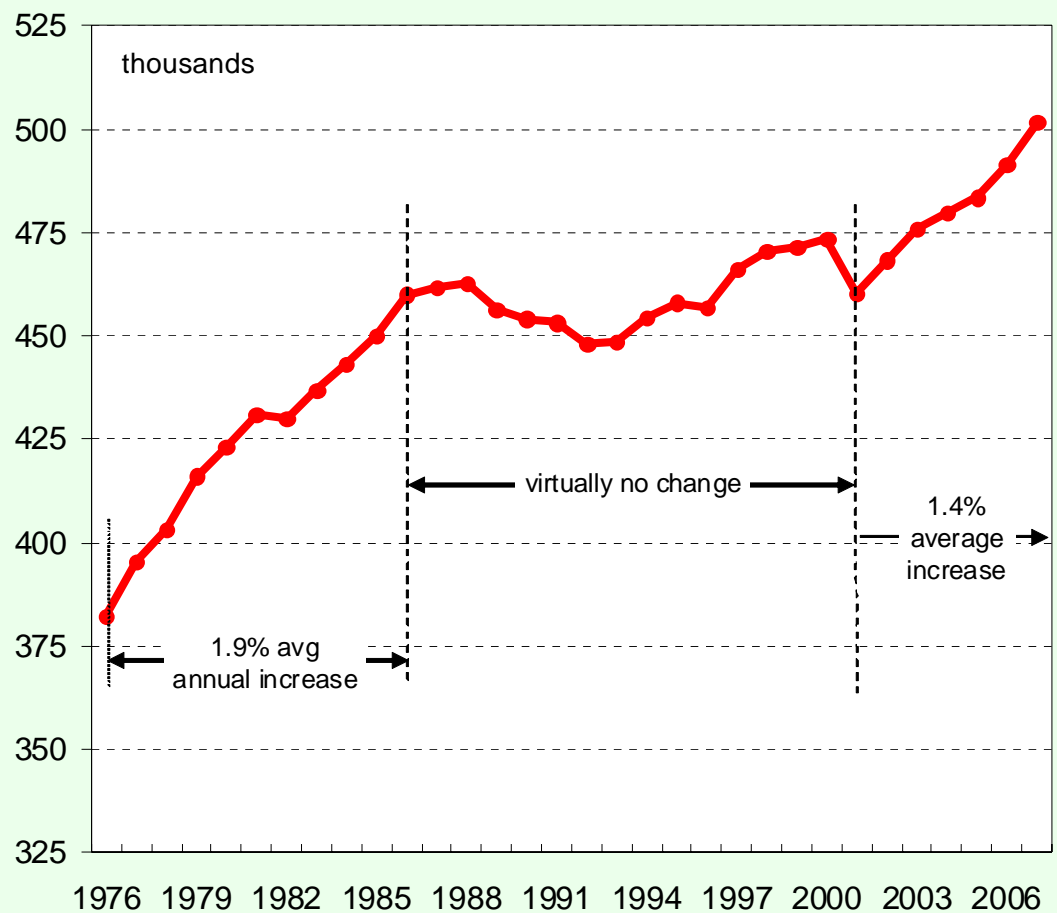


• employment rate is 67%  
• participation rate is 70%

- The Statistics Canada Labour Force Survey (LFS) is a monthly survey that provides most of the current information about the labour market in Canada.
- The sample size in Canada is over 50,000 households with about 4,000 in Saskatchewan. Depending on the number of individuals in the households, this yields labour market information for approximately 8,000 Saskatchewan adults per month.
- The main weakness of the LFS from Saskatchewan's point of view is the exclusion of the on-Reserve population from the sample.
- Note that we are measuring neither the supply nor the demand in the labour market.

# Long Term Trends in Saskatchewan Employment

Total Employment in Saskatchewan



- After dropping sharply in 2001, employment has been growing in recent years at an average annual rate of 1.4%.
- This follows a period of about fifteen years with virtually no growth at all.

# Monthly Employment Trends in Saskatchewan

Employment, Seasonally Adjusted, by Month



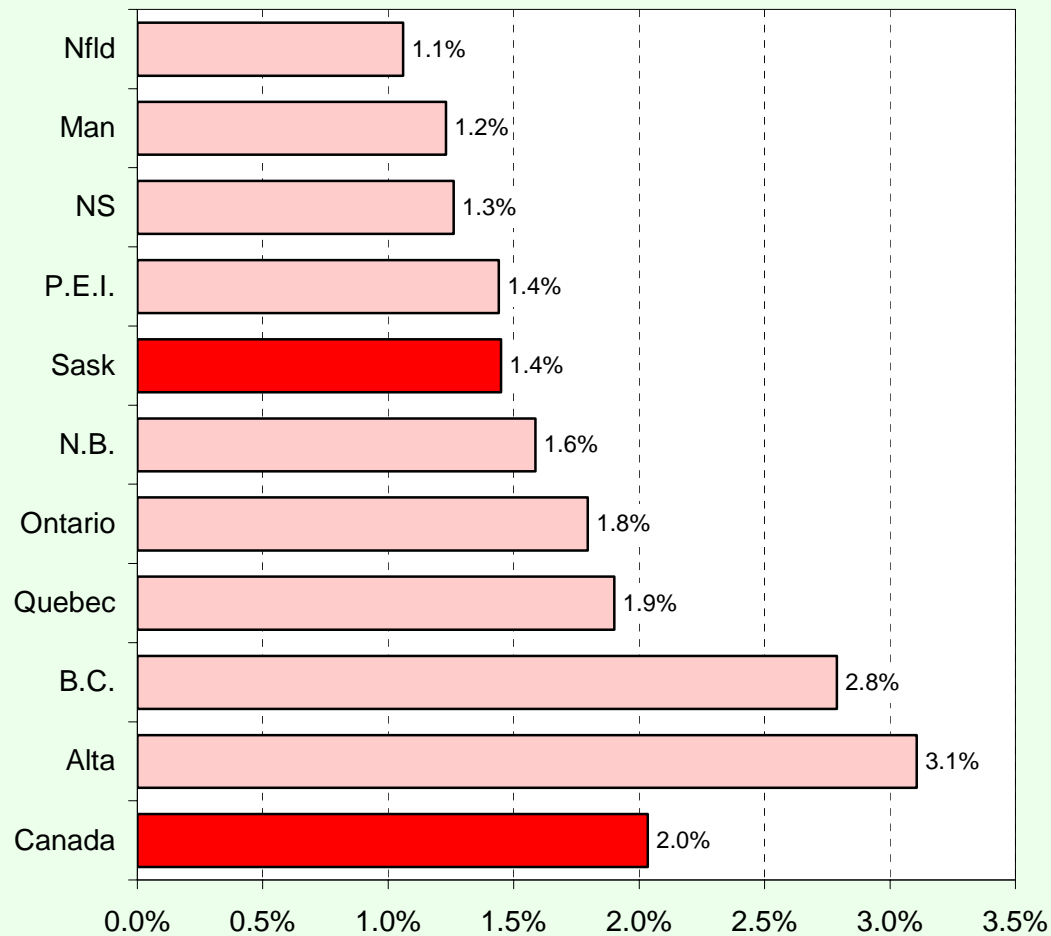
- The recent surge in employment started late in 2005 and continued until January 2007, generating an employment increase of approximately 25,000.
- The weakness early in 2007 reversed abruptly in September.
- The 2007 annual average was 2.1% higher than the annual average for 2006, the largest increase since the mid 1980s. But most of the increase happened in 2006.

# Interprovincial Comparisons

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# Employment Growth from 2001 to 2007

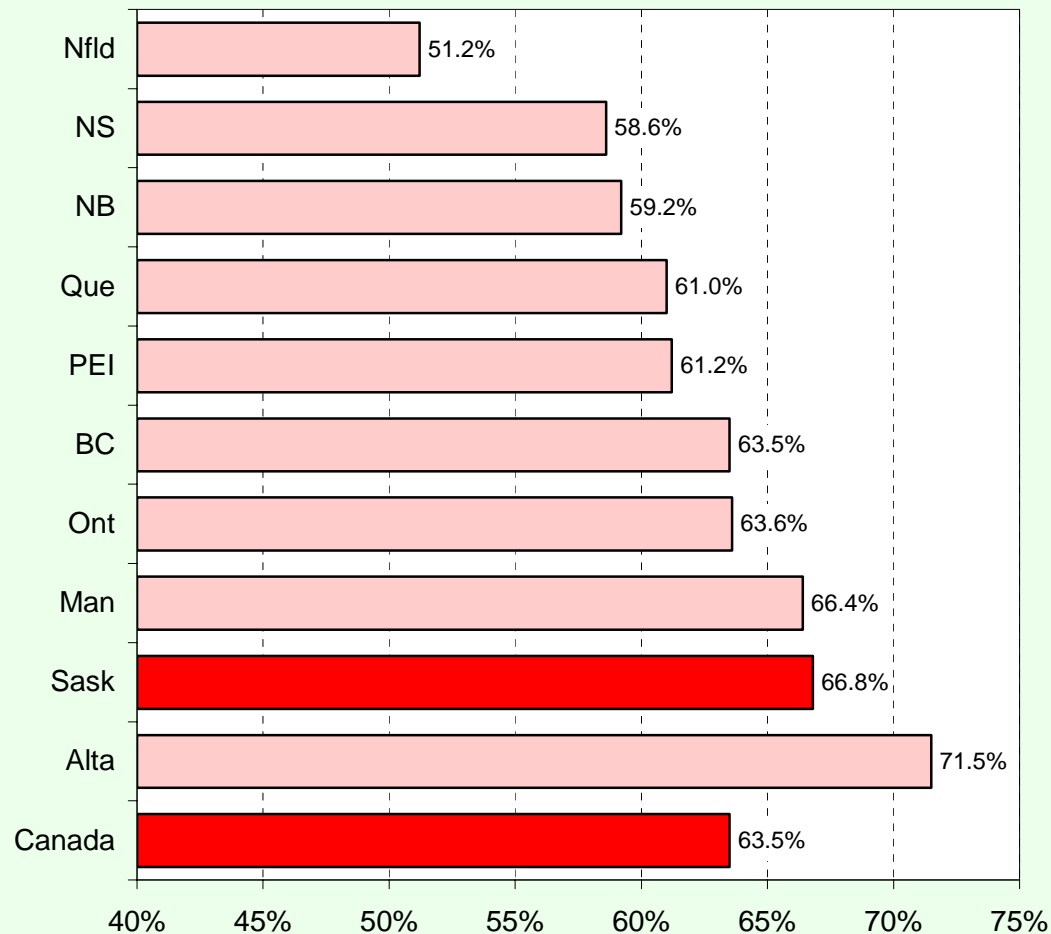
Average Annual Employment Growth, 2001 to 2007



- Saskatchewan's employment growth from 2001 to 2007 is well below the national average.
- Even in 2007, the growth was fifth among the provinces, behind Alberta, B.C., New Brunswick, and Quebec.

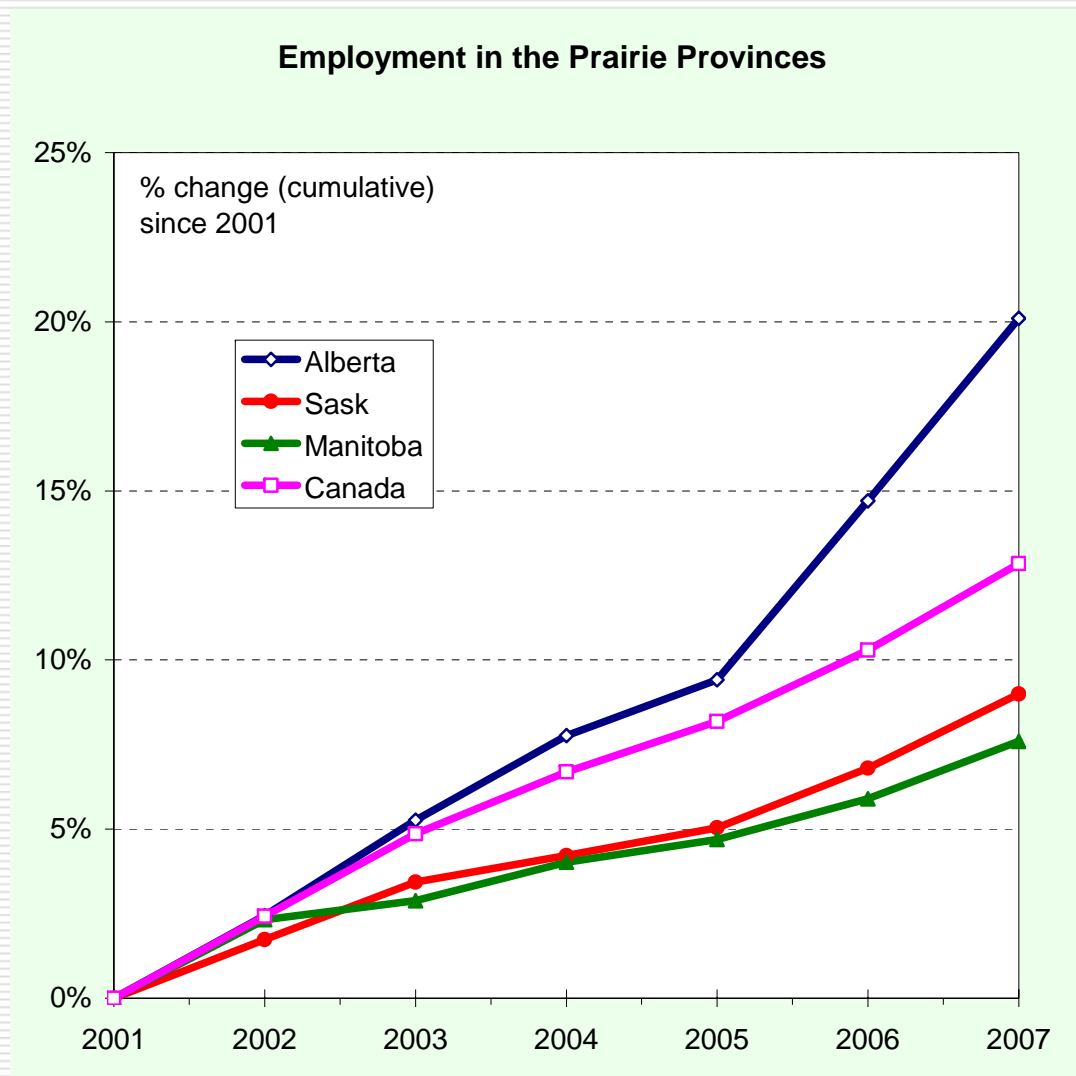
# Employment Rates in 2007

Employment Rates in 2007, 15 & Older



- One of the reasons for the lack of employment growth in Saskatchewan is a shortage of workers.
- This figure shows that the employment rate (the percentage of the adult population with a job) is the second highest in Canada.
- This is in spite of the fact that Saskatchewan has the second highest proportion of seniors in Canada.

# Employment in the Prairie Provinces



■ Employment growth in Saskatchewan has been impressive but pales in comparison to the recent surge in Alberta.

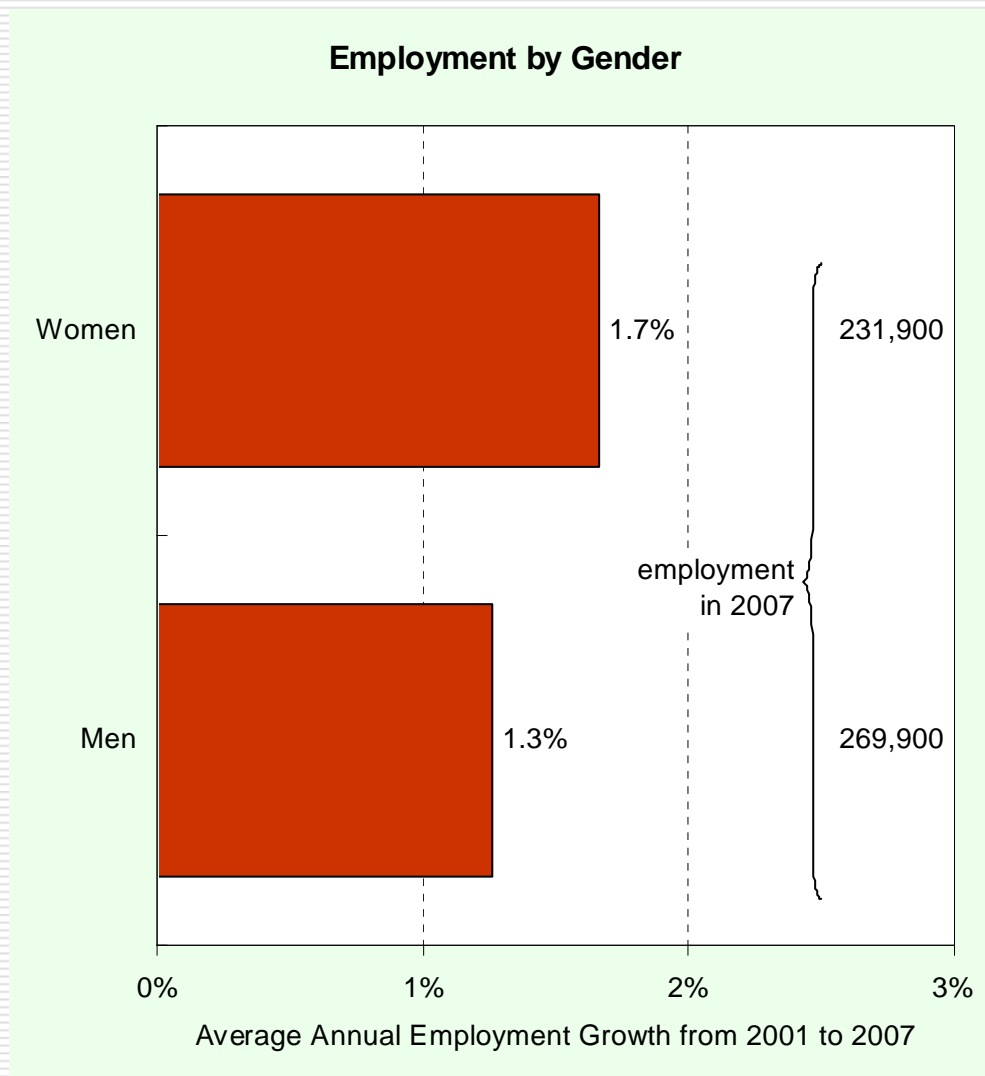
■ In 2007, employment grew by 89,000 in Alberta compared with 10,000 in Saskatchewan and 9,000 in Manitoba.

# Characteristics of the Employed

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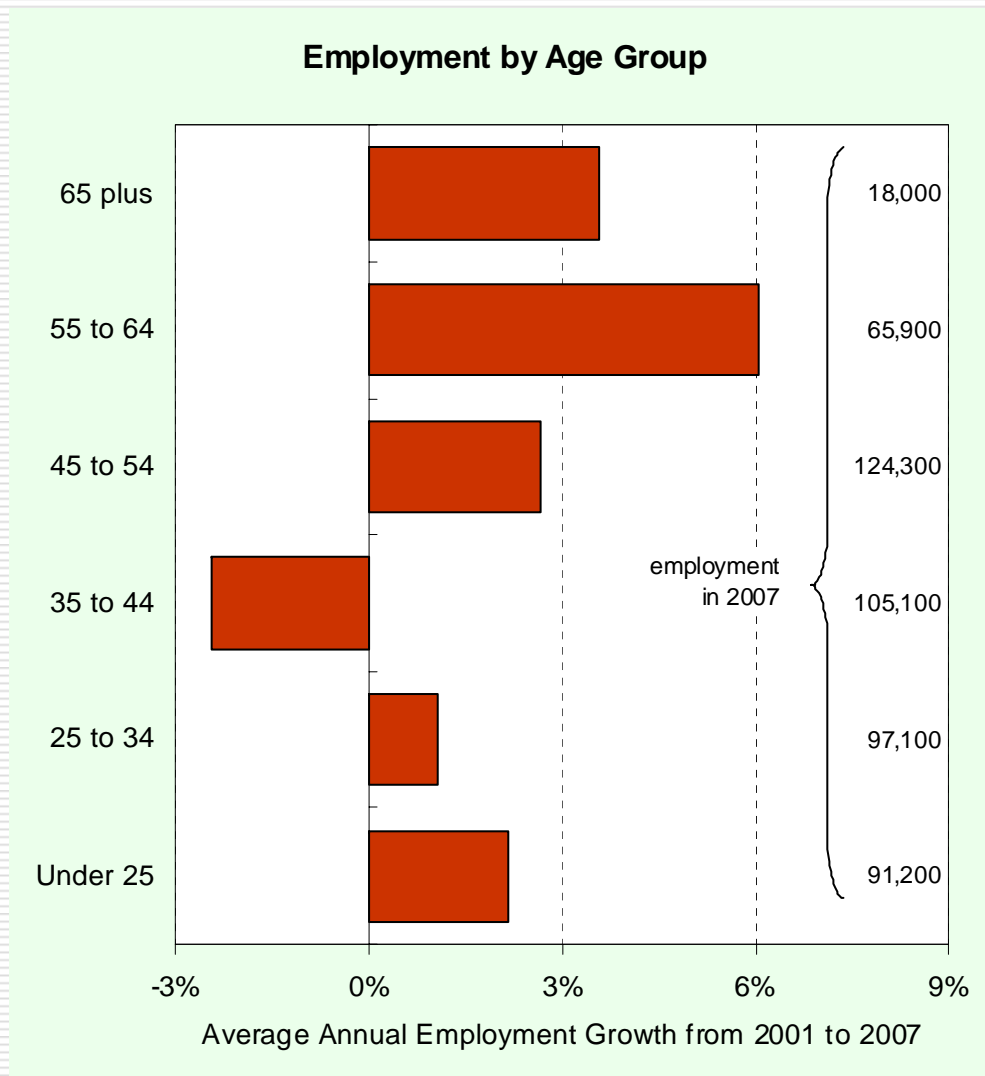
**Employment Trends in Saskatchewan since 2001**

# Employment Growth by Gender, 2001 to 2007



- Employment has been growing more quickly among women than among men in the past six years.
- This long standing trend reversed in 2006 and again in 2007 but the normal pattern is expected to reassert itself in 2008.
- Men still outnumber women in the labour market, however, by a ratio of 54:46.

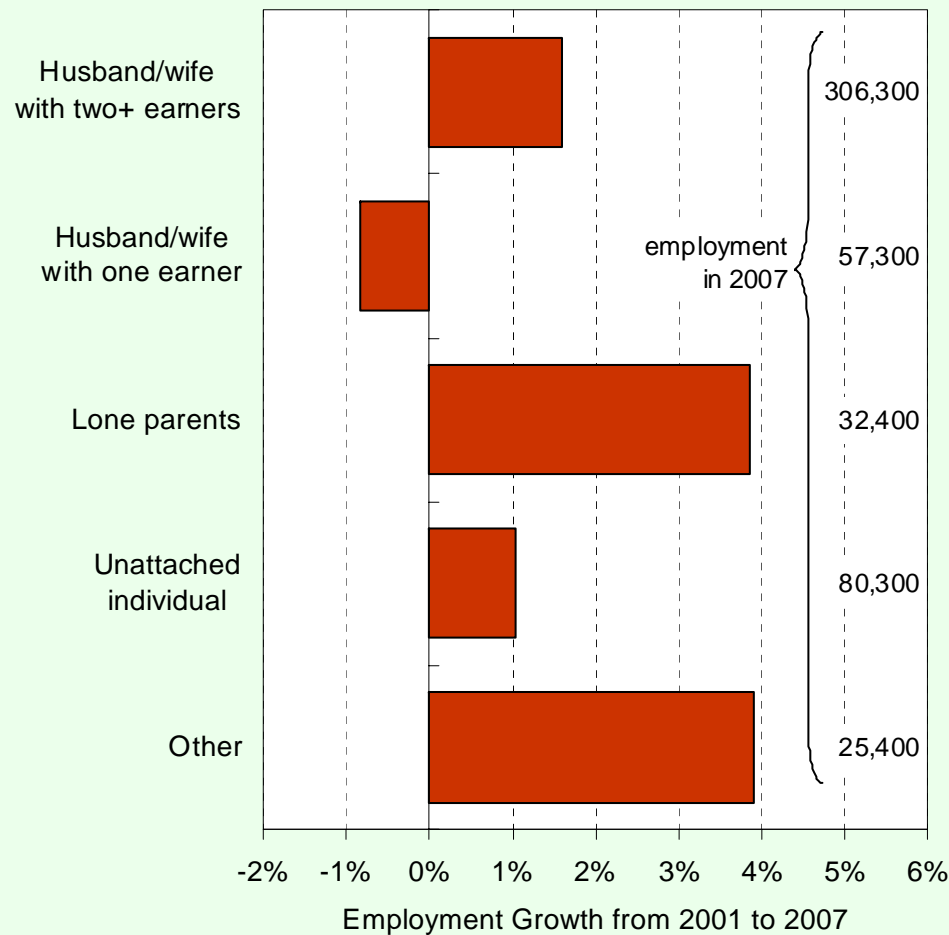
# Employment Growth by Age Group, 2001 to 2007



- Employment growth in the past five years has been most pronounced at the extremes of the age spectrum.
- Some but not all of the change is the result of demographics, that is, more or fewer people in the age group. The rest of the change is the result of higher participation rates.
- Anecdotally, the growth in older workers (55 to 64) seems to be the result of recent “retirees” re-entering the labour market.
- The increase among youth has been accompanied by a decline in the school enrollments.

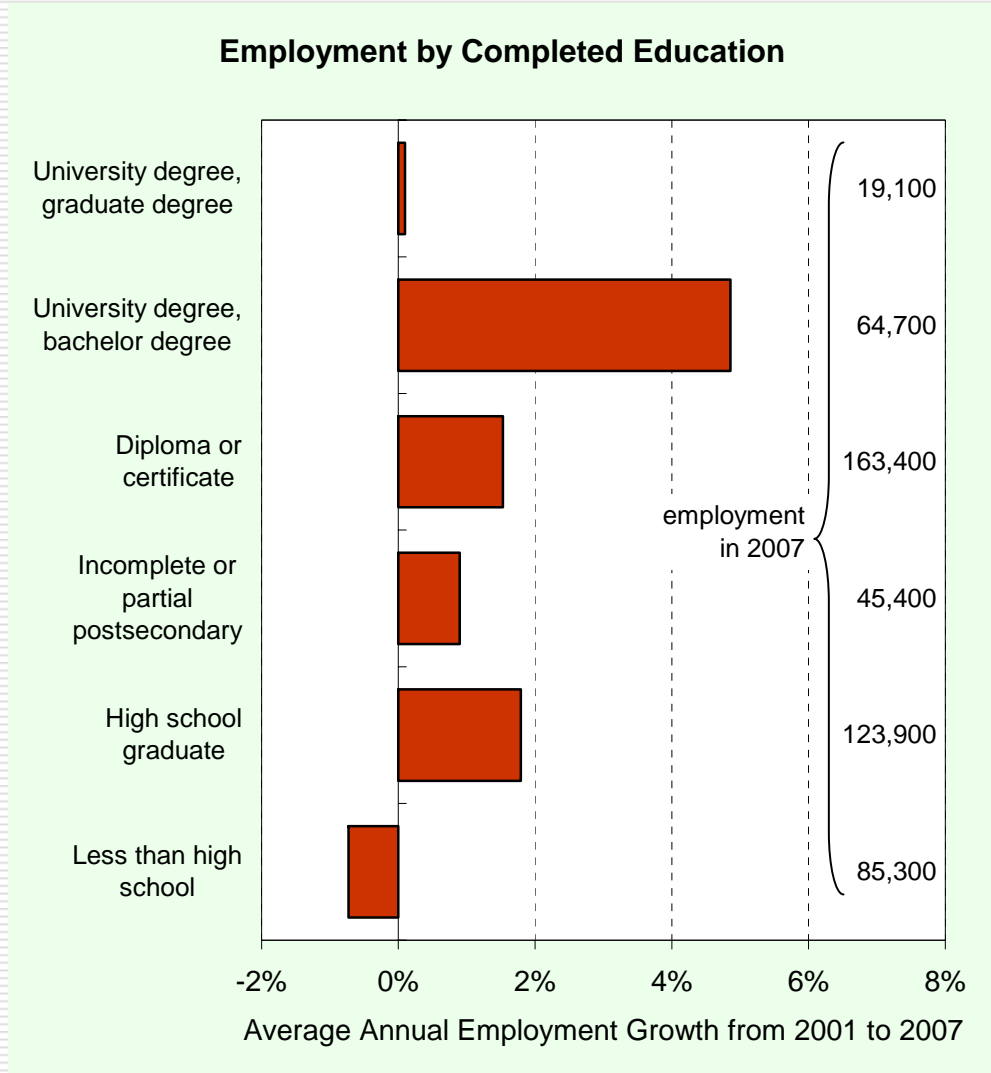
# Employment by Completed Education, 2001 to 2007

Employment by Family Status



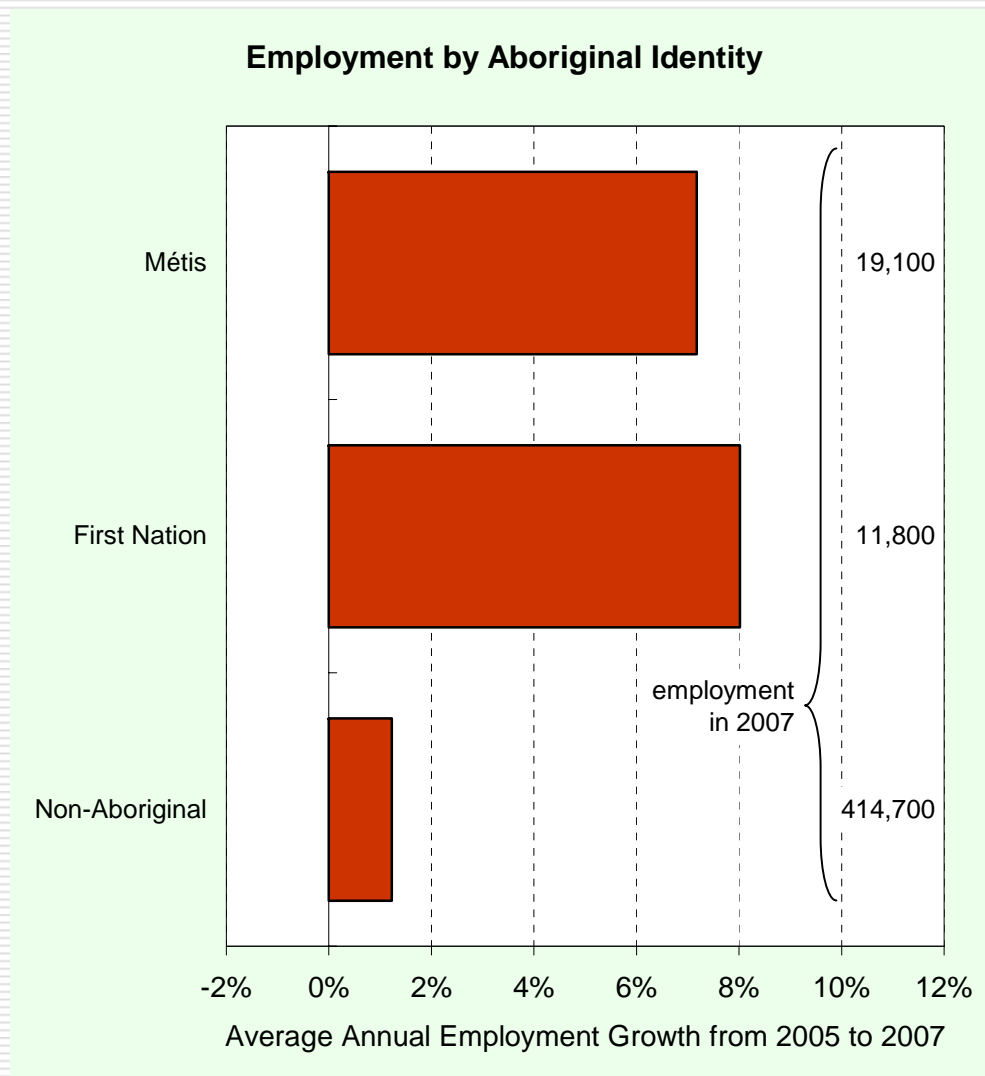
- The number of single earner households continues to drop.
- The increase among lone parents is partly responsible for an increase in the economic well being of this traditionally disadvantaged group.

# Employment by Completed Education, 2001 to 2007



- The highest rate of employment growth since 2001 has been among those who have an undergraduate university degree.
- Growth rates are lower than expected (or desirable) for those with a graduate degree and for those with a diploma or certificate.
- In 2006, this trend reversed with the largest increases among those who had not completed high school.
- The normal pattern reasserted itself in 2007.

# Employment Among Off-Reserve Aboriginals



- We only have Aboriginal data for the past three years and only for the off-Reserve population.
- Employment growth was strong in both 2006 and 2007 with 30% of the provincial employment increase accounted for by people reporting an Aboriginal identity and living off Reserve.

# Characteristics of the Job

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Employment Trends since 2001

# Employment Growth by Class of Worker, 2001 to 2006

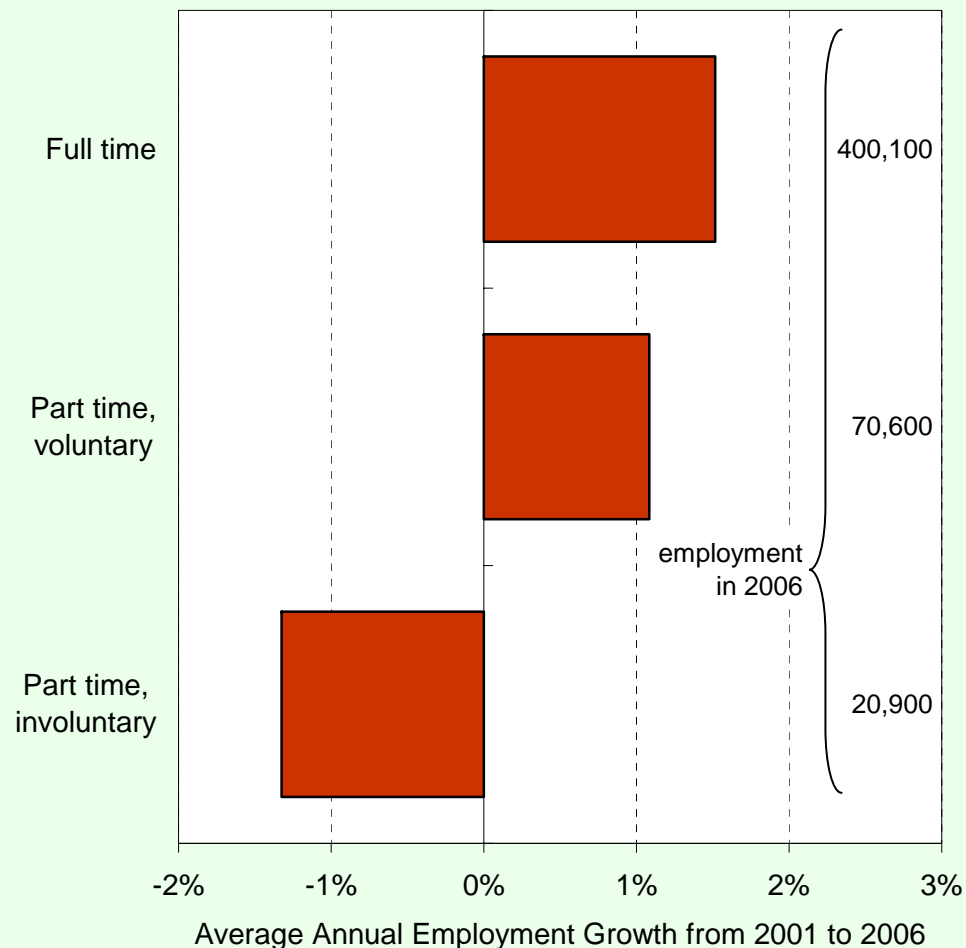
Employment by Class of Worker (main job)



- The steady decline in agricultural employment is partly responsible for the decline in the number of self-employed individuals.
- The shift to contract work isn't happening. Since 2001, the strongest rates of growth have been in casual and permanent paid positions.

# Employment Growth by Hours of Work, 2001 to 2006

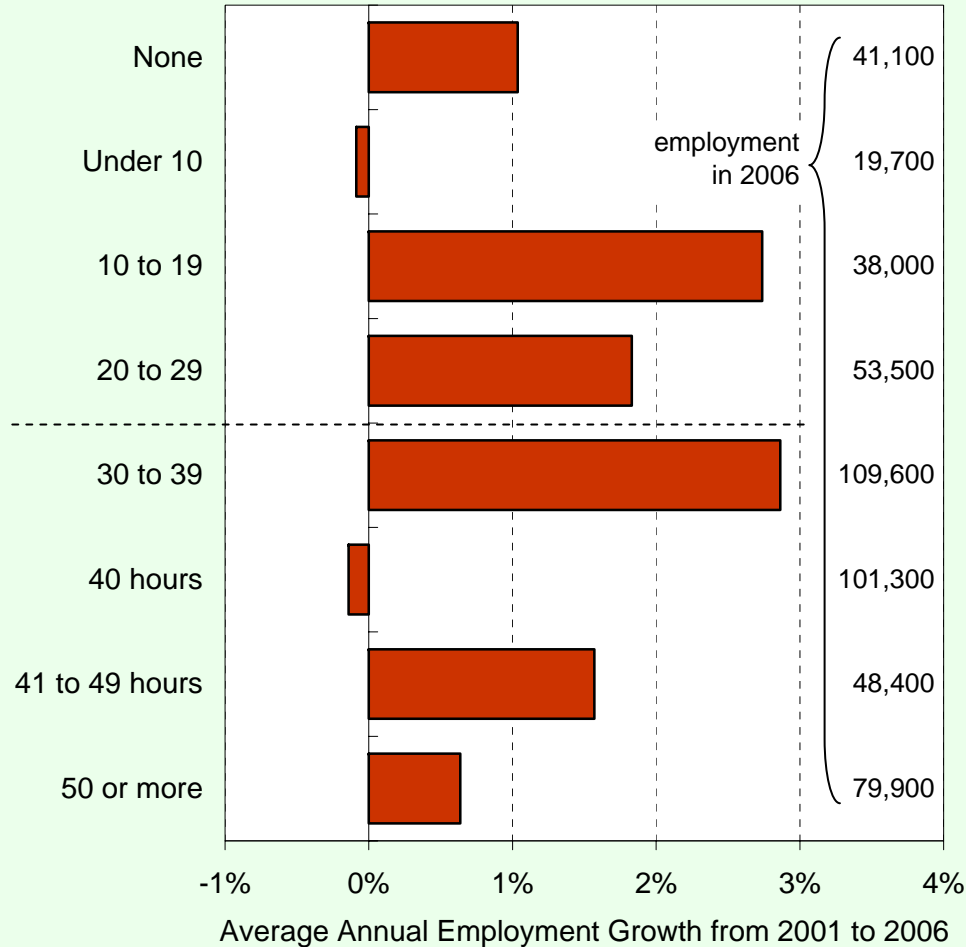
Employment by Hours of Work (actual at main job)



- Employment is growing more quickly among those who work full-time hours or who are voluntary part-timers. (Part time work is defined as those who normally work less than 30 hours/week at their main or only job.)
- In 2007 there was a reversal in this pattern with a shift from full-time to part-time employment.
- One sign of a tight labour market is the number of multiple job holders – people who hold two jobs simultaneously. The number of multiple job holders has grown by 2.4% per year compared with 1.2% among single job holders.

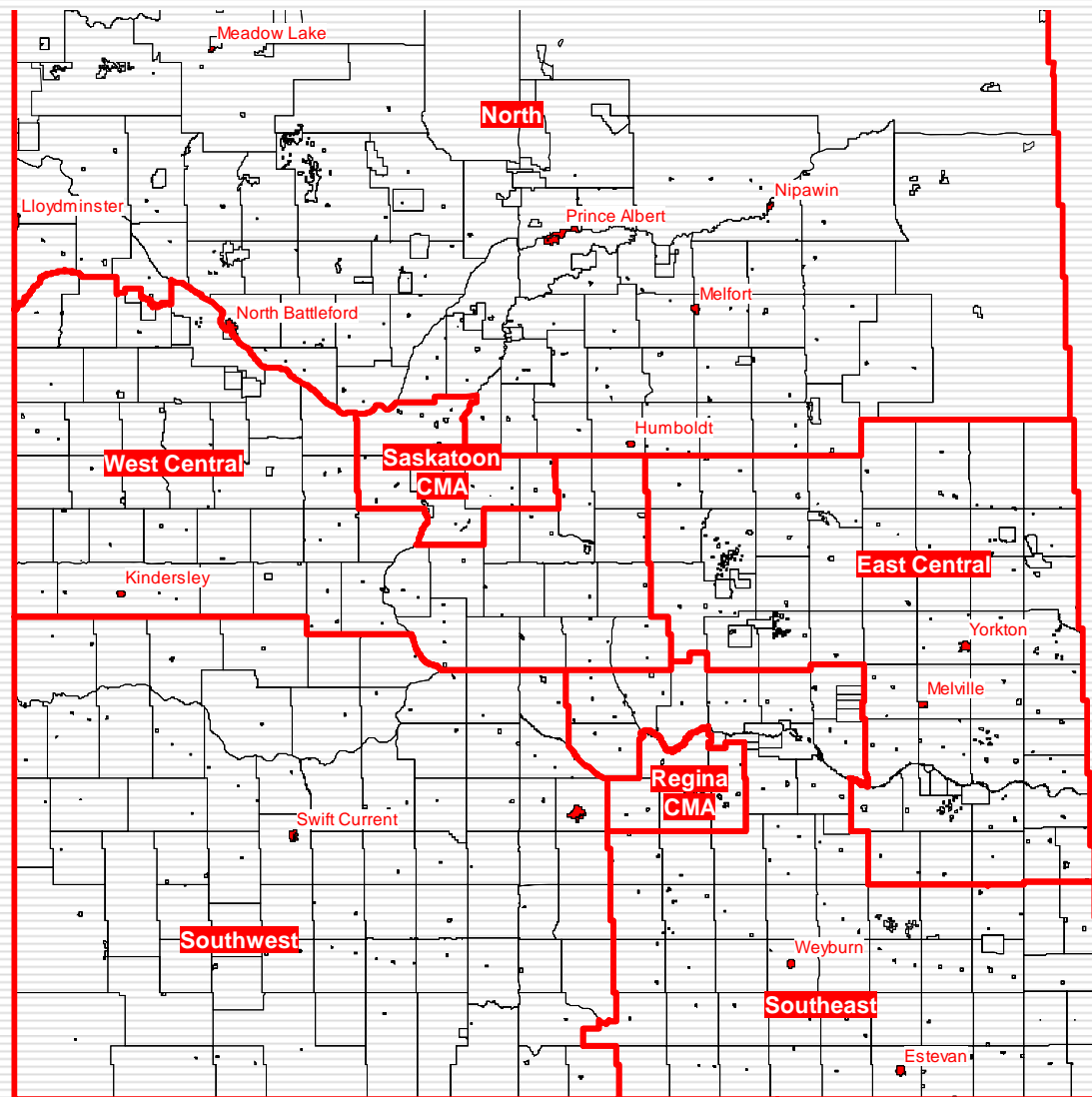
# Employment Growth by Hours of Work, 2001 to 2006

Employment by Hours of Work (actual at main job)



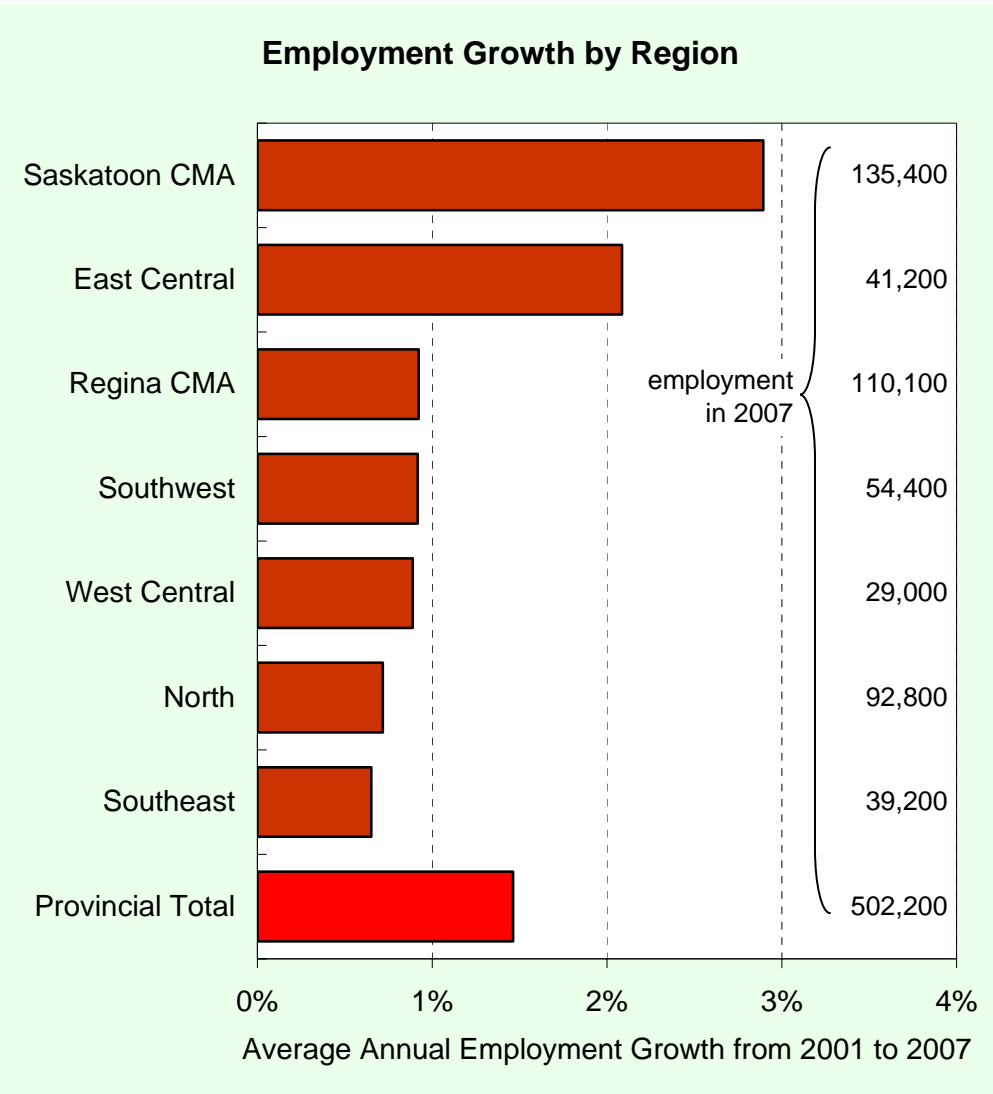
- There is little evidence that the province's employees are working longer hours to meet the increase in demand.
- In spite of the increase in the number working more than 40 hours/week, the average actual hours worked by full-time employees at their main job was 38.7 per week in 2006 compared with 39.3 hours in 2001. Part time work was unchanged at 15.7 hours/week.
- Some of this will be the aging of the workforce, that is, more sick leave and vacations.

# Regions in the Labour Force Survey



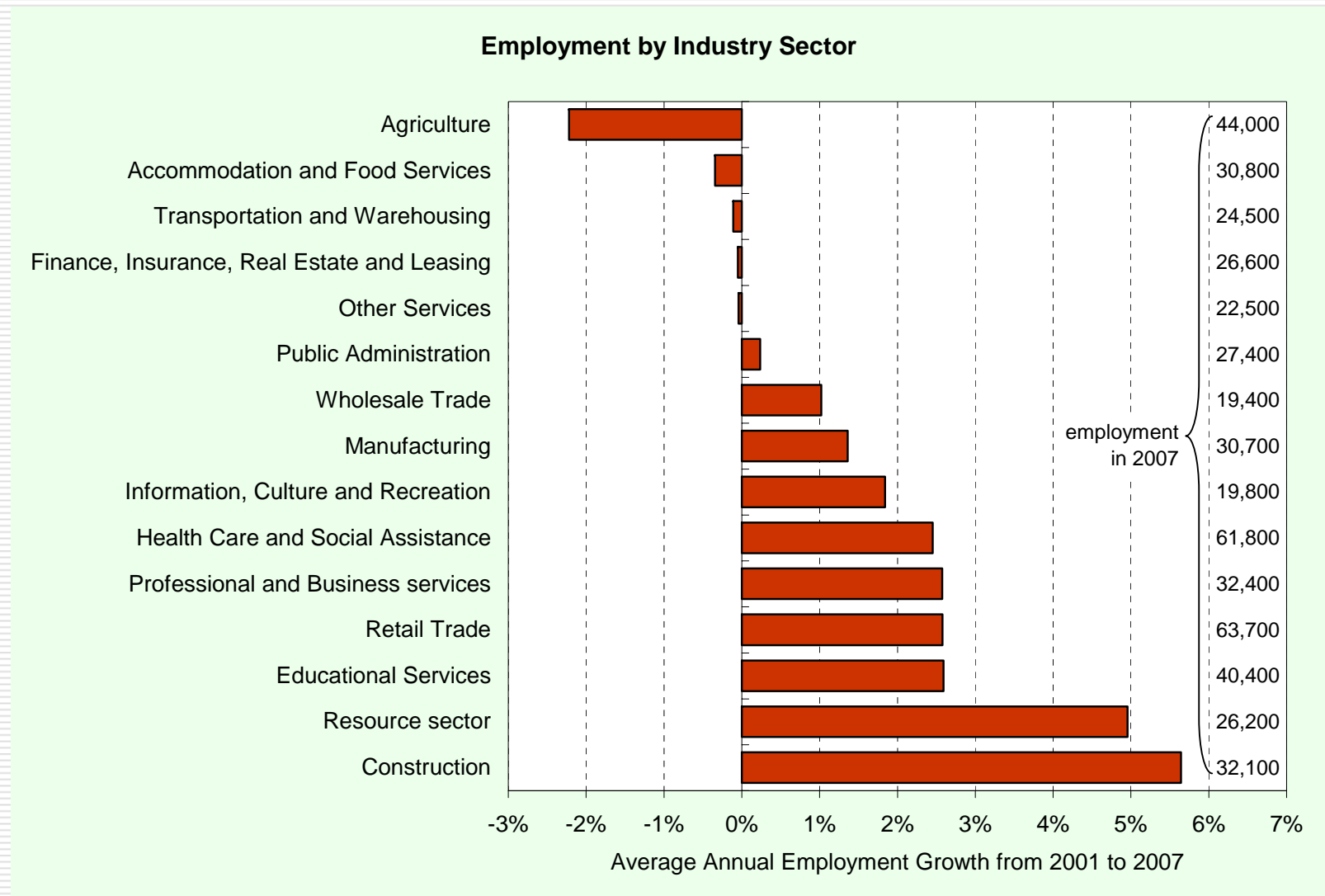
- The LFS has a large enough sample size to provide employment estimates for seven regions in the province including two “census metropolitan areas”.
- The LFS measures employment according to where you live not where you work.

# Employment Growth by Region, 2001 to 2007



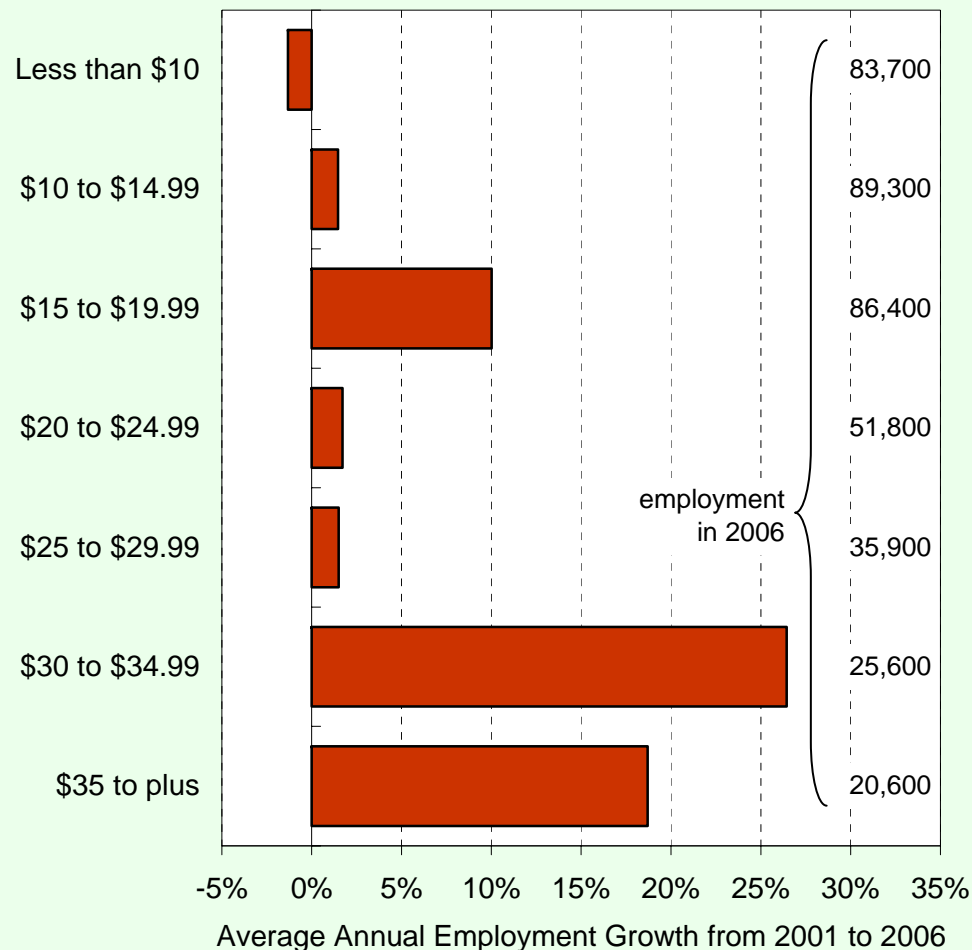
- Employment among residents of the two metropolitan areas account for just under one half (48%) of employment in the province.
- Since 2001, employment has grown more quickly in Saskatoon than in Regina.
- The lack of growth in the Southeast is thought to be caused by a shortage of workers rather than a shortage of jobs.

# Employment Growth by Industry Sector, 2001 to 2007



# Employment Growth by Wage Rates (paid workers only)

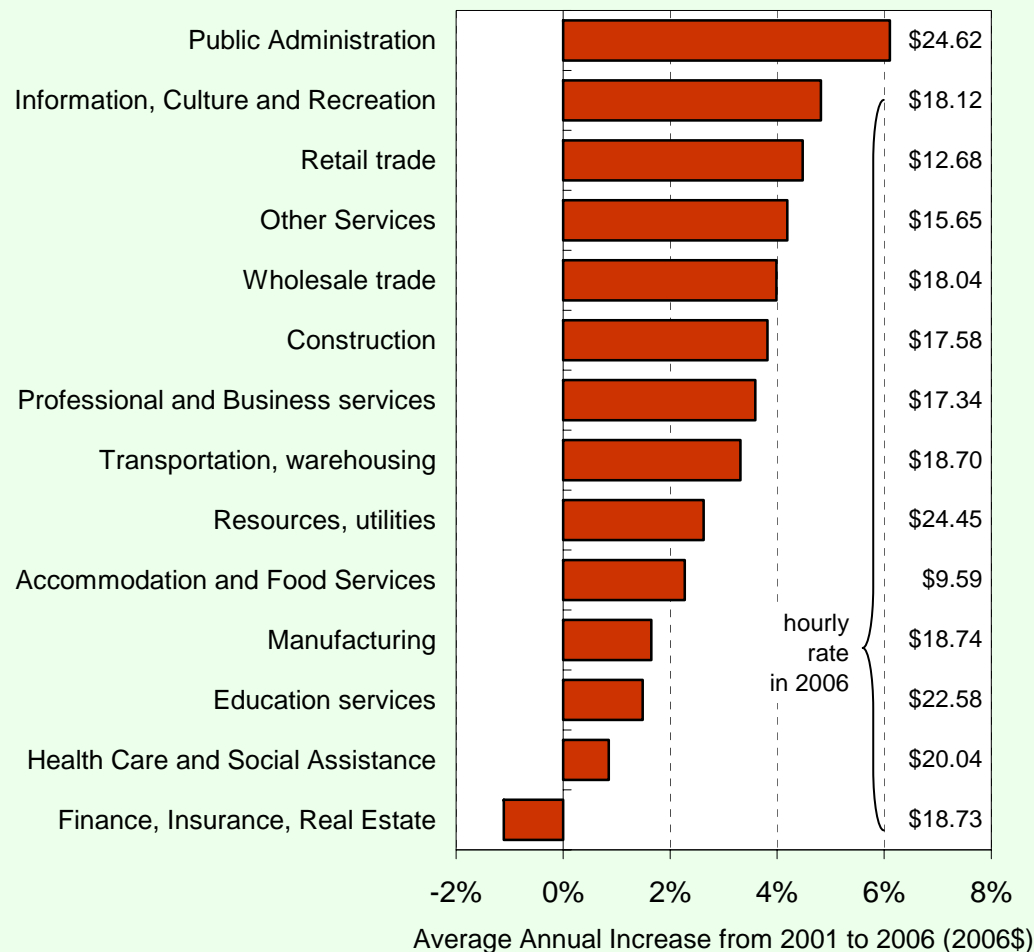
Employment by Hourly Wage Rate (2006\$)



- Among paid workers, there has been a 20%+ increase in the relatively few paid workers with wage rates over \$30/hour (in 2006\$)
- Adjusted for inflation, wage rates increased by 2.7% in 2006 and will grow by another 2.0% in 2007.

# Wage Rate Growth by Industry Group

Average Wage Rates (paid employees only)



- The largest increases in the five years since 2001 have been in public administration (the three levels of government), the crowns, and those industries with a high proportion of minimum wage earners.
- There seems to be no correlation with wage rate increases and the demand for skilled workers.

# The “Labour Shortage”

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- There is no direct evidence of a “labour shortage” in Saskatchewan but lots of indirect and anecdotal evidence.
  - There is an abundance of help-wanted signs in store and restaurant windows.
  - The unemployment rate is the lowest on record.
  - The number of people collecting regular employment insurance benefits in 2006 was the lowest in recent history.
  - Hourly wage rates increased by 4.8% in 2006 in spite of relatively low inflation.
  - Employment is growing among those who traditionally have trouble finding work including older workers and those with less than grade 12.
  - The number of people working full-time and the number of multiple job holders is increasing.
  
- The current “labour shortage” has been caused by the booming economy, not retiring baby boomers. It will get worse.

# What Kind of a Market is the Labour Market?

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- In many ways the labour market acts like an ordinary economic market.
  - There is a supply and a demand for workers (or at least their skills).
  - There is a price (wage rate) at which the service is exchanged.
  - Supply and demand are affected by price.
  - Substitutions (e.g. capital for labour) are common when shortages arise or prices change.
  
- Commonly available statistics about the labour market measure neither supply nor demand.
  
- Traditionally employment was thought to measure demand but more recently the “labour shortage” has meant that the number of people employed is probably understating employment demand by some unknown amount.
  
- The supply was traditionally thought to be the labour force, that is, the employed plus the unemployed. But the unemployed are only part of the potential supply of workers because many of those not working are not considered as “unemployed” using the standard definitions.

**....questions?**

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**A copy of this presentation will be available on the OSkAER website.**