

February 2022 Labour Market Review for the Saskatoon Census Metropolitan Area

ISSUE

In March 2020, public health responses to mitigate the transmission of the SARS-COV-2 virus resulted in large employment losses in Saskatoon and all cities across Canada. According to the data collected and disseminated by Statistics Canada, employment levels in many parts of Canada have surpassed its pre-pandemic levels. More importantly, the data shows that the Saskatoon Census Metropolitan Area (CMA) has been a national leader in employment growth over the past year, growing at a pace of 13.3 percent, resulting in 22,600 more persons employed than the same time one year ago.

CURRENT STATUS

City Administration monitors and analyzes various economic and demographic data releases from Statistics Canada, including the monthly Labour Force Survey (LFS). The LFS is a large data set that contains 65 different tables on various labour market conditions in Canada, the provinces and territories, economic regions, and CMAs.¹

A CMA is a large population centre (known as core) together with adjacent fringe and rural areas that have a high degree of social and economic integration with the cores and has a population of at least 100,000. Data for Saskatoon specifically is found in the CMA tables and includes general employment indicators (such employment levels and rates for the whole working age population), and specific indicators by industry and occupation.

DISCUSSION/ANALYSIS

Appendix 1 offers a summary and trend analysis of the top-level labour market indicators for the Saskatoon CMA. Before summarizing the results, it is important for the reader to understand the data and its limitations so that the results are easier to interpret.

First, the LFS estimates are based on a population (or household) sample and therefore subject to sampling variability. Consequently, monthly estimates will show more variability than trends observed over longer time periods. For this analysis, monthly employment changes are ignored, and the focus is on year-over-year changes at a minimum.

Second, because of the sampling variability, CMA data is reported on a three-month moving average rather than a monthly count. This means the February LFS data for CMAs is the average of counts for February, January, and December. This technique smooths the data and limits variability caused by relatively small sample sizes at the

¹ The tables can be found here: <https://www150.statcan.gc.ca/n1/daily-quotidien/220311/dq220311a-cansim-eng.htm>

CMA level. This is also done for some provincial data sets. When comparing Saskatoon at the provincial level this approach is used.

Third, most estimates associated with the labour market are subject to seasonal variation; that is, annually recurring fluctuations attributable to climate and regular institutional events such as vacations and holiday seasons. For example, construction employment will naturally be higher in summer months compared to winter months so seasonally adjusted data accounts for this variation. This technique is used to remove seasonal variations from many LFS data sets. The analysis in this report uses seasonally adjusted data, except when showing employment by industry.

With that clarity in mind, according to Statistics Canada's February 2022 LFS, the Saskatoon CMA:

- Had an estimated 22,600 more persons employed than one year ago, on a three-month moving average, seasonally adjusted basis. This is a year-over-year increase of 13.3 percent, the highest among the largest 14 CMAs in the country. Almost 70 percent of the employment was in a full-time position.
- Saw its seasonally adjusted unemployment rate fall to 4.8 percent, the second lowest in the country when compared to 14 other large CMAs in Canada. January 2015 was the last time the seasonally adjusted unemployment rate was at this level.
- Saw its seasonally adjusted employment rate rise to 68.7 percent, the highest rate in the country, reaching the highest level in over a decade.

Year-over-year employment gains all came from service providing industries (+23,100) while goods producing industries saw a net loss (-1,000). The healthcare and social assistance industry led the way (+7,400) followed by the wholesale and retail trade industry (6,100), and the accommodation and food industry (4,000).

Appendix 1 compares employment growth in the Saskatoon CMA relative to that in the rest of Saskatchewan, on a seasonally adjusted basis using a three-month moving average, from February 2011 to February 2022. Over that period, employment in the Saskatoon CMA grew by 30.8 percent, cumulatively, while it was virtually unchanged in the rest of the province.

While the focus of this report is on employment statistics, it is also useful to recognize the population growth occurring in Saskatoon. In February 2022, Statistics Canada released population and dwelling counts from the 2021 Census of the Population. According to that data, the population of the Saskatoon CMA grew by 7.6 percent from 2016 to 2021 adding over 22,000 persons, with a population of 317,480

The Saskatoon CMA is composed of 25 Census Subdivisions (CSDs) which are the actual incorporated municipalities, such as the cities of Saskatoon, Warman, and Martensville, and the Rural Municipality of Corman Park. The 2021 Census of the Population also reports data at the CSD level. Appendix 2 summarizes the population growth for the Saskatoon CSD relative to other cities and communities in Saskatchewan and some major cities in Canada.

According to that data, the Saskatoon CSD grew at a rate of 7.7 percent from 2016 to 2021, adding 18,940 net new persons to the city. This rate was about 2.5 times greater than the provincial population growth rate of 3.1 percent. In fact, Saskatoon was home to 55 percent of Saskatchewan's total population growth over the period.

The data in this report and its accompanying appendices clearly indicates Saskatoon is leading the economic recovery from the COVID-19 pandemic and an important economic driver in Saskatchewan. Without it, all things equal, employment growth in Saskatchewan would be minimal, and provincial population growth over the last five years would be less than half what was reported.

FINANCIAL IMPLICATIONS

There are no financial implications resulting from this report.

NEXT STEPS

The Administration will continue to monitor economic and demographic data produced by Statistics Canada and will update City Council as necessary.

APPENDICES

1. A Review of the Saskatoon CMA Labour Market February 2022
2. A Summary of the 2021 Census of the Population

REPORT APPROVAL

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