


















**ABSTRACT – Average year-to-date employment is up and both the unemployment rate and the number of unemployed are down. Construction activity remains in decline with both building permits and housing starts dropping. The consumer shows few signs of returning to the market with retail sales and new motor vehicle sales in decline. However, an increase in restaurant receipts and an increase in new minivans, sport-utility vehicles, light and heavy trucks, vans and buses sales, coupled with a slow down in commercial building permits declines could bode well for the future. Meanwhile, manufacturing sales and wholesale trade are up while international exports posted first quarter declines over the same period in 2018.**

**Despite a surging labour market, an impending recovery for the Saskatchewan economy remains elusive in the first few months of 2019...**

- Total average year-to-date employment in Saskatchewan was up 1.8% or 10,175 positions in April 2019 over the same period in 2018.
- Year-to-date employment in April 2019 was up over the same period in 2018 in Agriculture (3650), Utilities (400), Manufacturing (1,900), Finance, insurance, real estate and leasing (2,325), Professional, scientific and technical services (1,025), Business, building and other support services (1,500), Educational services (2,675), Health care and social assistance (3,350), Information, culture and recreation (275), Accommodation and food services (2,350), and Other services (1,700).
- Year-to-date employment in April 2019 was down in Resource Extraction (-2200), Wholesale and Retail Trade (-4525), Transportation and warehousing (-2350), and Public administration (-625).
- After a weak performance in 2017, construction employment continued to decline in 2018 and in the first 3 months of 2019. Year-to-date April construction employment was down by 1,225 positions from the same period in 2018 with widespread weakness across the bulk of the construction sector.
- The average year-to-date unemployment rate dropped from 6.4% in April 2018, to 5.7% in April 2019. Year-to-date, the average number of unemployed is down from 38,200 in April 2018 to 34,575 in April 2019 with the majority of these being absorbed into the employed labour force.
- April 2019, total year-to-date housing starts are down by -452 units or -52.0%. Year-to-date increases were observed in semi-detached (5 units or 15.2%). Year-to-date declines were noted in singles (-102 units or -33.1%), row (-11 units or -10.8%), and apartment and other types (-344 units or -80.8%).
- March 2019 year-to-date building permits are down -12.5% over the same period in 2018. Sub sectors that posted increases were limited to industrial (30.3%). During the same time period, residential (-26.2%), commercial (-2%), and institutional and governmental (-17.1%) posted declines.

- Total International merchandise exports were down -4.1% year-to-date March 2019 over March 2018. Sub sectors that posted increases were: Metal ores and non-metallic minerals (20.3%), Metal and non-metallic mineral products (58.2%), Basic and industrial chemical, plastic and rubber products (5.2%), Industrial machinery, equipment and parts (8.8%), Motor vehicles and parts (1.4%), Aircraft and other transportation equipment and parts (17.2%), Consumer goods (47.4%), and Special transactions (10.5%). Sub sectors that posted decreases were: Farm, fishing and intermediate food products (-4.3%), Energy products (-25.2%), Forestry products and building and packaging materials (-15.4%), and Electronic and electrical equipment and parts (-16.1%).
- February 2019 year-to-date retail trade is down by -2.3% over the same period in 2018. Sub sectors that posted increases were: Used car dealers (8.9%), Building material and garden equipment and supplies dealers (1.7%), Grocery stores (11.0%), Beer, wine and liquor stores (1.0%), and All other (1.0%). During the same time period, New car dealers (-10.1%), Gasoline stations (-2.7%), Furniture and home furnishings stores (-11.5%), Electronics and appliance stores (-38.2%), Health and personal care stores (-3.1%), Clothing and clothing accessories stores (-4.4%), Sporting goods, hobby, book and music stores (-0.1%), and General merchandise stores (-0.4%) posted declines.
- February 2019 year-to-date manufacturing sales are up by +2.0% over the same period in 2018. Sub sectors that posted increases were: Food manufacturing sales (24.7%) and Fabricated metal product manufacturing sales (5.6%). Sub sectors that posted decreases were: Chemical manufacturing sales (-11.0%), Machinery manufacturing sales (-6.5%), and All other Manufacturing sales (-2.8%).
- February 2019 year-to-date new motor vehicle sales were down -0.4% from February year-to-date 2018. New minivans, sport-utility vehicles, light and heavy trucks, vans and buses sales were up 6.1% while New passenger cars sales were down -31.5%.
- February 2019 year-to-date wholesale trade was up 9.7% over the same period in 2018. Farm product merchant wholesalers (2.1%) and Food, beverage and tobacco merchant wholesalers (0.8%) all posted increases while Machinery, equipment and supplies merchant wholesalers (-2.4%) and Building material and supplies merchant wholesalers (-5.0%) saw declines.
- February 2019 year-to-date restaurant receipts were up 2.3% over the same period in 2018. Within restaurant receipts, Full-service restaurants (3.3%) and Limited-service eating places (3.5%) increased. At the same time, declines were noted in Special food services (-6.7%) and Drinking places (alcoholic beverages) (-7.7%).
- In 2018, with the pace of GDP growth at the national level suggesting that the economy is operating at close to full capacity, the Bank of Canada raised the overnight rate by 0.25 percent to 1.75 per cent on October 24, 2018, the highest rate since December 2008. However, the Bank of Canada held the rate at this level in April 2019 citing uncertainty stemming from a sudden and unexpected deceleration in GDP growth in the final quarter of 2018 and global economic growth slowing due to ongoing uncertainty related to trade conflicts. The next rate announcement is May 29, 2019.
- 2019 Q1 Provincial population was up 1% over 2018 Q1 to 1,168,423 on the strength of international in-migration. This can be expected to continue through 2019 with a recovering labour market.
- The Conference Board of Canada forecasts the Provincial economy to post a 1.6 per cent real GDP gain in 2019, following a 0.8 percent increase in 2018.

INDICATOR	MONTH TO MONTH				YEAR TO DATE				
	Apr 2018	Apr 2019	CHANGE	% CHANGE	Apr 2018	Apr 2019	CHANGE	% CHANGE	
Employment	558,300	572,500	14,200	2.5%	559,225	569,400	10,175	1.8%	
Unemployment Rate (%)	7.1	6.1	-1.0	-14.1%	6.4	5.7	-0.7	-10.2%	
Housing Starts Total (Units)	140	104	-36	-25.7%	869	417	-452	-52.0%	
	Mar 2018	Mar 2019	CHANGE	% CHANGE	Mar 2018	Mar 2019	CHANGE	% CHANGE	
Consumer Price Index (2002=100)	136.8	139.2	2.4	1.8%	136.6	138.4	1.7	1.3%	
Building Permits Total (\$000s)	136,491	120,422	-16,069	-11.8%	334,768	292,890	-41,878	-12.5%	
Building Permits Residential (\$000s)	67,761	31,592	-36,169	-53.4%	153,041	113,015	-40,026	-26.2%	
Building Permits Non-Residential (\$000s)	68,730	88,830	20,100	29.2%	181,727	179,875	-1,852	-1.0%	
International trade domestic exports: Total of all merchandise (\$000s)	2,612,034	2,636,276	24,242	0.9%	7,279,635	6,981,450	-298,185	-4.1%	
International trade imports: Total of all merchandise (\$000s)	1,117,586	1,208,946	91,360	8.2%	2,996,689	3,231,377	234,688	7.8%	
Net international merchandise trade (\$000s)	1,494,448	1,427,330	-67,118	-4.5%	4,282,946	3,750,073	-532,873	-12.4%	
	Feb 2018	Feb 2019	CHANGE	% CHANGE	Feb 2018	Feb 2019	CHANGE	% CHANGE	
Retail trade: Total (\$000s)	1,302,525	1,279,874	-22,651	-1.7%	2,687,297	2,626,117	-61,180	-2.3%	
Manufacturing Sales: Total	1,397,131	1,383,267	-13,864	-1.0%	3,004,741	3,065,014	60,273	2.0%	
New motor vehicles sales: Total (units)	3,000	3,211	211	7.0%	6,429	6,401	-28	-0.4%	
Wholesale trade: Total (\$000s)	1,530,790	1,769,092	238,302	15.6%	3,157,391	3,462,721	305,330	9.7%	
Restaurant receipts: Total, food services and drinking places (\$000s)	136,564	138,006	1,442	1.1%	277,853	284,286	6,433	2.3%	
	2018 Q1	2019 Q1	CHANGE	% CHANGE					
Population (persons)	1,156,964	1,168,423	11,459	1.0%	-	-	-	-	
	2018	2019 (forecast)	CHANGE	% CHANGE					
Gross Domestic Product (2007 \$M)	60,978	61,924	946	1.6%	-	-	-	-	

Sources: Statistics Canada Tables 14-10-0017-01, 34-10-0143-01, 14-10-0355-01, 18-10-0004-01, 34-10-0066-01, 17-10-0005-01, 17-10-0008-01, 20-10-0008-01, 16-10-0048-01, 20-10-0001-01, 21-10-0019-01, 12-10-0012-01 and Conference Board of Canada Metropolitan Outlook Winter 2018. Note: All data presented above is raw/not seasonally adjusted.