

ABSTRACT – Average year-to-date employment is up, while 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 vehicles sales in decline. However, an increase in restaurant receipts and a slowing decline in new minivans, sport-utility vehicles, light and heavy trucks, vans and buses sales may bode well for the future. Meanwhile, manufacturing sales and wholesale trade are up while international exports posted a single month decline.

The Saskatchewan economy continues to send mixed signals regarding an impending recovery in the last quarter of 2018 and into the first 3 months of 2019...

- Total average year-to-date employment in Saskatchewan was up 1.6% or 8,833 positions in March 2019 over the same period in 2018.
- Year-to-date employment in March 2019 was up over the same period in 2018 in Agriculture (3500), Utilities (400), Manufacturing (1,733), Finance, insurance, real estate and leasing (2,767), Professional, scientific and technical services (767), Business, building and other support services (1,467), Educational services (2,733), Health care and social assistance (3,633), Accommodation and food services (2,300), and Other services (1,500).
- Year-to-date employment in March 2019 was down in Resource Extraction (-2200), Wholesale and Retail Trade (-5133), Transportation and warehousing (-2967), Information, culture and recreation (-33), and Public administration (-600).
- After a weak performance in 2017, construction employment continued to decline in 2018 and into the first 3 months month of 2019. Year-to-date March construction employment was down by 1,033 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 6.1 % in March 2018, to 5.6% in March 2019. Year-to-date, the average number of unemployed is down from 36,600 in March 2018 to 33,600 in March 2019 with most of these being absorbed into the employed labour force.
- In March 2019, total year-to-date housing starts are down by -416 units or -57.1%. Year-to-date declines were recorded across all sub-categories of starts: singles (-66 units or -28.9%), semi-detached, (-10 units or -38.5%), row (-9 units or 11.7%), and apartment and other types (-331 units or -83.2%).
- February 2019 year-to-date building permits are down -13.0% over the same period in 2018. Sub sectors that posted increases were limited to industrial (131.4%). During the same time period residential (-4.5%), commercial (-25.8%), and institutional and governmental (-75.6%) posted declines.

- January 2019 year-to-date retail trade is down by -3.1% over the same period in 2018. Sub sectors that posted increases were: Building material and garden equipment and supplies dealers (17.0%), Sporting goods, hobby, book and music stores (6.5%), Grocery stores (16.6%), General merchandise stores (1.6%), and All other (9.7%). During the same time period New car dealers (-25.1%), Used car dealers (-0.1%), Gasoline stations (-2.3%), Furniture and home furnishings stores (-8.9%), Electronics and appliance stores (-30.7%), Health and personal care stores (-4.7%), Clothing and clothing accessories stores (-2.5%), and Beer, wine and liquor stores (-0.8%), posted declines.
- January 2019 year-to-date manufacturing sales are up by +4.6% over the same period in 2018. Sub sectors that posted increases were: Food manufacturing sales (23.9%), Fabricated metal product manufacturing sales (51.6%), and All other Manufacturing sales (1.8%). Sub sectors that posted decreases were: Chemical manufacturing sales (-6.8%) and Machinery manufacturing sales (-4.7%).
- January 2019 year to date new motor vehicle sales were down -7.0% from January year to date 2018. New passenger cars sales and New minivans, sport-utility vehicles, light and heavy trucks, vans and buses sales were down -39.8% and -0.04%, respectively.
- Total International merchandise exports were down -9.1% year-to-date January 2019 over January 2018. Sub sectors that posted increases were: Metal ores and non-metallic minerals (55.7%), Metal and non-metallic mineral products (90.1%), Basic and industrial chemical, plastic and rubber products (26.2%), Forestry products and building and packaging materials (12.6%), Industrial machinery, equipment and parts (5.0%), Motor vehicles and parts (28.7%), Aircraft and other transportation equipment and parts (1151.9%), Consumer goods (80.2%), and Special transactions (9.0%). Sub sectors that posted decreases were: Farm, fishing and intermediate food products (-10.7%), Energy products (-50.8%), and Electronic and electrical equipment and parts (-46.9%).
- January 2019 year-to-date wholesale trade was up 4.7% over the same period in 2018. Farm product merchant wholesalers (0.7%), Food, beverage and tobacco merchant wholesalers (5.5%), Agricultural supplies merchant wholesalers (7.3%), Machinery, equipment and supplies merchant wholesalers (3.5%), and All other (8.4%) all posted increases while only Building material and supplies merchant wholesalers (-1.8%) saw a decline.
- January 2019 year-to-date restaurant receipts were up 1.4% over the same period in 2018. Within restaurant receipts, Full-service restaurants (1.5%) and Limited-service eating places (3.6%) increased. At the same time, declines were noted in Special food services (-7.9%), and Drinking places (alcoholic beverages) (-11.8%).
- 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 March 2019 citing uncertainty stemming from a sudden and unexpected deceleration in GDP growth in the final quarter of 2018. The next rate announcement is April 24, 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 an identical 1.6 percent increase in 2018.

INDICATOR	MONTH TO MONTH				YEAR TO DATE				
	Mar 2018	Mar 2019	CHANGE	% CHANGE	Mar 2018	Mar 2019	CHANGE	% CHANGE	
Employment	562,700	572,500	9,800	1.7%	559,533	568,367	8,833	1.6%	↑
Unemployment Rate (%)	6.4	5.1	-1.3	-20.3%	6.1	5.6	-0.5	-8.7%	↑
Housing Starts Total (Units)	103	102	-1	-1.0%	729	313	-416	-57.1%	↓
	Feb 2018	Feb 2019	CHANGE	% CHANGE	Feb 2018	Feb 2019	CHANGE	% CHANGE	
Consumer Price Index (2002=100)	136.7	138.5	1.8	1.3%	136.6	138.0	1.4	1.0%	↑
Building Permits Total (\$000s)	77,959	64,742	-13,217	-17.0%	198,277	172,468	-25,809	-13.0%	↓
Building Permits Residential (\$000s)	40,611	26,940	-13,671	-33.7%	85,280	81,423	-3,857	-4.5%	↓
Building Permits Non-Residential (\$000s)	37,348	37,802	454	1.2%	112,997	91,045	-21,952	-19.4%	↓
	Jan 2018	Jan 2019	CHANGE	% CHANGE	Jan 2018	Jan 2019	CHANGE	% CHANGE	
International trade domestic exports: Total of all merchandise (\$000s)	2,609,823	2,371,143	-238,680	-9.1%	2,609,823	2,371,143	-238,680	-9.1%	↓
International trade imports: Total of all merchandise (\$000s)	997,661	918,890	-78,771	-7.9%	997,661	918,890	-78,771	-7.9%	↑
Net international merchandise trade (\$000s)	1,612,162	1,452,253	11,159	42.7%	1,612,162	1,452,253	-159,909	-9.9%	↓
Retail trade: Total (\$000s)	1,375,646	1,332,952	-42,694	-3.1%	1,375,646	1,332,952	-42,694	-3.1%	↓
Manufacturing Sales: Total	1,607,610	1,680,951	73,341	4.6%	1,607,610	1,680,951	73,341	4.6%	↑
New motor vehicles sales: Total (units)	3,429	3,190	-239	-7.0%	3,429	3,190	-239	-7.0%	↓
Wholesale trade: Total (\$000s)	1,626,601	1,702,989	76,388	4.7%	1,626,601	1,702,989	76,388	4.7%	↑
Restaurant receipts: Total, food services and drinking places (\$000s)	141,289	143,203	1,914	1.4%	141,289	143,203	1,914	1.4%	↑
	2018 Q1	2019 Q1	CHANGE	% CHANGE					
Population (persons) July 1	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.