



► **SK Manufacturing Shipments Rise Again in September**

LATEST FIGURES

Saskatchewan manufacturing shipments rose 1% in September 2016 to \$ 1.24B (seasonally adjusted), their highest monthly level since January 2015. Compared to a year earlier, shipments were up 8.2%. Both August and September saw a big increase in provincial shipment values (see graph), an encouraging trend indicating that hopefully provincial manufacturing volumes are moving back towards record levels observed in 2013 and 2014.

THE INDUSTRY

When people think of manufacturing, they often think of assembly lines or big steel plants. However, in Saskatchewan around 70% of manufactured products are non-durables such as food (e.g. crushing facilities), refined petroleum (e.g. the Co-op refinery and Lloydminster upgrader), chemicals and paper. The other

30% of manufactured products is durables such as farming equipment, fabricated metal (often for use in the oil and gas or mining industries) and wood products.

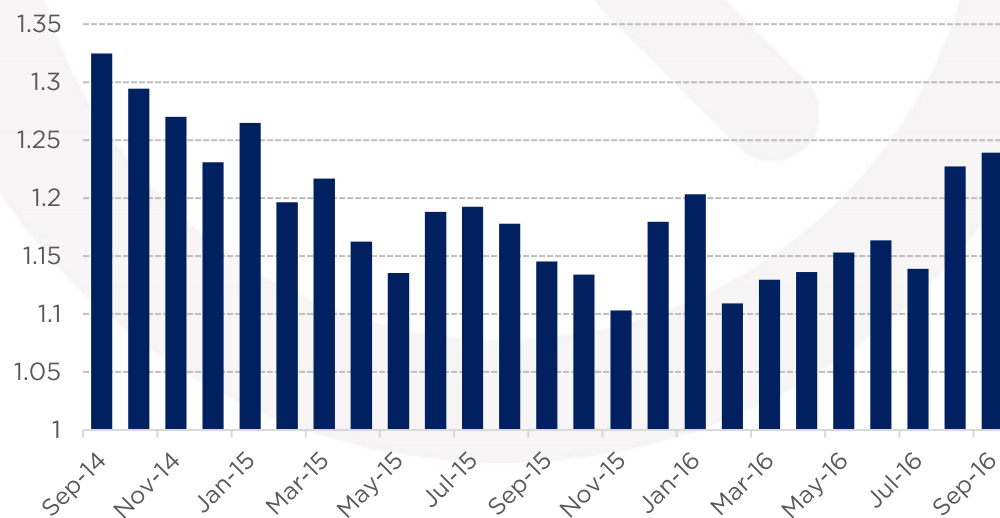
Statistics Canada doesn't release monthly data on Saskatoon Region manufacturing shipments, but many of the same products mentioned above are the same ones manufactured in the Saskatoon Region.

PERSPECTIVE

As an extension of the resource extraction sector Saskatchewan's manufacturing industry encapsulates the "value add" segment that the province has been trying to capture a larger share of. The recent uptick in shipments is encouraging and is an additional sign that the worst of the recent pullback may be in the rear view mirror.

SK MANUFACTURING SHIPMENTS

\$Billions, Seasonally Adjusted



Source: Statistics Canada

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