

SREDA INSIGHTS

► Saskatchewan Wages Notch Higher in June

Back during the boom, wage growth in Saskatchewan was among the strongest in the country. Recently, growth in earnings has cooled down, but as data released yesterday points out, wages in Saskatchewan remain among the highest in the country.

LATEST FIGURES

Average weekly wages in Saskatchewan came in at \$984.80 in June 2016, up ever so slightly (+0.7%) from June 2015. Average weekly earnings data is from Statistics Canada's Survey of Employment, Payrolls and Hours. The weekly earnings figure is reported before all deductions (taxes etc.), includes overtime and only incorporates working individuals into the calculation.

CONTEXT

Across provinces, Saskatchewan's average weekly wage rate is third highest in the country, behind Alberta (\$1,118.86) and Newfoundland and Labrador (\$1027.07).

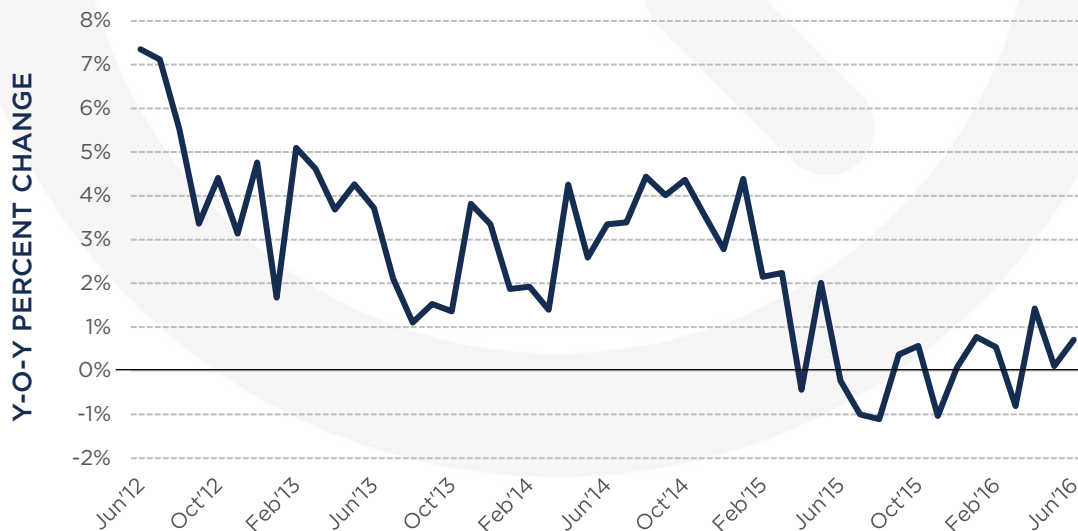
During the period from 2010-2014 inclusive, wage growth in Saskatchewan averaged roughly 4% annually, a rate well ahead of inflation. Wages in Saskatchewan also grew at 4%+ from 2005 up until the global financial crisis hit in mid-2008.

However, since the beginning of 2015 wages in Saskatchewan have basically flat lined in nominal terms (i.e. before inflation). While this can be a hard pill to swallow for workers used to steady annual gains, it can be good news for local employers who are currently paying some of the highest rates for labour in the country.

THE OUTLOOK

Looking ahead it's likely that wage growth in Saskatchewan will remain tepid over the balance of 2016. It is expected to pick up in 2017, averaging closer to 1-3% annually.

SASKATCHEWAN AVERAGE WEEKLY EARNINGS



Source: Statistics Canada

SREDA Insights provides commentary and analysis on key economic issues influencing Saskatoon Region businesses and industry. By providing timely, digestible and relevant economic analysis, SREDA helps local businesses adapt to changing market conditions. SREDA provides SREDA Insights to its members in conjunction with other ongoing initiatives through its Economic Forecasting & Analysis division.