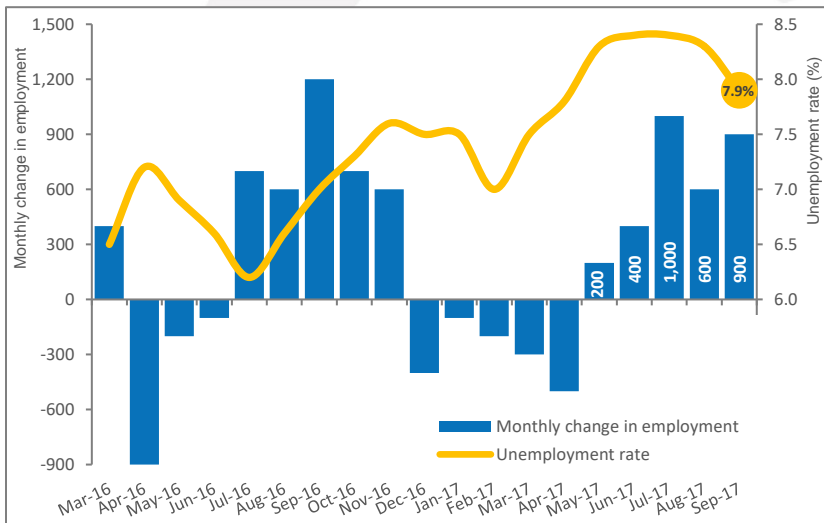


► Saskatoon labour market continues to improve

Saskatoon's labour market appears to be on the mend with the most recent Statistics Canada data showing five conservative months of job gains. The local economy added 900 new positions in September, tallying up to a net of 2,378 jobs since the beginning of the year. Despite a sturdy increase in the number of people joining the labour force, last month's job gain was strong enough to nudge the CMA's unemployment rate down to 7.9%. Compared to a year ago, employment in the region was up 1.7% in September.

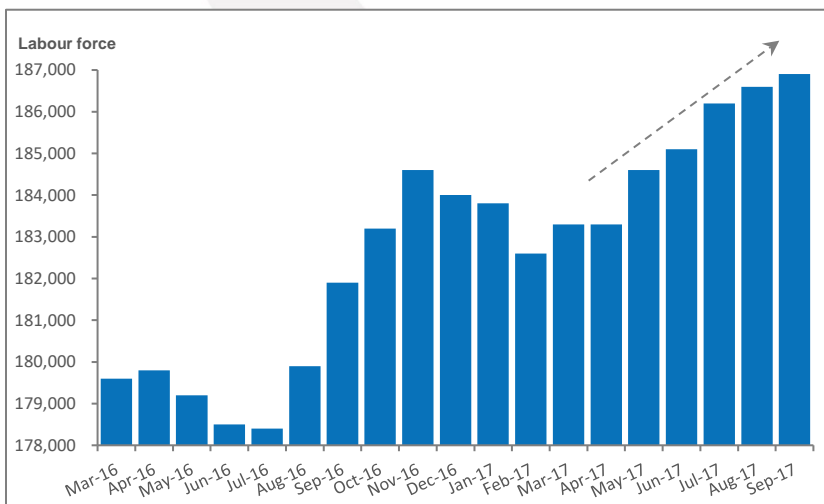
Saskatoon's unemployment rate fell in September...

Three-month moving average (seasonally adjusted)



...despite increase in the labour force

Three-month moving average (seasonally adjusted)



While recent labour market evidence supports our view that the Region's economy is showing signs of strength, the CMA still has a way to go before returning to the boom conditions of low unemployment rate (e.g., 3.6% in July 2014). Currently, Saskatoon CMA has the third highest unemployment rate in Western Canada, behind Edmonton and Calgary (both at 8.5%) and fourth highest nationally.

Outlook

Moving forward, as Saskatchewan's economy gains traction (e.g., exceptionally strong manufacturing shipments in recent months), Saskatoon can expect to benefit from stronger job growth and a lower unemployment rate.

Saskatoon CMA labour market indicators

Three-month moving average (seasonally adjusted)

	2016	YTD 2017	Aug 2017	Sept 2017
Employment	168,342	170,111	171,200	172,100
Job gains/loses	-1,400	+2,378	+600	+900
Y/Y % change	-0.8%	1.4%	1.9%	1.7%
Unemployment rate	6.8%	7.9%	8.3%	7.9%
Participation rate	70.2%	70.5%	70.8%	70.7%

Source: Statistics Canada, Table 282-0135

