



Sask's economy grew 2.9% last year, 5th among the provinces

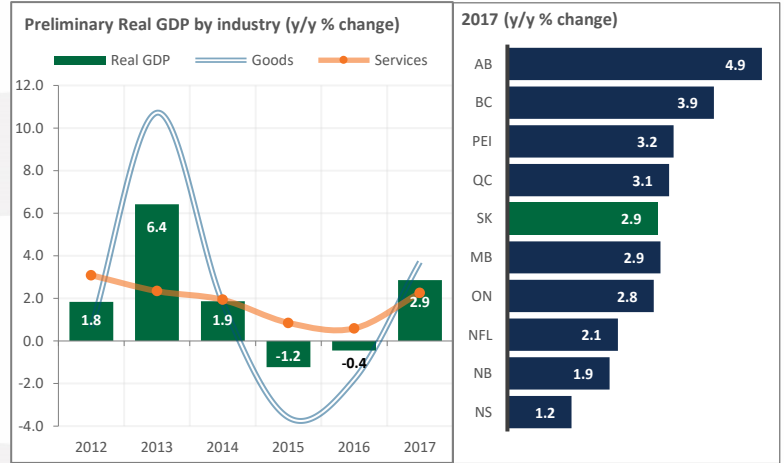
Saskatchewan's economy grew 2.9% in 2017, following a 0.4% decline in 2016. The rebound was powered by the goods-producing sector.

- Mining, quarrying and oil & gas extraction rose 7.8%, offsetting the declines of 2015/2016. Higher oil prices contributed to a 5.6% increase in oil & gas production and a 35.6% rise in support activities while strong export demand, contributed to a 13.1% jump in potash mining.
- Manufacturing output climbed 7.8%, the highest growth rate in more than a decade, as there were significant increases in food, chemicals, metal, machinery and wood products.
- Agricultural output fell 2.0% due to lower output from wheat and other specialty crops.
- Construction was down 3.2%, the third consecutive year of lower activity, due to slowdown in the housing market and completion of major institutional and engineering projects.
- Strong rebound in the goods-producing sector led to gains in wholesale trade (+6.2%) and transportation & warehousing (+4.9%).
- Public administration was up 2.1%, the highest growth rate since 2009.
- Retail trade was up 0.4% after edging up 0.1% in 2016.

Nationally, real GDP by industry rose 3.3% in 2017, the strongest pace of growth since 2011. Alberta (4.9%) posted the highest growth, followed by BC (+3.9%).

From our Q2-2018 Consensus forecast, the Saskatchewan economy is expected to expand 2.0% this year and moderate to 1.9% next year. The near-term growth will be powered by ongoing expansion in export-oriented manufacturing activities, renewed activity in the oil patch, recovery from weather-related weakness in agricultural production, and demand for grains pulses and oilseeds.

SK economy grew 2.9% in 2017; ranks 5th on the leaderboard



Real GDP by industry, 2017

	Annual % change (2016 to 2017)	Industry's share of total GDP
All industries	2.9	\$60.6 Billion
Goods-producing sector	3.7	42.6%
Agriculture, Fishing & Forestry	-2.0	7.3%
Mining and Oil & Gas	7.8	18.2%
Utilities	5.2	2.6%
Construction	-3.2	7.2%
Manufacturing	7.8	7.3%
Service-producing sector	2.3	57.4%
Retail Trade	0.4	4.5%
Wholesale Trade	6.2	5.6%
Transportation & Warehousing	4.9	5.4%
Information & Culture	-0.5	1.7%
Finance & Insurance	2.3	4.0%
Real Estate & Leasing	3.1	10.7%
Professional, Scientific & Technical	2.5	2.6%
Management of Companies	-6.1	0.5%
Administrative, Support & Waste	-2.1	1.3%
Education	1.6	4.9%
Health Care & Social Assistance	1.0	6.5%
Arts, Entertainment & Recreation	0.1	0.6%
Accommodation & Food	-1.0	1.7%
Other Services	1.2	1.7%
Public Administration	2.1	5.9%

Source: Statistics Canada Tables 379-0030 & 379-0028

Note:

The Spring data are preliminary estimates. The Fall release of 2017 provincial real GDP at market prices may indicate slightly lower growth.