



2025 Q3 SASKATOON REGION

Labour Force Analysis

Saskatoon Region Labour Market is Cooling Down

SREDA's Quarterly Labour Force Analysis offers a comprehensive overview of the Saskatoon Region's labour market, providing insights into employment trends, workforce dynamics, and key economic indicators. By leveraging data from Statistics Canada and other trusted sources, this report delivers valuable context on the Region's economic health and trajectory.

Key Takeaways from this Quarter's Report:

Sharp Deceleration in Labour Force Growth and Declining Participation Rate: Labour force growth decelerated sharply, with growth essentially flat, despite moderate growth in the working-age population. The decline was largely driven by reductions in part-time positions, contributing to the lowest participation rate in two years and an increase in the unemployment rate.

Employment Levels Plateauing: Employment levels appear to be plateauing, with year-over-year employment growth falling off from previous gains. Slowing in goods-producing sectors, particularly manufacturing and construction, was partially offset by a strong gain in utilities, agriculture, and mining, while service sector growth remained limited.

Wage Growth Remains Strong with Notable Occupational Drivers: Wage growth remained strong, with average earnings outpacing the standard 2% inflation rate. Gains were strongest in labour-constrained occupations such as natural and applied sciences and manufacturing, while declines occurred in select service sectors.

Analysis

Sharp Deceleration in Labour Force Growth and Participation Rate

Population growth in the Region remained strong into Q3, with the total working-age population reaching approximately 307,200. Year-over-year growth slowed moderately to 3.8%, down from nearly 5% last year, reflecting the effects of changes to the Saskatchewan Immigrant Nominee Program (SINP). Quarterly growth remained positive at 0.87% and is expected to remain positive with recent increases in nominations.

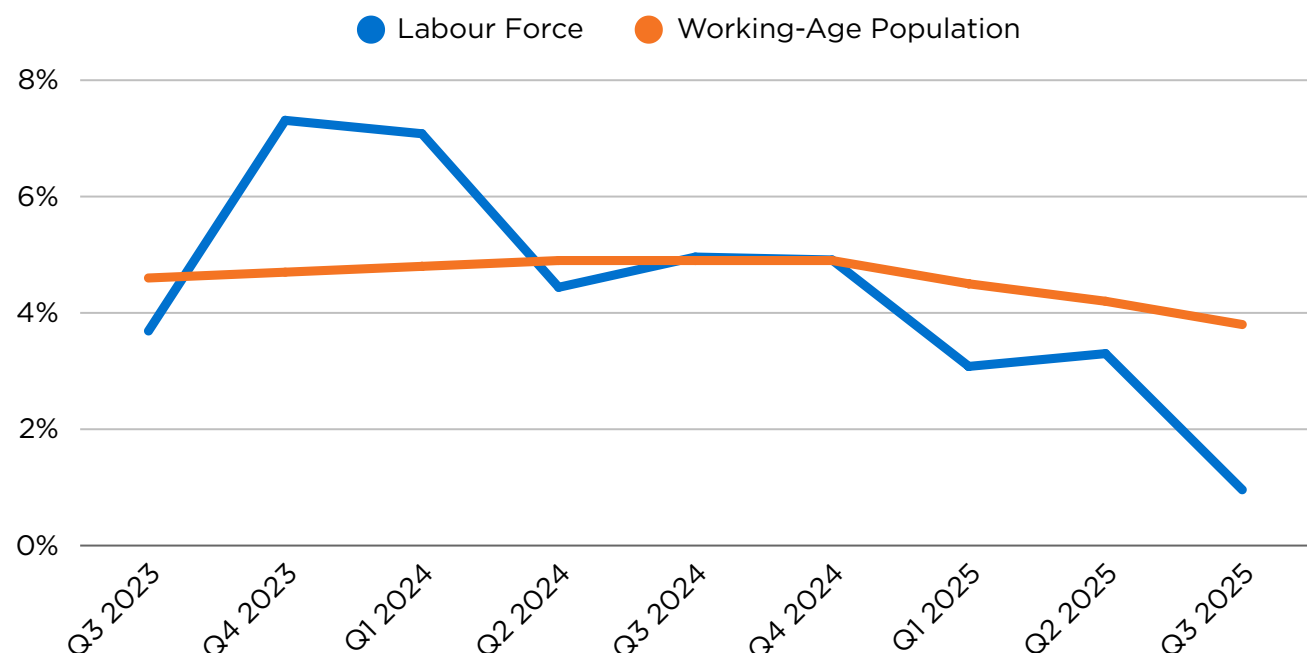
The labour force, however, saw a sharp deceleration in growth this quarter. YoY growth in the labour force stands at just 0.98%, the lowest in two years, and quarterly growth was essentially flat at 0.33%. This divergence between population and labour force growth was primarily driven by a significant decline in part-time positions in Q3.

Unemployment rate edged slightly higher from 4.7% in Q2 to 4.9% in Q3. This remains historically low and maintains its position among the lowest in the country. This modest increase appears to be cyclical as unemployment tends to see upward shifts in the third quarter over the last 5 years.

Participation rates declined to 69.8%, the lowest in almost three years, positioning the Region behind Calgary, as the second-highest participation rate in Canada for a third consecutive quarter. After 3 quarters of declines in participation rate, this shift is a direct indicator of the challenges that the Saskatoon Region's labour market may face in the coming quarters. A declining participation rate, in the context of a growing population, indicates that the economy may face constraints in meeting labour demand, particularly alongside a low unemployment rate. Monitoring these trends will be crucial in the coming year, as slower labour force growth could amplify shortages of skilled labour, particularly in key industries.

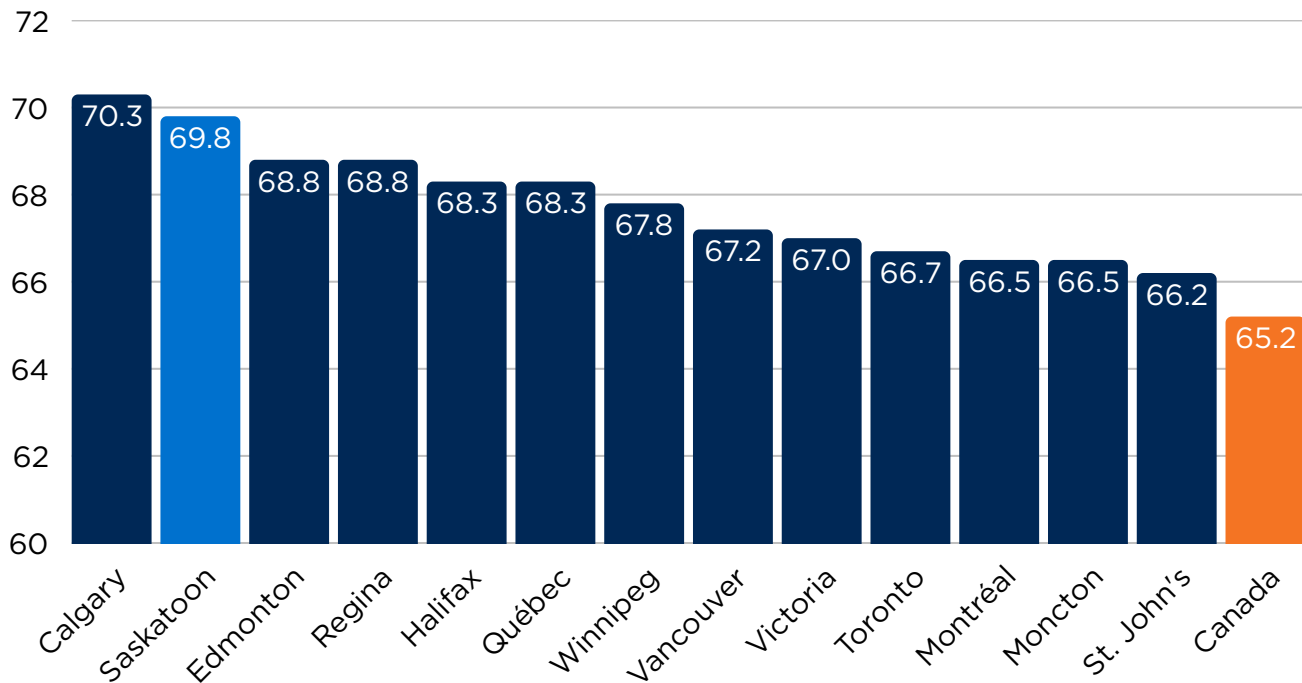
Labour Force and Working-Age Population Growth - Saskatoon CMA

Annual % Change



Source: Statistics Canada

Participation Rate (%) - Saskatoon CMA, Quarterly



Source: Statistics Canada

Employment Levels Plateauing

After average quarterly employment growth of 4.75% since Q3 2023, employment levels in the Region appear to be plateauing in Q3 2025, increasing 1.3% YoY and essentially flat quarterly, up only 0.07%. This growth is almost as low as the post-pandemic valley seen in Q2 2023, following aggressive hiring seen in 2021 and 2022.

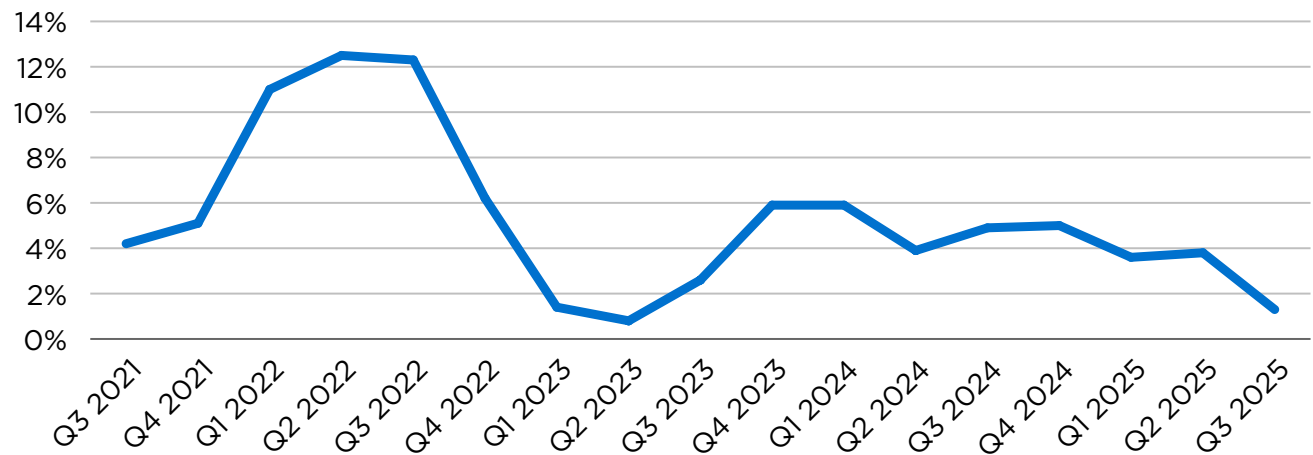
A closer look at sectoral trends highlights the drivers behind this moderation in employment. Goods-producing industries have slowed in YoY growth. Manufacturing employment declined 9% in Q3, and construction stagnated at near-zero growth (0.2%), following several quarters of strong growth. These declines are offset by substantial gains in utilities (73.8%), agriculture (15.8%), and mining and quarrying (24.0%). This growth in utilities employment is likely due to major infrastructure projects in the city, such as construction on the BRT (Link) and the Dundonald Solar Farm project. Agriculture, while still seeing growth, has slowed from previous quarters, reflecting both seasonal factors and potential responses to trade challenges such as Chinese tariffs on Canola. Mineral products continue to see sustained strong demand, thus driving mineral development and employment.

Service-producing industries also saw overall slowing, with growth of only 0.6% across all services. Wholesale and retail trade (-10.1%) and professional, scientific and technical services (-13.5%) experienced sharp declines; whereas public administration (27.8%) and accommodation and food (25.3%) recorded strong gains. Weakness in major industries and growth limited to smaller sectors have resulted in a plateau in service employment growth.

These employment shifts give a clearer picture amidst the complexity of the Region’s current labour market. Slowing in employment growth points to two possibilities: hiring challenges due to a lack of skilled labour, or layoffs and restructuring as a result of geopolitical and trade challenges facing key industries. The deceleration of labour force growth and participation rate indicates that hiring challenges are arising, and the rise in unemployment, despite its cyclical nature, may point to potential layoffs and restructuring.

Employment Growth - Saskatoon CMA

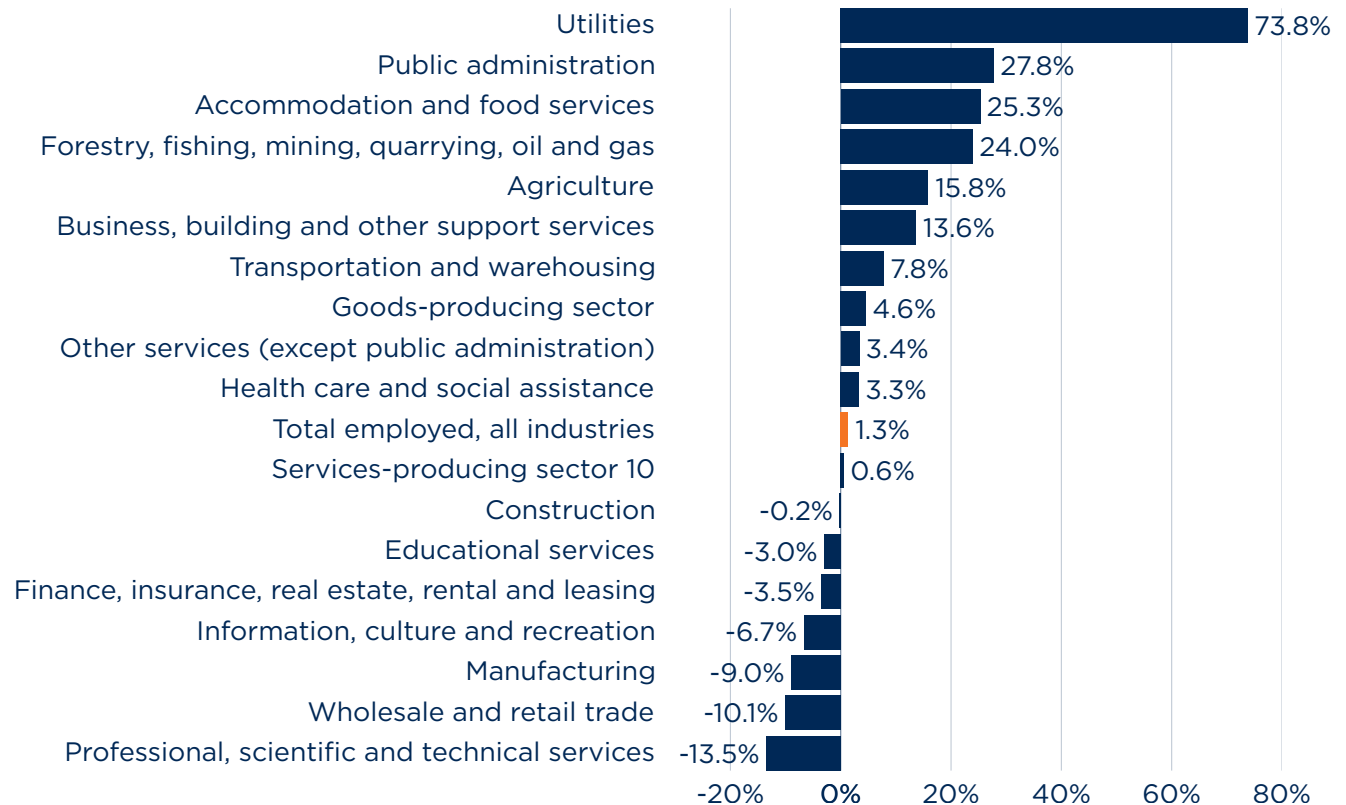
Annual % Change



Source: Statistics Canada

Employment by Industry (Q3 2025)

Annual % Change



Source: Statistics Canada

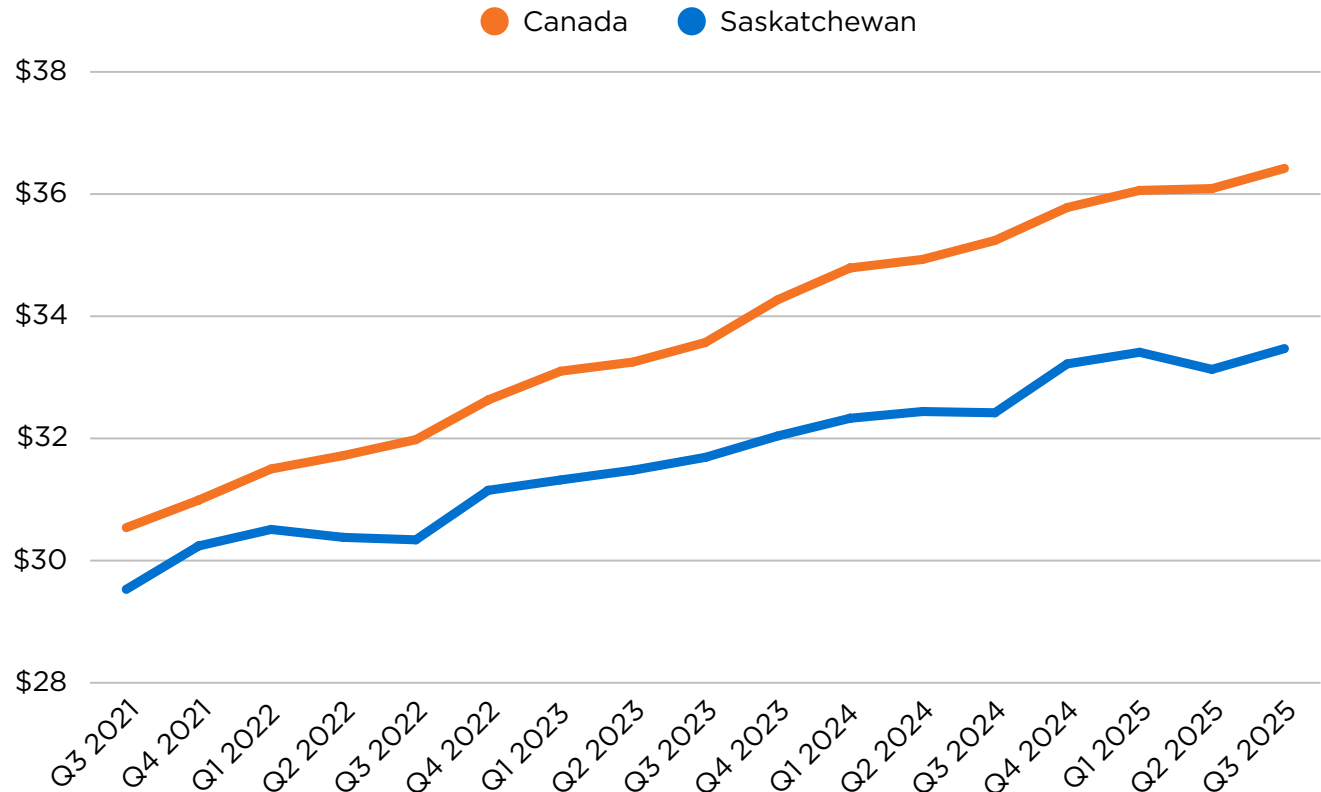
Wage Growth Remains Strong with Notable Occupational Drivers

Wage growth in Saskatchewan remained positive overall, although the pace and distribution of increases and decreases have shifted across occupations, with some seeing more extreme decreases than typical. Total average hourly earnings grew 3.2% YoY in Q3; notably higher than Q3 2024 (2.3%). Quarterly growth was a modest 1.0%, indicating some stabilization after a decline in the second quarter. This overall trend signals continued upward pressure on wages consistent with the national average (3.3%), and a slow widening of the wage gap between Saskatchewan and Canada.

Occupational earnings data highlights wage dynamics. Natural and applied sciences (11.0%) stand out with sustained double-digit YoY growth for the last 3 quarters, reflecting strong demand for technical talent. Manufacturing and utilities (7.2%) continued to see significant increases, marking 6 consecutive quarters of YoY wage growth. This is likely due to part-time and entry-level positions being the larger component of the recent reductions in employment in manufacturing industries. Natural resources and agriculture-related occupations also saw significant wage increases (5.7%).

Management occupations (-4.8%) experienced YoY declines in Q3, potentially signaling sector challenges compared to 2024. Health occupations (-2.8%) also fell slightly after rapid growth in late 2024. Other service-related wages were mixed: sales and service (4.0%) continued rising, while arts, culture, recreation, and sport (-4.7%) returned to more typical wage levels, after a period of strong growth. Overall, wage growth remains highly sector-specific, with strong gains in labour-constrained sectors and declines where activity is weaker.

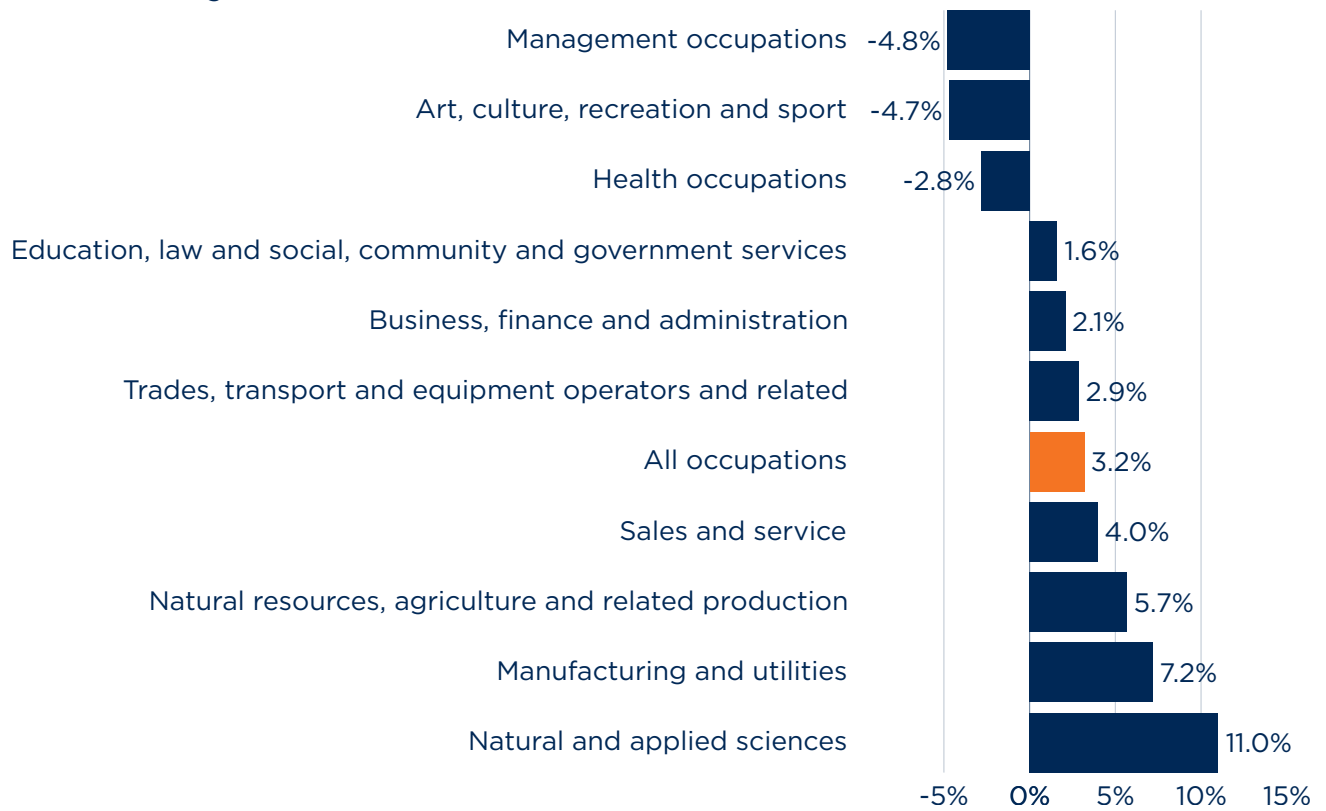
Average Hourly Wage Rates, All Occupations (Q3 2025)



Source: Statistics Canada

Average Hourly Wage Rates by Occupation - Saskatchewan (Q3 2025)

Annual % Change



Source: Statistics Canada

Recent Developments

Government of Saskatchewan Invests in Training Electricians

In July, the Government of Saskatchewan announced a \$560,000 investment to support union-led apprenticeship training for construction electricians and powerline technicians, in partnership with the International Brotherhood of Electrical Workers (IBEW). This funding aims to enhance the province's skilled trades workforce, aligning with efforts to bolster energy infrastructure and security.

Increasing Nominations

In August, Immigration, Refugees and Citizenship Canada approved an additional 1,136 new nominations for 2025, bringing the province's total allocation under the Saskatchewan Immigrant Nominee Program (SINP) from 3,625 to 4,761. Up to 25% of the new nominations will go toward jobs in Trucking, Accommodations, Food Services, and Retail Trade.

Changes to the Saskatchewan Immigrant Nominee Program

Starting October 1, 2025, all newly issued Job Approval Letters (JALs) will have a standardized validity period of 60 days. Additionally, the 25% cap on nominations in sectors such as Accommodations & Food Service, Retail Trade, and Trucking was noted as being met, and new nominations in those sectors may be delayed until the cap status changes.

Saskatchewan Polytechnic's Skilled Trades & Technology Building

The project is currently in the procurement phase, with the successful team expected to be selected in November. Construction is scheduled to begin in early 2026 and finish in 2029. The initiative will support the development of a skilled trades workforce, including mechanics, electricians, welders, plumbers, and other trades.

The Saskatchewan Employment Act

Amendments announced earlier this year will come into effect on January 1, 2026.

Canada Needs Half a Million Skilled Trade Workers

A Deloitte report released in October 2025 projects that Canada will need to mobilize roughly half a million additional skilled trades workers by 2030 to meet housing, public infrastructure, and private investment goals. This estimate does not include retirements, which could push total demand to over 800,000 workers.

Glossary

Labour Force is the number of persons 15 years of age and over who, during the reference week, were employed or unemployed.

Employment is the number of persons who, during the reference week, worked for pay or profit (full-time or part-time), or had a job but were not at work due to own illness or disability, personal or family responsibilities, labour disputes, vacation, or other reasons. Includes persons who performed unpaid family work, such as farm or business, so long as economic contributions are being made.

Unemployment Rate is the number of persons who are not working, but are actively looking for, and available to work; expressed as a percentage of the labour force. Unemployment excludes individuals who are not seeking work, such as retirees, full-time students, stay-at-home caregivers, and discouraged workers.

Discouraged Workers are persons of legal employment age who are not actively seeking employment or who have not found employment after long-term unemployment, but who would prefer to be working.

Participation Rate is the number of labour force participants expressed as a percentage of the population 15 years of age and over.