

Economic Profile Series: Prince Albert, Saskatchewan

Spring 2019

This series looks at 20 communities across Canada and highlights key labour market statistics and the role that immigration has played, or could play, to help these communities flourish. It is important to note that predicting future labour market demand can be challenging, as economies are always evolving. This profile uses current population and labour market trends to give a profile of how immigration might play a role in this community.

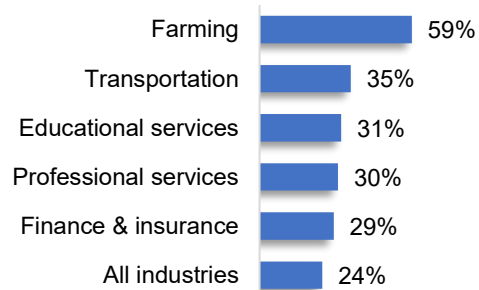
Ensuring Prince Albert maintains a prosperous economy: the role of immigration

The looming workforce challenge

The 2016 Census reported that nearly 1 in 4 people in the Prince Albert workforce¹ was over the age of 55². Nearly 60% of everyone employed in the farming sector was over 55, as were 35% of workers in the transportation sector. More than 3 out of 10 people employed in the education and professional services sectors were closing in on retirement (Figure 1).

There are not enough young people coming through the local education system to meet the demand of the current labour market, let alone provide the workforce for future economic growth.

Figure 1: Share of the Prince Albert workforce¹ over the age of 55—selected industries



Source: Statistics Canada 2016 Census.

Prince Albert: an important urban economy serving a wide catchment area

Prince Albert is the third-largest city in Saskatchewan and known as the “Gateway to the North” as it is the main urban centre serving the resources-rich northern region of the province. This role as a services centre for a wider catchment area is reflected in the makeup of the workforce. The community has above-average employment in retail trade, educational services, health care and public administration (Table 1).

The Prince Albert urban area (population 44,000) also services natural resources sectors. It is home to over 600 workers in the mining sector, or 4 times as many employed people as a share of the workforce compared to the country overall. There are also higher concentrations of workers in farming as well as forestry and logging. The region is an important tourist destination anchored by Prince Albert National Park. As a share of the labour market, there are 79% more workers in the accommodation services sector compared to Canada overall—an indication of just how important tourism is to the economy.

¹ The Prince Albert census agglomeration area includes the city of Prince Albert and several surrounding communities.

² Except where noted, all statistics in this briefing are taken from Statistics Canada’s 2016 Census.

Table 1: Prince Albert’s dominant industries: employment share compared to the national economy*

 Farming—38% more	 Hospitals—49% more
 Forestry and logging—91% more	 Nursing and residential care—55% more
 Mining and quarrying—4 times more	 Accommodation services—79% more
 Retail trade—26% more	 Public administration—97% more
 Educational services—25% more	

*For example, adjusted for size, Prince Albert has nearly twice as many people employed in forestry and logging (91% more) compared to the national economy. Source: Statistics Canada, 2016 Census.

The aging workforce: a risk for the economy

With a median age of 36.4, Prince Albert is home to a relatively young population, but there are still nearly 6,000 people in the workforce over the age of 55 who could retire in the next decade or so. Further, after growing slowly and steadily for a number of years, the Prince Albert workforce has stopped expanding. It peaked in 2010 at 23,500 and has remained steady ever since.

As an indication of the growing number of retirees, the amount of adults not participating in the workforce has risen by 18% between 2010 and 2018 (Table 2). Between 2008 and 2016, the number of people living in Prince Albert earning Canada Pension Plan income increased by 23%.

Table 2: Changing labour market indicators: Prince Albert census agglomeration

	2010	2018	Change
Workforce	23,500	23,000	-2%
Employment	21,700	20,800	-4%
Not in labour force	9,500	11,200	+18%
Unemployment rate	7.7%	9.6%	

Source: Statistics Canada, Table 14-10-0002-01.

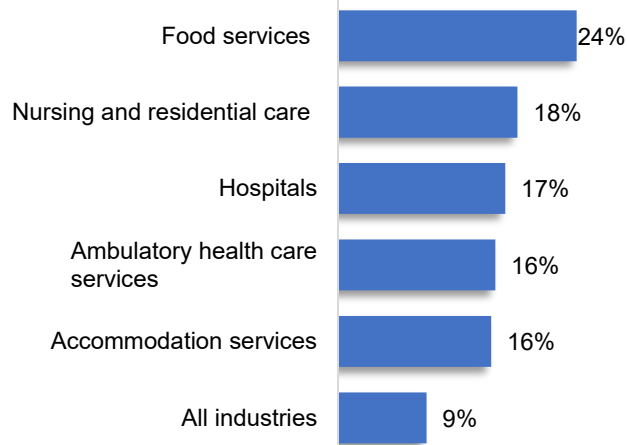
Immigration has already benefitted the region

Saskatchewan has seen a significant rise in the number of immigrants in recent years to support a rapidly growing economy. There were more than 60,000 people living in the province in 2016 that lived in another country in 2011.

The Prince Albert region has benefitted from this boost in immigration. According to Statistics Canada, there were nearly 1,500 immigrants living in Prince Albert in 2016 who settled in Canada between 2011 and 2016.

As shown in Figure 2, these immigrants are playing an important role working in strategically important sectors such as health care and tourism.

Figure 2: Immigrant workers as a share of the total—selected industries in Prince Albert



*Includes immigrants and non-permanent residents. Source: Statistics Canada, 2016 Census.

Nearly 1 in 4 workers in the food services sector in Prince Albert is an immigrant and 18% of those working in nursing and residential care facilities were not born in Canada.

What happens if there are not enough workers in the future?

Predicting future labour market demand is not easy, but it is clear the community would like to continue to grow. The Prince Albert Regional Economic Development Alliance released its [Regional Economic Development Framework](#) in 2018. The vision established by the Alliance is “long-term, shared economic prosperity across the region”, which will be attained by attracting new industry, supporting local business expansion and focusing on growing tourism activity.

What industries might be at risk if there are not enough workers? The very important services economy is labour-intensive. Health care, retail trade, education and public administration all rely on having an available workforce. The area’s natural resource industries also require a skilled workforce, and tourism, which has been singled out by the Prince Albert Regional Economic Development Alliance for its importance, is very labour-intensive. If the workforce continues to tighten, many of these strategically important industries will struggle to find workers, and some of this economic activity could move to other communities that have a stronger talent pipeline.

Prince Albert’s aging entrepreneurs

Another challenge is the aging of the community’s entrepreneurs and small business owners. Across all industries, nearly half (48%) of persons who identify as being self-employed are over the age of 55. In total, there are nearly 800 business owners in Prince Albert who will be heading into retirement in the near future. In the professional services sector, 58% are over the age of 55. Based on these statistics, Prince Albert could benefit from a new generation of entrepreneurs to replace those who retire and to help drive growth in important industries such as professional services and tourism.

Critical to sustained economic growth: ensuring there is a talent pipeline

The good news is that Prince Albert has a proven ability to attract people to the community. In 2016, more than 6,800 people living in the Prince Albert urban area did not live there in 2011 (over 17% of the population aged 5 and older). There are a number of ways the community can expand the number of available workers in the years ahead:

- **Encourage more people to join the workforce**

The tightening labour market creates employment opportunities for people who previously struggled to participate in the labour market, such as women re-entering the workforce or those with disabilities. Additionally, in 2016, the Prince Albert region was comprised of 40% Indigenous people, of which 54% were First Nations and 45% Métis³; this group provides an additional potential source for talent for the workforce. Persons aged 55 and older who are not in the labour market could also be enticed back in by being offered flexible work and other benefits.

- **Attract more students to the region**

For its size, Prince Albert has a large post-secondary education sector with 2 Saskatchewan Polytechnic campuses and a campus of the University of Saskatchewan. However, comparing the upcoming talent pipeline relative to those soon to exit the workforce, the community has fewer young people in school compared to the average across Canada. In 2016, there were 67 young people aged 15 to 24 in school for every 100 workers aged 55 and older. As shown in Figure 3, when

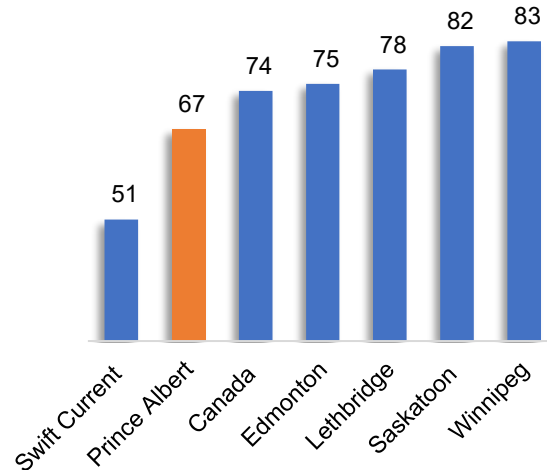
³ Statistics Canada, 2016 Census of Population

compared to a number of other urban areas in western Canada, Prince Albert has a lower ratio of students to older workers. Efforts to boost the student population further will strengthen the talent pipeline in the years ahead.

- **Attract people from outside the region**

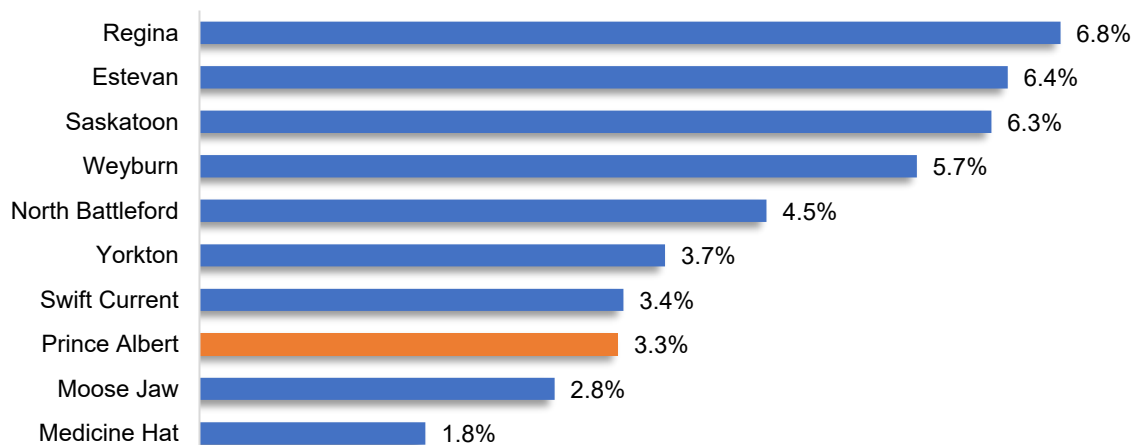
There is no doubt that the biggest opportunity involves the attraction of young people and families to Prince Albert. Across Canada, since 2013, all net growth in the labour market has come from immigrants⁴. There is a direct correlation between immigrant attraction and workforce growth. The urban centres with the highest immigration rates have, by far, the fastest labour market growth. Prince Albert has a moderate immigration rate when compared to other urban centres in western Canada, but one of the lower rates in Saskatchewan (Figure 4).

Figure 3: High school and post-secondary school population* per 100 in the workforce aged 55+



*Aged 15–24.
Source: Statistics Canada, 2016 Census.

Figure 4: Recent immigration rate (as a share the total population)—immigrants arriving in Canada between 2011 and 2016



Source: Statistics Canada, 2016 Census.

Immigration: boosting the Prince Albert talent pipeline

Why is a focus on attracting people to Prince Albert important? Along with other efforts to boost the workforce, increasing the number of immigrants settling in Prince Albert would be a strategic move to ensure the talent pipeline is large and strong enough to meet local industry demands and provide a source of new entrepreneurs. These immigrants could come as students, workers and business owners who would fill important roles in the economy and boost demand for local goods and services.

⁴ The number of people born in Canada exiting the workforce is greater than the number of people born in Canada joining each year.

Helping to grow local economy

Attracting more immigrants in the coming years would create new demand for local products and services. Every 100 new immigrant families with an average household income directly generate over \$8 million worth of new household expenditures – much of this spending in the local community⁴.

Statistics show that these 100 immigrant families would spend:

- \$1.5 million per year on housing costs such as mortgage payments, electricity, and property taxes;
- \$1.3 million each year on transportation costs such as vehicle purchases and maintenance; and
- \$800,000 on food expenditures at local grocery stores and restaurants.

These 100 new families would also generate approximately \$2.2 million worth of taxes per year for local, provincial and federal governments.

Other positive effects

Attracting more immigrants to Prince Albert would help support a vibrant economic and social life in many other ways. Civic, and business groups would have a growing pool from which to draw members. Youth sports clubs and leagues around the region would benefit from an increasing population of young residents.

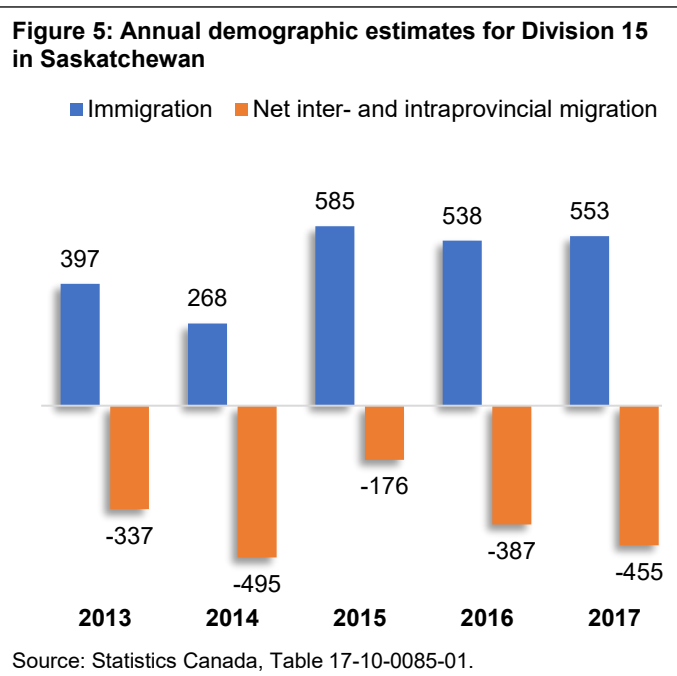
Retaining and integrating newcomers

The annual data on population flow is only available at the Census Division level. For Division 15 in Saskatchewan, of which Prince Albert is the main population centre, there has been growth in immigration but also in net outward migration (interprovincial and intraprovincial migration combined).

The community needs to focus on retaining those who move to the community. It is important that newcomers are welcomed into our social life and quickly develop that strong sense of Canadian identity and social cohesion. The [YWCA Community Connection Centre](#) and the [Prince Albert Multicultural Council](#) are important assets in the region, providing support services to newcomers in the community.

Older residents play an important role in the community

Residents of all ages contribute to the well-being of their communities and their province by working, paying taxes and giving back through volunteer and charitable activities. As residents of Prince Albert retire and move into a new stage in their lives, it creates new economic opportunities in the health care, personal services and recreation industries.



⁴ Assumes the new household spending conforms to the current spending pattern in Saskatchewan.

But these should not be considered a replacement for the Prince Albert region's important export-oriented industries such as forestry, mining and tourism. In the years ahead, the community can and should benefit from the economic opportunities arising from more retirees as well as from the opportunities that arise from attracting and growing the younger workforce.

Prince Albert in 2035

What will Prince Albert look like in 2035? Will the region continue to be a thriving urban centre serving central and northern Saskatchewan? Will the workforce be there to ensure the region can take advantage of new opportunities? By considering immigration, Prince Albert may be better positioned to achieve its vision laid out in the Prince Albert Regional Economic Development Alliance's Economic Development Framework.

In the years ahead, central and northern Saskatchewan are poised to make important contributions to the provincial economy through its natural resources sectors, tourism and other industries. Immigration may be the key to ensuring the region can play this important economic role.

For more information on how immigration matters across Canada, visit Canada.ca/Immigration-Matters.