



Overview of the Saskatchewan Manufacturing Industry

Saskatchewan Mining Supply Chain Forum - April 14, 2010

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Manufacturing Matters!

One of largest business sectors in Saskatchewan

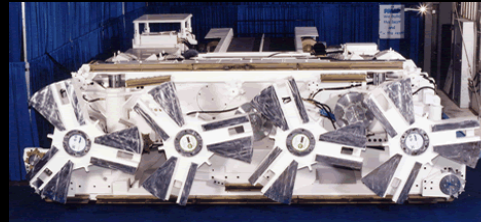
- Manufacturing was 7.6% of Saskatchewan GDP in 2008:
- Mining and Petroleum (14.0%)
- Ag and Forestry (11.2 %)
- Construction (6.3%)

- Every 1\$ of manufacturing output generates \$3.25 in total economic activity – largest economic multiplier
- Wages approximately 20% higher than provincial average

Saskatchewan Manufacturing is Diverse!



Food and Beverage Processing



Fabricated Metal and Machinery



Wood Products

Computer and Electronic and Electrical Equipment



Transportation Equipment

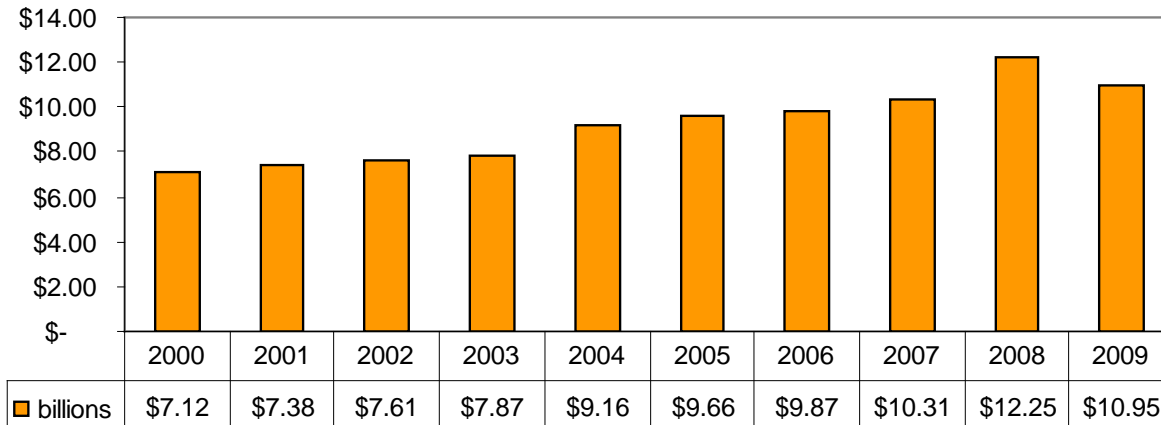


Plastics



Shipments- long term growth!

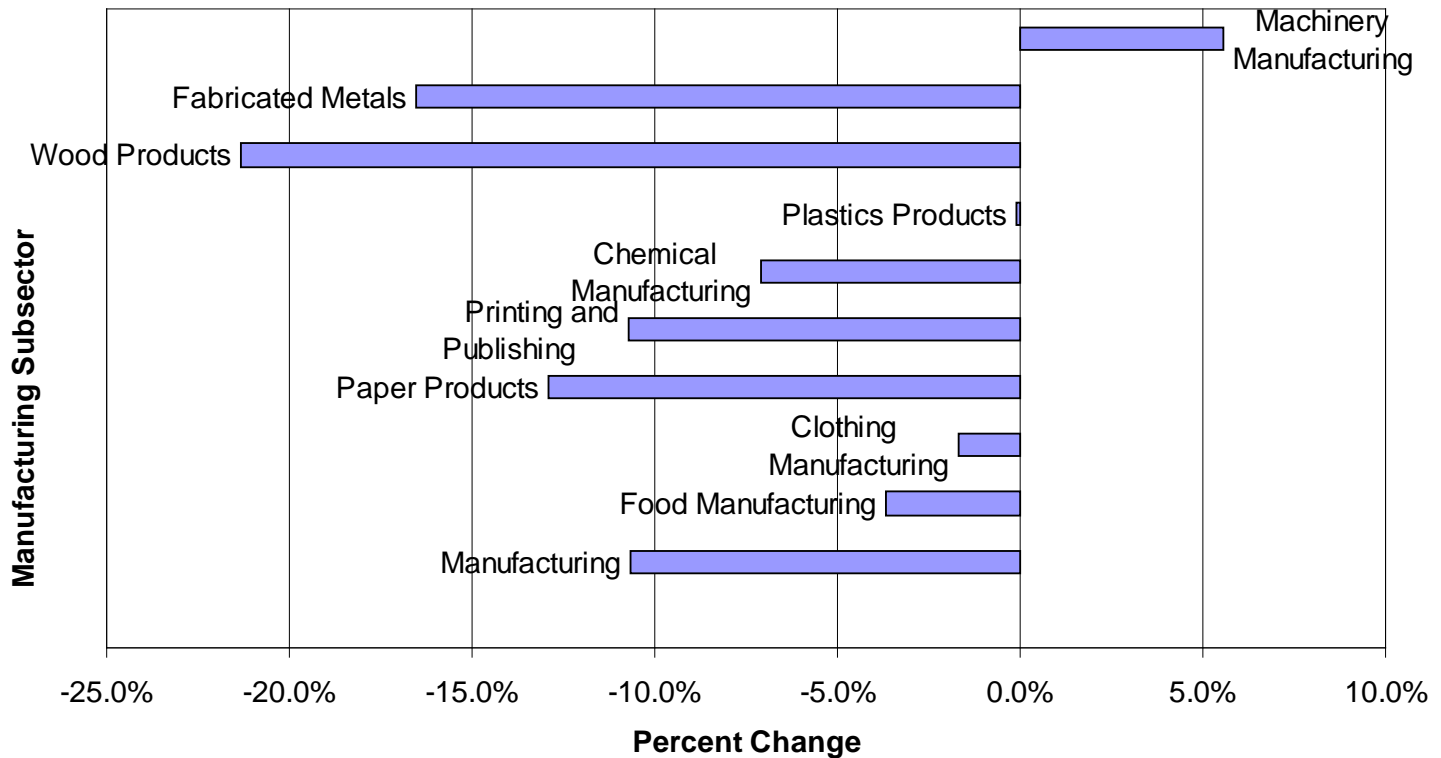
**Saskatchewan Manufacturing Shipments in billion \$
2000 to 2009**



- Steady increase over last ten years
- 2008 shipments highest ever at \$12.3 billion
- 2009 shipments \$11 billion
- 2009 numbers down by 10.6% from 2008
- Still increasing trend over time

Shipments – recent changes

Percent Change in Shipments (2008 to 2009)



Shipments – slowing slightly

More recently ...

First month of 2010

Saskatchewan shipments totaled \$ 937 million down 0.6% over the same time period last year.

Saskatchewan ranked 8th with overall shipments increasing 8.6% nationally.

Among the western provinces, manufacturing shipments decreased in Manitoba (-9.4%), but increased in Alberta (+0.2%), and B.C. (+2.5%).

Still seeing increases in:

- Paper products
- Wood products
- Other



Manufacturers - are exporters!

- Out of country exports are 35% of goods manufactured
- Saskatchewan's manufacturing exports in 2009 were \$3.86 billion
- Decrease of 13.3% from the 2008 level of \$4.45 billion

Key exports in:

- Chemical \$1.2 billion
- Food - \$.9 billion
- Machinery - \$.65 billion
- Primary Metals - \$.37 billion

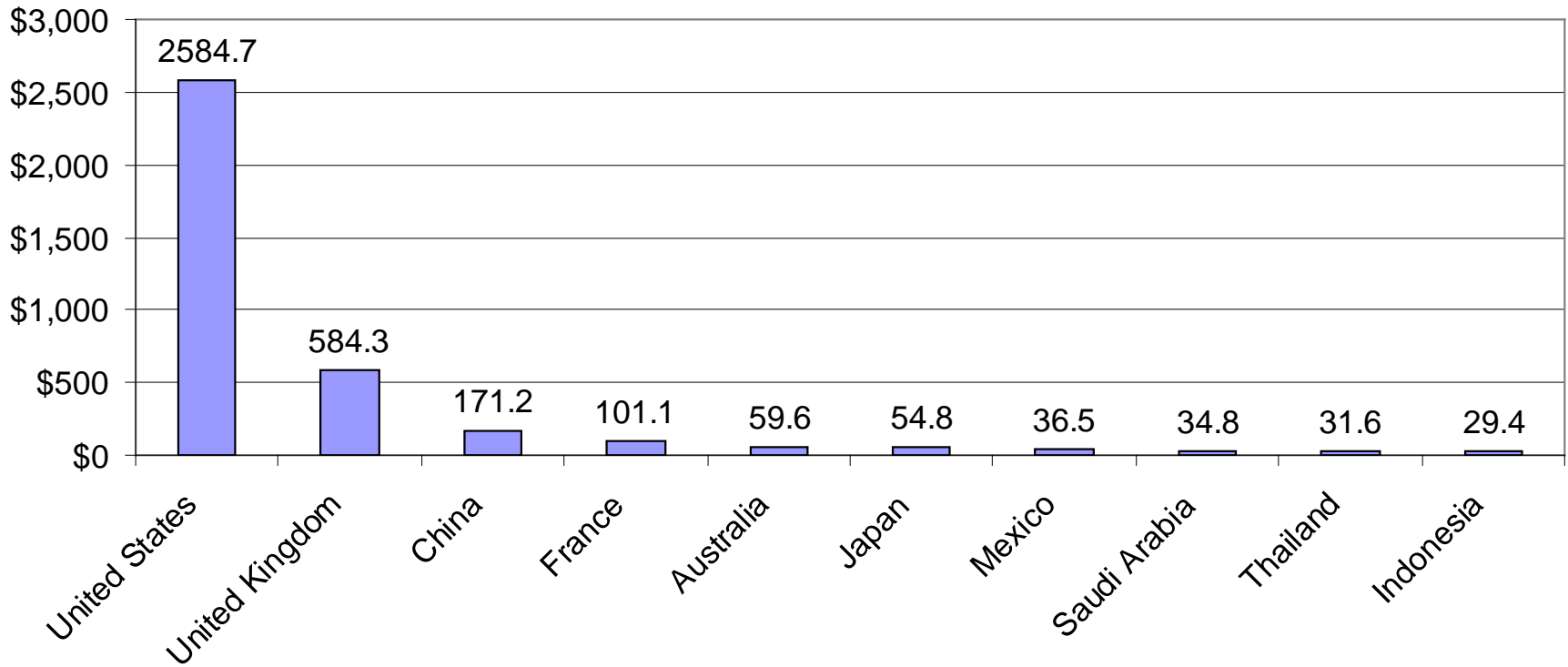
Increases in 2009:

- Machinery (4.5%)
- Electrical equipment (6.5%)



Manufacturers are Exporters!

Saskatchewan Top 10 Exports 2009 in Million \$



Small but Mighty!

- Industry characterize by small to medium sized companies.

Total Manufacturers: 1866

Small (1 to 49 employees) – 1047

Medium(100 to 499 employees) – 116

Large – (500 plus employees) – 5

*Close to 700 manufactures don't issue T4's.



People working in manufacturing...

- 28,500 manufacturing jobs in Saskatchewan in 2009 an annual average of 2,400 less than 2008 numbers (7.8% drop)
- February numbers are at the 28,500 level.
- In January 2010 approximately 1,450 manufacturing employees were on job share.



Manufacturers are innovative!

Survey of Advance Technology 2007 Preliminary results

- Looking at technological capabilities of manufacturing businesses
- Technologies related to: design/engineering, processing, fabrication and assembly, communications, automated material handling, integration and control

	Business units using advanced technologies	Of these, using at least 5 advanced technologies
Canada	92.2	74.7
Saskatchewan	93.4	73.3
Alberta	91.3	74.4
Ontario	93.8	77.9
Quebec	92.0	75.4

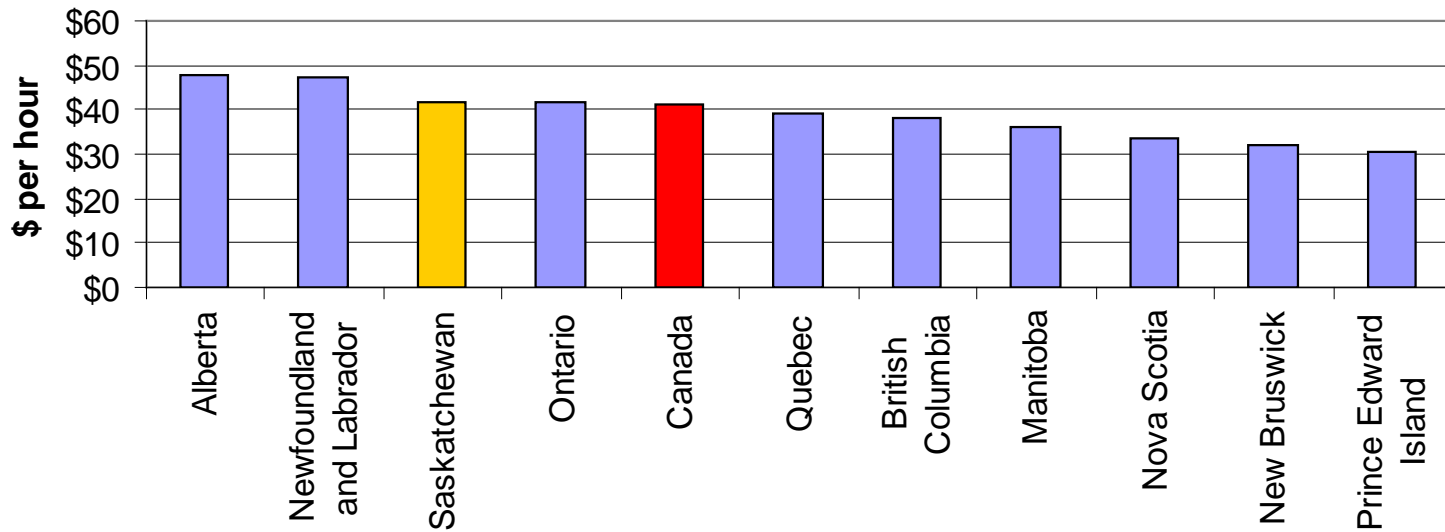
Statistics Canada, Survey of Advanced Technology 2007



Manufactures are productive!

- Saskatchewan third highest manufacturing productivity in Canada

2008 Manufacturing Productivity (GDP per hour worked)



Saskatchewan manufacturing industry is:

- Diverse Industry – variety of products, individual companies manufacturing products for diverse industries/customers.
- Home grown, smaller companies that have grown with ingenuity and flexibility.
- Growing with increase global opportunities
- Export focused – global marketers.
- Productive and Innovative in adopting technology.
- Poised for continued growth.



Questions?

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