



Labour Market Bulletin

Manitoba

June 2016



This Labour Market Bulletin provides an analysis of Labour Force Survey results for the province of Manitoba, including the regions of Winnipeg, Northern Manitoba and Southern Manitoba.

OVERVIEW

Employment

Employment in Manitoba was up in the second quarter of 2016, with 3,200 more people working compared to the previous quarter. This is a positive sign considering employment is still down compared to the same quarter last year (- 1,100).

Quarterly gains were exclusively in full-time employment (+4,800), while part-time employment was down (-1,600). Compared to the same time last year, full-time employment increased by 300, while part-time employment decreased by -1,500.

Public sector employment fell by 800 in the second quarter, undercutting some of the significant gains made in the private sector. After a full year of quarterly employment losses in 2016, the private sector expanded in the first two quarters this year, first by 2,200 in the first quarter and now by 3,500 in the second quarter. However, private sector employment remained lower in the second quarter of 2016 compared to the same period last year (-1,700). Meanwhile, the number of self-employed individuals in Manitoba increased by 500 in the second quarter.

Unemployment

The number of people unemployed in Manitoba stayed relatively the same in the second quarter of 2016 (+100). Accordingly, the province's unemployment rate barely fluctuated, going from 6.1% to 6.0%. Despite the small drop in the unemployment rate, Manitoba no longer has the lowest unemployment rate in the country as BC's rate dropped seven percentage points between the first and second quarters. Looking ahead, the Conference Board of Canada expects Manitoba's unemployment rate to drop to 5.4% in 2017.¹

Youth unemployment remained high this quarter, with the rate for those aged 15 to 24 averaging 12.7%—more than double the 4.8% rate for those aged 25 years and older. Compared to a year ago, the youth unemployment rate is up a full percentage point.

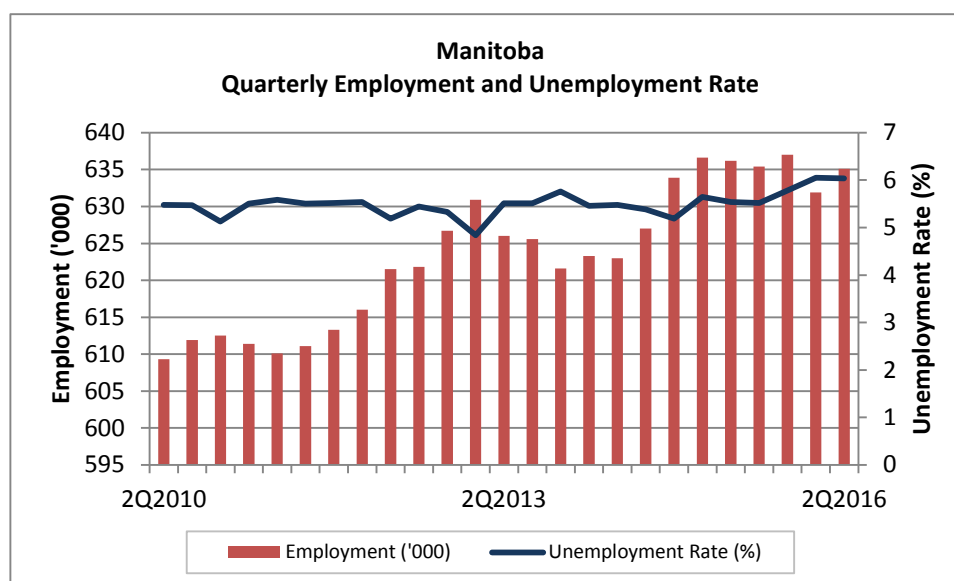
Looking at trends by gender, the unemployment rate was the highest among young men at 14.0% after rising 0.3 percentage points over the quarter. Unemployment among young women is currently 11.3%, more than twice the rate of women over the age of 25.

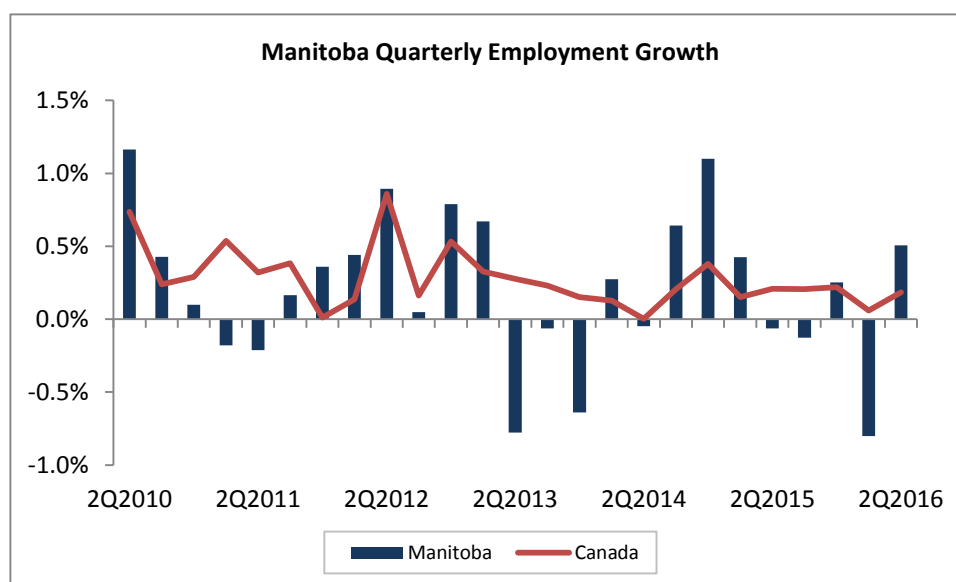
Manitoba Quarterly Labour Force Statistics

Seasonally Adjusted Data	2nd Quarter 2016	1st Quarter 2016	2nd Quarter 2015	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	997.4	994.0	985.7	3.4	0.3	11.7	1.2
Labour Force ('000)	675.9	672.5	673.6	3.4	0.5	2.3	0.3
Employment ('000)	635.1	631.9	636.2	3.2	0.5	-1.1	-0.2
Full-Time ('000)	515.2	510.4	514.9	4.8	0.9	0.3	0.1
Part-Time ('000)	119.9	121.5	121.4	-1.6	-1.3	-1.5	-1.2
Unemployment ('000)	40.8	40.7	37.3	0.1	0.2	3.5	9.4
Unemployment Rate (%)	6.0	6.1	5.5	0.0	-	0.5	-
Participation Rate (%)	67.8	67.7	68.3	0.1	-	-0.6	-
Employment Rate (%)	63.7	63.6	64.5	0.1	-	-0.9	-

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0087





Manitoba Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	2nd Quarter 2016 (%)	1st Quarter 2016 (%)	2nd Quarter 2015 (%)	Quarterly Variation	Yearly Variation
				(% points)	(% points)
Total	6.0	6.1	5.5	0.0	0.5
25 years and over	4.8	4.8	4.4	-0.1	0.4
Men - 25 years and over	5.1	5.2	4.2	-0.1	0.9
Women - 25 years and over	4.3	4.4	4.5	-0.1	-0.2
15 to 24 years	12.7	12.5	11.7	0.2	1.0
Men - 15 to 24 years	14.0	13.7	12.9	0.2	1.0
Women - 15 to 24 years	11.3	11.1	10.4	0.2	0.9

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0087

Manitoba - Labour Market Indicators for Indigenous People

3-month moving averages Seasonally unadjusted data	Indigenous		Yearly variation (Indigenous)		Non-Indigenous		Yearly variation (non-Indigenous)	
	Q2 2016	Q2 2015	Number	%	Q2 2016	Q2 2015	Number	%
Population 15 + ('000)	113.3	109.8	3.5	3.2	884.1	875.9	8.2	0.9
Labour Force ('000)	73.9	71.4	2.5	3.5	605.8	605.0	0.8	0.1
Employment ('000)	64.5	62.9	1.6	2.5	574.9	576.8	-1.9	-0.3
Full-Time ('000)	52.4	50.7	1.7	3.4	466.3	468.2	-1.9	-0.4
Part-Time ('000)	12.2	12.1	0.1	0.8	108.6	108.6	0.0	0.0
Unemployment ('000)	9.3	8.6	0.7	8.1	30.8	28.2	2.6	9.2
Unemployment Rate (%)	12.6	12.0	0.6	-	5.1	4.7	0.4	-
Participation Rate (%)	65.2	65.0	0.2	-	68.5	69.1	-0.6	-
Employment Rate (%)	57.0	57.2	-0.2	-	65.0	65.9	-0.9	-

Notes: The Labour Force Survey excludes those living on-reserve.

Estimates are based on three-month moving averages.

Totals may not add due to rounding.

Totals may be different from other tables due to adjustments done to indigenous statistics in the Labour Force Survey.

Source: Statistics Canada Labour Force Survey – ESDC custom table

In the second quarter (Q2) of 2016, the total population aged 15+ in Manitoba was 997,300. The Indigenous population living off-reserve accounted for 11.4% of that, or 113,300 people. Employment among the Indigenous population stood at 64,500 representing an increase of +1,600 (+2.5%) from a year earlier. Employment gains were mostly in full-time positions (+1,700 or +3.4%), and a smaller gain was seen in part-time employment (+100 or +0.8%).

The unemployment rate among the Indigenous population was 12.6% in Q2 2016, representing a +0.6 percentage points (pp) increase from the previous year. Among the non-Indigenous population, the unemployment rate edged up somewhat year-over-year and stood at 5.1% (+0.4pp). Between Q2 2015 and Q2 2016, the participation rate among the Indigenous population edged up slightly to 65.2% (+0.2pp) and that of the non-Indigenous population declined somewhat to 68.5% (-0.6pp). Over the same time period, the employment rate among both the Indigenous and non-Indigenous populations declined to 57.0% (-0.2pp) and 65.0% (-0.9pp), respectively.

EMPLOYMENT BY INDUSTRY

Employment growth was flat in Manitoba's goods-producing sector in the second quarter. At 150,100, this is the highest level of employment the sector has seen. Agriculture, forestry, fishing and mining as well as utilities all stayed mostly flat from Q1 to Q2.

The construction industry saw strong employment growth this quarter (+1,900) and remains a key contributor to overall annual growth. The industry employed 3,000 more individuals in the second quarter of 2016 compared to

the same quarter last year. Sustained provincial spending on infrastructure, along with other large-scale projects, appears to be keeping construction labour in high demand. The outlook for construction employment in the near-term is positive as core infrastructure investment remains a priority for the province (a number of major hydro projects are scheduled this year).

Employment in manufacturing fell by 2,700 in the second quarter, leaving industry employment down 3,300 compared to the same time last year. A recovery in the United States economy and a weakening Canadian dollar have not translated into increased employment for Manitoba's manufacturing industry as of yet. Nonetheless, there are signs of strength in the province's manufacturing industry. Bus manufacturing giant, New Flyer Industries, is now responsible for building roughly 50% of all heavy buses on North American roads. With the average age of city buses on U.S. roads at eight years (the average lifespan is 12 years), New Flyer is well-positioned to see continued growth going forward. The manufacturer now holds a total backlog of 9,664 units valued at \$4.95 billion US. However a 142 unit order for New Jersey is now in limbo due to a funding disruption.²

Finally, employment in resource extraction grew by 100 in the second quarter. Only time will tell if this increase marks an end to the downward trend in employment within the industry, which accompanied the global downturn in commodity prices.

Employment growth was concentrated in Manitoba's services-producing sector in the second quarter, thanks in part to sizeable gains in the province's trade industry (+2,400). Employment in this industry should continue to be strong as the construction of a 100-store outlet mall recently began in Winnipeg, which will create an estimated 1,300 jobs when it opens for business in early 2017.³

Employment also grew in the second quarter among a group of medium-sized industries. Finance, insurance, real estate and leasing, and professional, scientific and technical services both grew by 1,400 each in the second quarter while accommodation and food services grew by 1,800. The only significant drop among medium sized industries was in business, building and other support services (-1,100).

Employment in transportation and warehousing has trended downward for four consecutive quarters. Year-over-year, this mid-sized industry has lost the largest percentage of employment among all industries in Manitoba (-4.6%). Nevertheless, the installation of low-cost airline NewLeaf Travel's headquarters at Winnipeg's airport should positively impact industry employment going forward.

Losses occurred in all three public-sector industries in the second quarter: educational services (-100), health care and social assistance (-500), and public administration (-1,300).

Manitoba Quarterly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	2nd Quarter 2016	1st Quarter 2016	2nd Quarter 2015	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	635.1	631.9	636.2	3.2	0.5	-1.1	-0.2
Goods-producing sector	150.1	150.1	145.9	0.0	0.0	4.2	2.9
Agriculture	23.6	23.1	22.1	0.5	2.2	1.5	6.8
Forestry, fishing, mining, quarrying, oil and gas	6.5	6.4	5.3	0.1	1.6	1.2	22.6
Utilities	9.7	9.7	8.1	0.0	0.0	1.6	19.8
Construction	48.6	46.7	45.6	1.9	4.1	3.0	6.6
Manufacturing	61.6	64.3	64.9	-2.7	-4.2	-3.3	-5.1
Services-producing sector	485.0	481.7	490.3	3.3	0.7	-5.3	-1.1
Trade	91.1	88.7	92.0	2.4	2.7	-0.9	-1.0
Transportation and warehousing	35.2	35.4	39.8	-0.2	-0.6	-4.6	-11.6
Finance, insurance, real estate and leasing	33.6	32.2	33.3	1.4	4.3	0.3	0.9
Professional, scientific and technical services	28.3	26.9	25.8	1.4	5.2	2.5	9.7
Business, building and other support services	17.8	18.9	19.2	-1.1	-5.8	-1.4	-7.3
Educational services	51.0	51.1	52.1	-0.1	-0.2	-1.1	-2.1
Health care and social assistance	101.6	102.1	101.4	-0.5	-0.5	0.2	0.2
Information, culture and recreation	23.3	23.2	22.5	0.1	0.4	0.8	3.6
Accommodation and food services	42.4	40.6	40.6	1.8	4.4	1.8	4.4
Other services	28.9	29.8	29.4	-0.9	-3.0	-0.5	-1.7
Public administration	31.7	33.0	34.3	-1.3	-3.9	-2.6	-7.6

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0088

REGIONAL ANALYSIS

Labour market results were mixed across most of Manitoba's economic regions, with only one region seeing strong annual employment growth. Employment in Southeast region rose 12.8% year-over-year, thanks in large part to a 22.0% (+1,300) expansion in manufacturing employment. Nonetheless, the region's unemployment rate edged up slightly compared to the same time last year.

Employment in Winnipeg region is down slightly when compared to the second quarter of 2015. Employment decreased 1.4% year-over-year as sizeable losses occurred in transportation and warehousing as well as manufacturing. Employment in Winnipeg's construction industry jumped 12.2% or 2,800 jobs since the second quarter of 2015. Going forward, jobs in construction should remain in high demand as a number of mega-projects are scheduled to begin in Winnipeg this year. Construction has begun on the \$400-million True North Centre and plans are moving ahead on a new \$165-million 40-story residential tower.

Employment in the Interlake region was up slightly this quarter. Despite this growth, the region's labour market could not accommodate a sharp increase in the labour force (+3.6%) and the unemployment rate rose accordingly – nearly 2 full percentage points on the year.

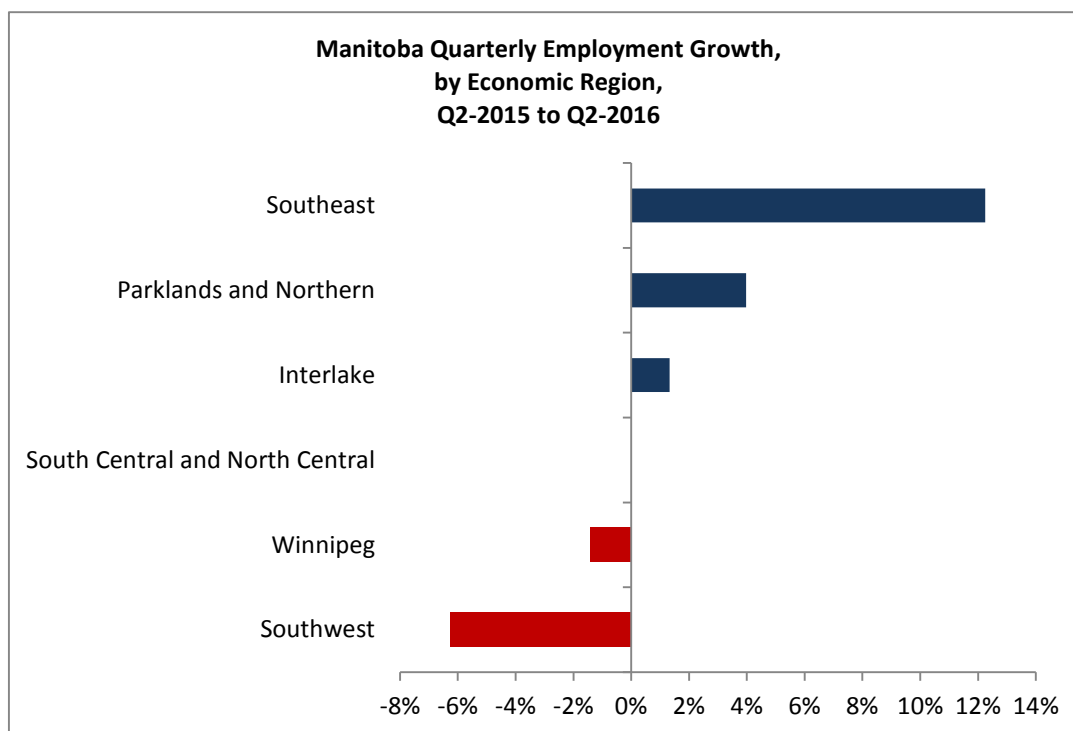
Southwest region experienced significant declines in employment this quarter compared to the same period last year. Consequently the region's unemployment rate sky rocketed from 2.7% in the second quarter of 2015 up to 6.6%, the second highest rate among the regions. Employment losses were seen across most industries in the area.

Manitoba Quarterly Labour Force Statistics, by Economic Region

Not Seasonally Adjusted Data	Employment			Unemployment Rate		
	2nd Quarter 2016 ('000)	2nd Quarter 2015 ('000)	Yearly Variation (%)	2nd Quarter 2016 (%)	2nd Quarter 2015 (%)	Yearly Variation (% points)
Manitoba	639.3	639.6	0.0	5.9	5.4	0.5
Economic Regions						
Southeast	62.3	55.5	12.3	4.7	5.5	-0.8
South Central and North Central	54.7	54.7	0.0	4.2	3.9	0.3
Southwest	54.0	57.6	-6.3	6.6	2.7	3.9
Winnipeg	385.9	391.4	-1.4	6.3	6.0	0.3
Interlake	45.8	45.2	1.3	6.9	5.0	1.9
Parklands and Northern	36.6	35.2	4.0	4.2	6.6	-2.4

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0122



Note: In preparing this document, the authors have taken care to provide clients with labour market information that is timely and accurate at the time of publication. Since labour market conditions are dynamic, some of the information presented here may have changed since this document was published. Users are encouraged to also refer to other sources for additional information on the local economy and labour market. Information contained in this document does not necessarily reflect official policies of Employment and Social Development Canada.

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For information on the Labour Force Survey, please visit the Statistics Canada Web site at: www.statcan.gc.ca

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¹ Conference Board of Canada, Provincial Outlook Economic Forecast: Spring 2016

² The Winnipeg Sun, <http://www.winnipegsun.com/2016/07/11/new-flyer-in-limbo-due-to-jersey-stalemate> (accessed July 12, 2016)

³ Talia Ricci. (September 25, 2015). First outlet mall arrives in Manitoba. Global News. <http://globalnews.ca/news/2242267/first-outlet-mall-arrives-to-manitoba/>