



# Labour Market Bulletin

## Manitoba

August 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

Manitoba's labour market faltered in August, with employment declining for the first time in four months. The number of employed persons fell by 2,400 as many of the province's services-producing industries struggled. This most recent decline leaves overall employment down compared to the same time last year (-1,700).

Monthly losses were entirely in full-time employment (-3,300). Meanwhile, the number of individuals employed part-time increased by 900. Over the year, only part-time employment declined (-1,700) while full-time employment was unchanged.

The public sector accounted for most employment losses this month, down 4,400, while private-sector employment shed 1,900 positions. Proportionally, losses in the public sector (-2.7%) were much greater than those in private sector employment (-0.5%). Meanwhile, the number of self-employed individuals in Manitoba climbed by 4,100 compared to the previous month, the largest monthly increase in six years. On a year-over-year basis, only the public sector saw employment losses (-4,700).

#### Unemployment

The number of unemployed persons in Manitoba decreased in August (-1,600) and the province's unemployment rate dropped to 5.9%. On a yearly basis, the province's unemployment rate is up slightly, from 5.7% in August 2015. Nonetheless, Manitoba currently has the second lowest unemployment rate in Canada, behind only British Columbia (5.5%). Looking ahead, the Conference Board of Canada expects the province's unemployment rate to average about 5.9% in 2016 and drop to 5.5% next year.<sup>1</sup>

Youth unemployment remained high this month, with the unemployment rate for those aged 15 to 24 averaging 13.8%, triple the rate of 4.5% for those aged 25 and older. Compared to this time last year, the youth unemployment rate rose considerably (+2.8 percentage points), while the rate for those 25 years and older was virtually unchanged. Those aged 55 and older had the lowest unemployment rate (3.8%) among age groups in August 2016.

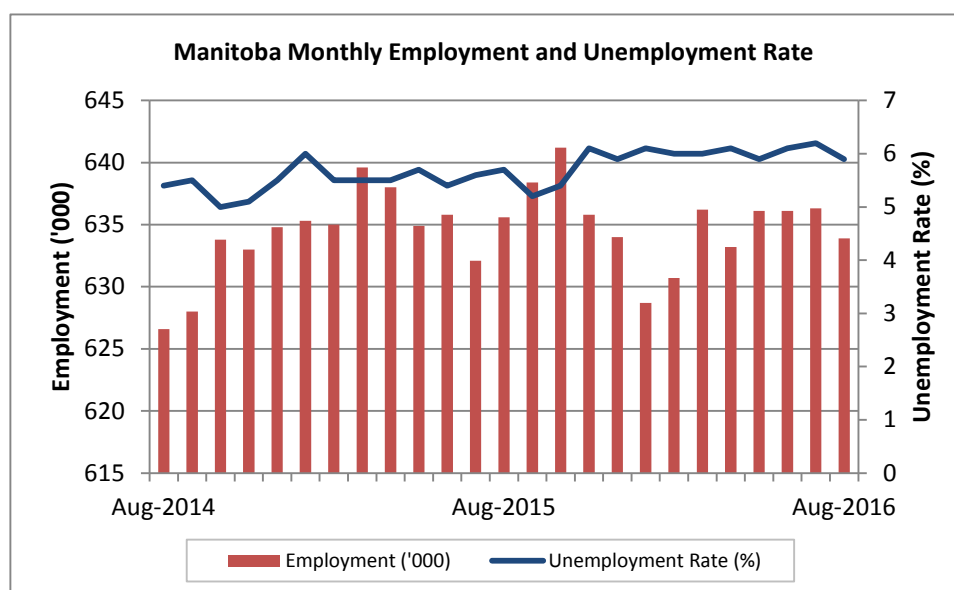
Looking at trends by gender and age, the unemployment rate remains the highest among young men (under 25 years of age) at 15.7%. Over the year, the unemployment rate for young men jumped 5.2 percentage points, up from 10.5% last August. Unemployment among young women also remains high (11.7%).

### Manitoba Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	August 2016	July 2016	August 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	1,001.3	1,000.1	988.5	1.2	0.1	12.8	1.3
<b>Labour Force ('000)</b>	674.0	678.0	673.7	-4.0	-0.6	0.3	0.0
<b>Employment ('000)</b>	633.9	636.3	635.6	-2.4	-0.4	-1.7	-0.3
Full-Time ('000)	511.9	515.2	511.9	-3.3	-0.6	0.0	0.0
Part-Time ('000)	122.0	121.1	123.7	0.9	0.7	-1.7	-1.4
<b>Unemployment ('000)</b>	40.1	41.7	38.1	-1.6	-3.8	2.0	5.2
<b>Unemployment Rate (%)</b>	5.9	6.2	5.7	-0.3	-	0.2	-
<b>Participation Rate (%)</b>	67.3	67.8	68.2	-0.5	-	-0.9	-
<b>Employment Rate (%)</b>	63.3	63.6	64.3	-0.3	-	-1.0	-

Note: Totals may not add due to rounding

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



**Manitoba Monthly Unemployment Rates, by Gender and Age**

Seasonally Adjusted Data	August 2016 (%)	July 2016 (%)	August 2015 (%)	Monthly Variation	Yearly Variation
				(% points)	(% points)
<b>Total</b>	5.9	6.2	5.7	-0.3	0.2
<b>25 years and over</b>	4.5	4.7	4.6	-0.2	-0.1
Men - 25 years and over	5.0	5.5	4.5	-0.5	0.5
Women - 25 years and over	3.8	3.9	4.9	-0.1	-1.1
<b>15 to 24 years</b>	13.8	13.5	11.0	0.3	2.8
Men - 15 to 24 years	15.7	16.2	10.5	-0.5	5.2
Women - 15 to 24 years	11.7	10.7	11.5	1.0	0.2

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

**EMPLOYMENT BY INDUSTRY**

Employment in Manitoba's goods-producing sector increased by 1,600 in August. July and August mark two consecutive months of four-figure employment increases, pushing sector employment up 4,400 compared to the same time last year. Sizeable gains in agriculture (+1,600) were largely responsible for monthly employment growth among goods-producing industries. The industry employed 13.2% more people in August 2016 compared to August 2015. Many Manitoba farmers were expecting a bumper crop this growing season similar to yields in 2013, however, heavy late season rains may have negatively affected production.

Employment in the province's manufacturing industry continued trending upwards in August (+900). Although August marked the third consecutive month of employment gains in the industry, employment is still down slightly (-400) over the year. While prospects are bright for several key segments of Manitoba's manufacturing industry, layoffs may be coming to bus manufacturing giant New Flyer Industries this fall, as a funding crisis in New Jersey threatens the future of a 1,200-commuter bus order. The loss of the order would result in layoffs across New Flyer's workforce, likely affecting Manitoba locations.

Construction industry employment declined for the third straight month in August (-1,400), leaving employment down slightly on an annual basis (-300). Nonetheless, the outlook for construction employment in the near-term is positive. A number of hydro projects representing over \$11-billion of construction spending will drive activity throughout the province, while several large-scale developments in Winnipeg will keep that region's labour market busy.

Finally, forestry, fishing, mining, quarrying, and gas employed 100 fewer people in August. Although not as significant an employer in Manitoba as in other western provinces, the industry appears to be weathering the global downturn in commodity prices fairly well. The industry now employs 900 more individuals compared to the same time last year.

Turning to the services-producing sector, employment decreased or remained unchanged in almost all industries. One noteworthy improvement was found in the wholesale and retail trade industry, which employed

1,200 more people in August. The trade industry is poised to capitalize on an expected uptick in spending by Manitobans brought on by a long-term trend of employment growth in the province. Moreover, retail sales expanded by 4.7% in Manitoba between June 2015 and June 2016, nearly double the national rate (+2.7%) during the same period<sup>2</sup>.

With the exception of professional, scientific, and technical services adding 1,000 individuals in August, no other service industry saw noteworthy monthly employment growth. Employment in accommodation and food services was virtually unchanged on a monthly basis, but is up 600 compared to August 2015. Similarly, employment was flat in the business, building and other support services industry month-over-month, but fell by 600 on an annual basis.

The transportation and warehousing industry shed 1,000 positions in August, ending three consecutive months of growth. Over the year, industry employment is down 3,500 (-9.0%). Nonetheless, shipping requirements of a strong provincial manufacturing sector, as well as the recent launch of low-cost airline NewLeaf Travel in Winnipeg, should positively impact employment in transportation and warehousing going forward.

On monthly basis, employment is down in all three public-sector industries: educational services (-1,700), health care and social assistance (-700), and public administration (-400). All three industries also employ fewer persons compared to the same time last year.

### Manitoba Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	August 2016	July 2016	August 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	633.9	636.3	635.6	-2.4	-0.4	-1.7	-0.3
<b>Goods-producing sector</b>	152.3	150.7	147.9	1.6	1.1	4.4	3.0
Agriculture	26.6	24.7	23.5	1.9	7.7	3.1	13.2
Forestry, fishing, mining, quarrying, oil and gas	6.1	6.2	5.2	-0.1	-1.6	0.9	17.3
Utilities	10.2	9.9	9.1	0.3	3.0	1.1	12.1
Construction	46.0	47.4	46.3	-1.4	-3.0	-0.3	-0.6
Manufacturing	63.4	62.5	63.8	0.9	1.4	-0.4	-0.6
<b>Services-producing sector</b>	481.6	485.6	487.7	-4.0	-0.8	-6.1	-1.3
Trade	90.7	89.5	90.3	1.2	1.3	0.4	0.4
Transportation and warehousing	35.2	36.2	38.7	-1.0	-2.8	-3.5	-9.0
Finance, insurance, real estate and leasing	33.7	33.9	31.5	-0.2	-0.6	2.2	7.0
Professional, scientific and technical services	28.2	27.2	26.5	1.0	3.7	1.7	6.4
Business, building and other support services	17.8	17.8	18.5	0.0	0.0	-0.7	-3.8
Educational services	51.6	53.3	53.0	-1.7	-3.2	-1.4	-2.6
Health care and social assistance	100.7	101.4	101.3	-0.7	-0.7	-0.6	-0.6
Information, culture and recreation	20.7	22.9	22.7	-2.2	-9.6	-2.0	-8.8
Accommodation and food services	42.6	42.6	42.0	0.0	0.0	0.6	1.4
Other services	28.3	28.3	29.9	0.0	0.0	-1.6	-5.4
Public administration	32.1	32.5	33.2	-0.4	-1.2	-1.1	-3.3

Note: Totals may not add due to rounding

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

## REGIONAL ANALYSIS

Southeast region employment was up 10.3% on an annual basis in August. The region's unemployment rate also fell during the past year and now sits well below the provincial average. The majority of Southeast region's employment growth was in the services-producing sector, with the largest gain in healthcare and social assistance. Construction was responsible for the majority of employment growth within the goods-producing sector.

Parklands and Northern region saw employment grow 4.2% over the year, while its unemployment rate dropped drastically from 7.5% to 4.4%, representing the largest decrease in Manitoba. August's positive performance may be short-lived though after a number of recent large-scale layoff announcements in the province's North. OmniTrax Canada suspended grain shipments during peak operating months to the Port of Churchill and cut in half the number of weekly trips to the port on the accompanying Hudson Bay Rail line. Layoffs in Churchill will have damaging effects and a potential closure of the rail line would make the isolated northern area even more challenging to access. Meanwhile, Tolko Industries announced they are ceasing operations at their lumber mill in The Pas, a move that affects employment for over 30% of the town's population.

Employment in Winnipeg region is down 0.5% year-over-year, due mostly to a sharp drop in employment in the transportation and warehousing industry. Unemployment reached 7.4% in Winnipeg, surpassing the provincial rate. The region's construction industry led employment growth over the past year and construction activity should be strong going forward. The number of residential units planned or in development for Winnipeg's downtown is nearly double the total built over the past decade<sup>3</sup>. The units are part of \$1.26-billion worth of building intentions in the downtown area; the core-area building boom will keep demand high for construction labour in the near-term.

The largest percentage drop in employment was in Southwest region, where employment is down 6.0% compared to August 2015. All labour market indicators point to negative results for the region. Employment is down both in the goods- and services-producing sectors, with the steepest drop occurring in the manufacturing industry. Not surprisingly, the region's unemployment rate jumped 1.4 percentage points to 5.3% during the past year.

**Manitoba Monthly Labour Force Statistics, by Economic Region**

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	August 2016 ('000)	August 2015 ('000)	Yearly Variation (%)	August 2016 (%)	August 2015 (%)	Yearly Variation (% points)
<b>Manitoba</b>	641.7	640.2	0.2	6.6	6.1	0.5
<b>Economic Regions</b>						
Southeast	61.3	55.6	10.3	4.7	5.6	-0.9
South Central and North Central	55.0	55.3	-0.5	5.7	5.1	0.6
Southwest	55.1	58.6	-6.0	5.3	3.9	1.4
Winnipeg	386.0	388.0	-0.5	7.4	6.6	0.8
Interlake	47.2	47.0	0.4	7.1	5.6	1.5
Parklands and Northern	37.2	35.7	4.2	4.4	7.5	-3.1

*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](http://www.statcan.gc.ca)

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<sup>1</sup> Conference Board of Canada, Provincial Outlook Economic Forecast: Summer 2016

<sup>2</sup> Statistics Canada CANSIM Table 080-0020 - Retail trade, sales by the North American Industry Classification System (NAICS), monthly (dollars), CANSIM (database). (accessed: September 9, 2016)

<sup>3</sup> Downtown Winnipeg BIZ <http://downtownwinnipegstrends.com/why-downtown/live/>