



# Labour Market Bulletin

Manitoba

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

On an annual basis, employment in Manitoba declined slightly in 2016 (-0.4%). Minor gains in part-time employment (+1,600) were offset by substantial losses in full-time employment (-4,200), marking the first time in seven years that full-time employment in the province edged downward. Weak performance in the manufacturing industry and sluggish services-sector activity has resulted in lower employment levels in the province. Nonetheless, Manitoba has fared better than most other western provinces, where lower commodity prices are limiting economic and employment growth.

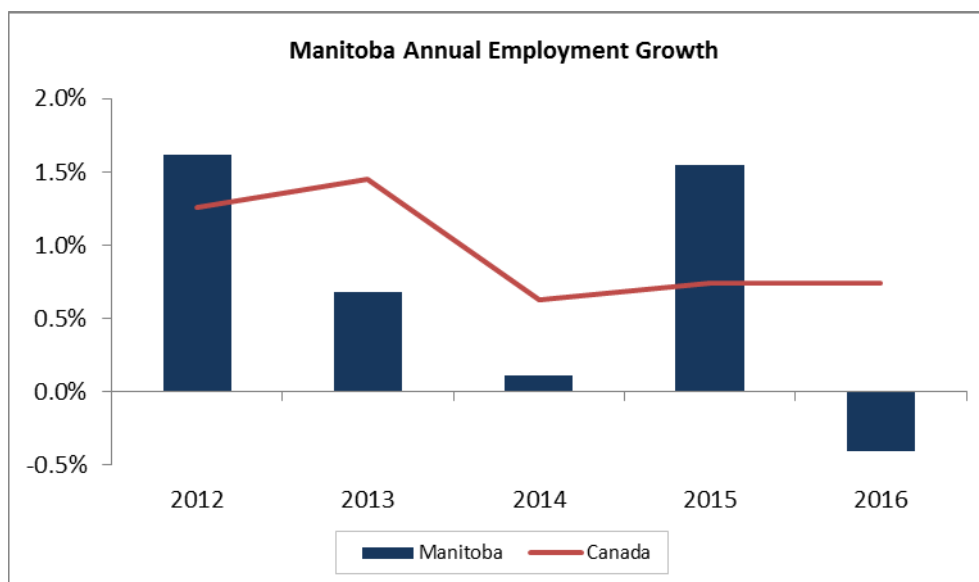
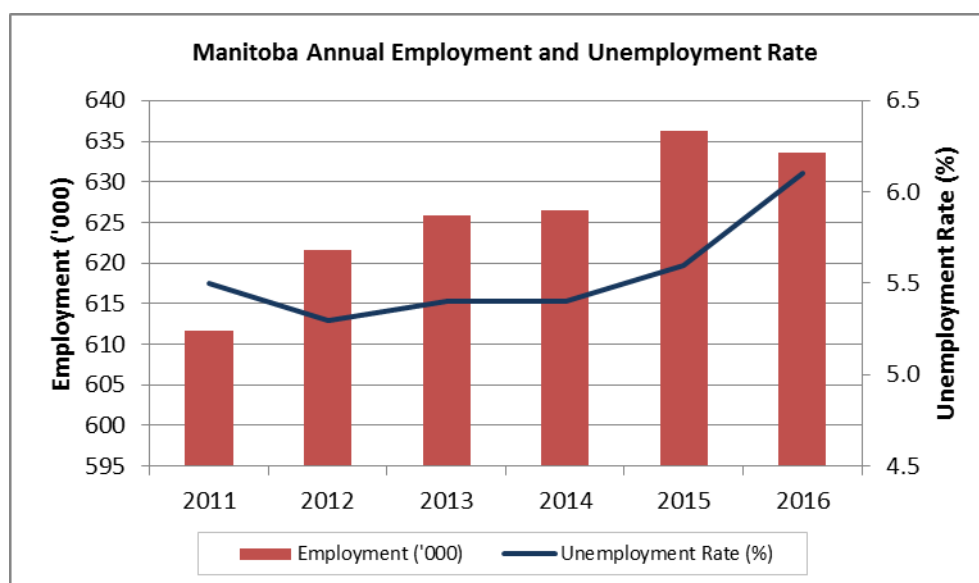
Turning to classes of workers, losses were exclusively in the province's public sector, with annual employment down 2,800 between 2015 and 2016. Conversely, the number of self-employed Manitobans increased for a second consecutive year in 2016 – reaching 85,900 (+200).<sup>1</sup>

### Manitoba Annual Labour Force Statistics

Labour Force Survey Estimates	2016	2015	2014	2015 to 2016		2014 to 2015	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	999.0	987.2	976.4	11.8	1.2	10.8	1.1
<b>Labour Force ('000)</b>	674.9	674.1	662.1	0.8	0.1	12.0	1.8
<b>Employment ('000)</b>	633.6	636.2	626.5	-2.6	-0.4	9.7	1.5
Full-Time ('000)	510.5	514.7	506.0	-4.2	-0.8	8.7	1.7
Part-Time ('000)	123.1	121.5	120.4	1.6	1.3	1.1	0.9
<b>Unemployment ('000)</b>	41.4	37.9	35.7	3.5	9.2	2.2	6.2
<b>Unemployment Rate (%)</b>	6.1	5.6	5.4	0.5	-	0.2	-
<b>Participation Rate (%)</b>	67.6	68.3	67.8	-0.7	-	0.5	-
<b>Employment Rate (%)</b>	63.4	64.4	64.2	-1.0	-	0.2	-

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey Estimates – CANSIM Table 282-0002



Manitoba's labour force grew slightly over the year – up 800 compared to 2015. In addition, the province's unemployment rate climbed from 5.6% in 2015 to 6.1% in 2016. That stated, Manitoba continues to retain the second lowest unemployment rate nationwide, behind only British Columbia (6.0%). Looking ahead, the Conference Board of Canada expects Manitoba's unemployment rate to drop to 5.8% in 2017.<sup>2</sup>

Youth unemployment remained high in 2016, with the unemployment rate averaging 13.2% for those aged 15 to 24 – almost triple the rate for those aged 25 and older (4.8%). Compared to the year before, the unemployment rate for young workers is up 1.8 percentage points.

Looking at trends by gender, young men (15 to 24 years) had the largest yearly increase in unemployment rate of any age group in 2016 – up three percentage points to 14.8%. Conversely, women aged 25 years and older were the only group to see their unemployment rate fall – from 4.6% in 2015 to 4.3% in 2016.

## Manitoba Annual Unemployment Rates, by Gender and Age

Labour Force Survey Estimates	2016	2015	2014	2015 to 2016	2014 to 2015
				(% points)	(% points)
<b>Total</b>	6.1	5.6	5.4	0.5	0.2
<b>25 years and over</b>	4.8	4.5	4.3	0.3	0.2
Men - 25 years and over	5.2	4.4	4.1	0.8	0.3
Women - 25 years and over	4.3	4.6	4.6	-0.3	0.0
<b>15 to 24 years</b>	13.2	11.4	10.7	1.8	0.7
Men - 15 to 24 years	14.8	11.8	11.8	3.0	0.0
Women - 15 to 24 years	11.3	11.1	9.2	0.2	1.9

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey Estimates – CANSIM Table 282-0002

## EMPLOYMENT BY INDUSTRY

Employment in Manitoba's goods-producing sector increased significantly in 2016 (+3,900). Meanwhile, the number of individuals employed in the provinces services-producing sector declined sharply (-6,500) last year, following strong employment gains in 2015.

## Manitoba Annual Labour Force Statistics, by Industry

Labour Force Survey Employment Estimates ('000)	2016	2015	2014	2015 to 2016		2014 to 2015	
				Number	%	Number	%
<b>Total employment, all industries</b>	633.6	636.2	626.5	-2.6	-0.4	9.7	1.5
<b>Goods-producing sector</b>	151.3	147.4	146.9	3.9	2.6	0.5	0.3
Agriculture	24.3	23.2	24.1	1.1	4.7	-0.9	-3.7
Forestry, fishing, mining, quarrying, oil and gas	6.4	5.7	6.9	0.7	12.3	-1.2	-17.4
Utilities	9.9	8.3	8.2	1.6	19.3	0.1	1.2
Construction	47.1	45.6	43.9	1.5	3.3	1.7	3.9
Manufacturing	63.6	64.6	63.8	-1.0	-1.5	0.8	1.3
<b>Services-producing sector</b>	482.3	488.8	479.5	-6.5	-1.3	9.3	1.9
Wholesale and retail trade	89.2	91.9	93.5	-2.7	-2.9	-1.6	-1.7
Transportation and warehousing	35.5	38.4	37.5	-2.9	-7.6	0.9	2.4
Finance, insurance, real estate, rental and leasing	34.0	32.7	33.8	1.3	4.0	-1.1	-3.3
Professional, scientific and technical services	27.6	25.4	24.7	2.2	8.7	0.7	2.8
Business, building and other support services	18.3	18.8	17.1	-0.5	-2.7	1.7	9.9
Educational services	50.1	52.2	49.4	-2.1	-4.0	2.8	5.7
Health care and social assistance	101.8	102.1	99.2	-0.3	-0.3	2.9	2.9
Information, culture and recreation	23.3	22.6	21.8	0.7	3.1	0.8	3.7
Accommodation and food services	41.6	41.3	39.5	0.3	0.7	1.8	4.6
Other services (except public administration)	28.4	29.3	28.4	-0.9	-3.1	0.9	3.2
Public administration	32.5	34.1	34.6	-1.6	-4.7	-0.5	-1.4

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey Estimates – CANSIM Table 282-0008

The number of people employed in Manitoba's utilities industry rose in 2016 - up from 8,300 in 2015 to 9,900 in 2016. Manitoba Hydro currently has a number of new utilities projects under construction in the province, including the Keeyask Dam and the Bipole III Transmission Reliability Project.<sup>3</sup> However, rising costs from these projects pose challenges for Manitoba Hydro. The crown corporation's budget deficit has been growing and, in

February 2017, the company announced plans to cut 900 positions across the province in an effort to improve operational efficiencies.

Employment in the construction industry increased for a second consecutive year in 2016, as major construction projects advanced in the province. Manitoba's construction industry now employs 47,100 workers – an increase of 3.3% from 2015 levels. And construction activity is expected to remain strong moving forward. According to the Conference Board of Canada, output from the industry is forecast to grow by 4.4% in 2017, driven by hydro developments, transmission lines, and infrastructure projects.<sup>4</sup> In addition, the provincial government is investing \$2.5 billion over the next five years for infrastructure projects, which should also provide a boost for industry employment.<sup>5</sup>

Manufacturing was the only industry in the goods-producing sector with declining employment in 2016 (-1,000). Lower activity in the machinery and fabricated metals sub-industries – likely reflecting a spillover from the downturn in Alberta and Saskatchewan's energy sectors – have affected overall employment levels.<sup>6</sup> Nevertheless, the Conference Board of Canada expects this industry's fortunes to improve in 2017 as the US economy strengthens and as oil-producing provinces start recovering. In addition, new projects are on the horizon in Manitoba. For example, French food ingredient company Roquette Frères SA recently revealed plans to build a \$400M (USD) pea processing plant in Portage La Prairie. An estimated 150 people will be employed at the factory once it begins operations.<sup>7</sup>

Employment fell in the majority of services-producing industries last year, with the largest losses occurring in transportation and warehousing (-2,900). Weak commodity prices are posing challenges for firms in this industry. For example, Denver-based OmniTrax – the operator of the Port of Churchill – shuttered its operations in Northern Manitoba due to a slump in grain shipments. The closure left about 90 people out of work.<sup>8</sup>

Employment growth deteriorated in all three public-sector industries last year. On an annual basis, educational services lost 2,100 positions in 2016, while employment in public administration declined by 1,600. Similarly, healthcare and social assistance employed 300 fewer people over the same period. The Government of Manitoba is facing a budget deficit and expects the shortfall to total \$890 million for the 2016-2017 fiscal year.<sup>9</sup> Consequently, the Province is implementing restraint and saving measures in an effort to move the budget back to balance.

Employment also declined in the province's trade industry in 2016 (-2,700). However, a number of planned retail developments should help industry employment rebound in the medium-term. For example, supermarket-chain Save-On-Foods opened three new stores in Winnipeg this year, and plans to open nine more stores in the city, as well as an undetermined number of stores in rural centres such as Brandon, Portage la Prairie, and Steinbach over the next three to five years. Each store is expected to create 150 new retail positions.<sup>10</sup>

The professional, scientific and technical services industry was a bright spot in the services-producing sector. On an annual basis, the number of people working in this industry increased by 2,200. Bold Innovation Group is one of many firms that increased staffing levels during 2016. The company, which began operations in 2013, now employs 100 people and plans to have a workforce of 230 within the next two to three years.<sup>11</sup>

## REGIONAL ANALYSIS

Mixed labour market results were observed across Manitoba in 2016, with employment advancing in just two of the province's six economic regions.

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

Labour Force Survey Estimates: Employment ('000)	2016	2015	2014	2015 to 2016		2014 to 2015	
				Number	%	Number	%
<b>Manitoba</b>	633.6	636.2	626.5	-2.6	-0.4	9.7	1.5
<b>Economic Regions</b>							
Southeast	60.2	56.3	57.1	3.9	6.9	-0.8	-1.4
South Central and North Central	53.9	54.8	55.1	-0.9	-1.6	-0.3	-0.5
Southwest	54.1	57.7	57.6	-3.6	-6.2	0.1	0.2
Winnipeg	383.4	385.3	372.8	-1.9	-0.5	12.5	3.4
Interlake	45.9	46.3	49.1	-0.4	-0.9	-2.8	-5.7
Parklands and Northern	36.0	35.8	34.8	0.2	0.6	1.0	2.9

*Note: Totals may not add due to rounding*

*Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0123*

Employment in the Winnipeg region fell 0.5% (-1,900) on an annual basis. Employment losses in Winnipeg's services-producing sector were partially offset by gains in the goods-producing sector. For example, employment in Winnipeg's construction industry jumped 9.3% or 2,100 positions over the year.<sup>12</sup> Moving forward, jobs in construction should remain in high demand as a number of mega-projects are either underway or scheduled to begin in 2017. These projects include the \$60 million Inuit Art Centre, the \$200 million Winnipeg Outlet Collection mall and the \$400 million True North Square.<sup>13</sup>

Outside of Winnipeg, the Southeast region saw the largest employment growth (+6.9%) over the past year. Employment is up both in the goods-producing sector (+8.6%) and in the service-producing sector (+6.1%), with gains mainly concentrated in professional, scientific and technical services; agriculture; and health care and social assistance.

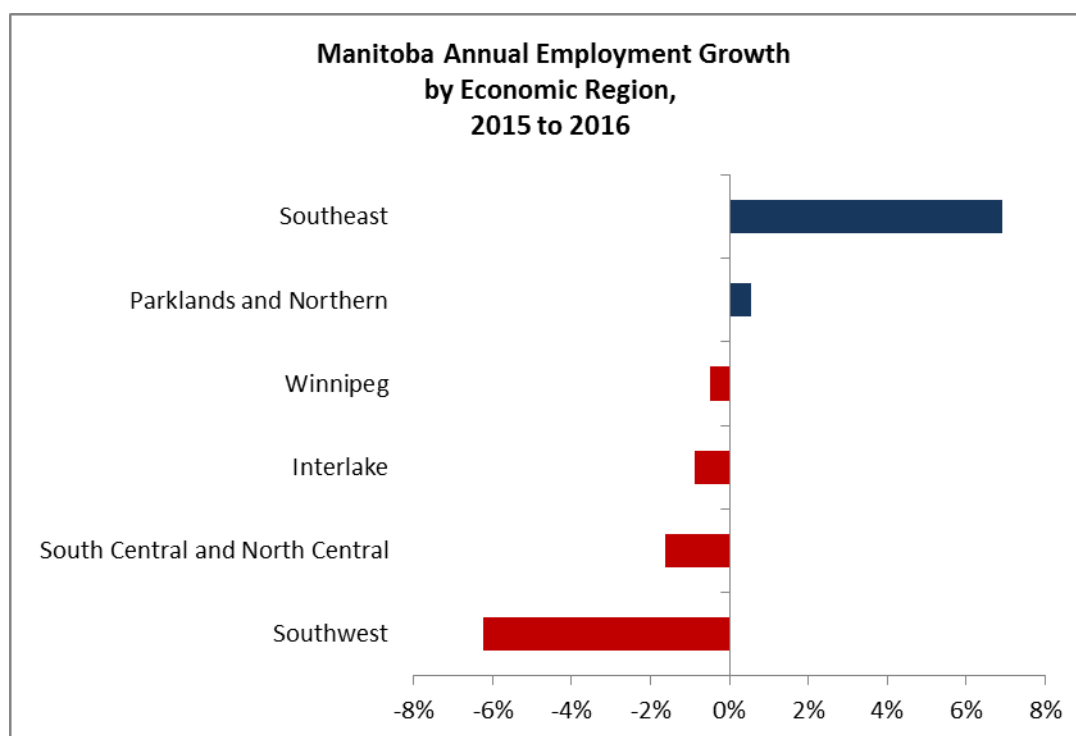
Employment was essentially flat in Manitoba's Parklands and Northern region in 2016. A number of large-scale layoffs were announced last year, including OmniTrax Canada's suspension of the Port of Churchill, Sobeys' grocery store closure in The Pas, as well as Tolko Industries decision to shut down its paper mill, creating economic uncertainty in the region. Fortunately, both OmniTrax Canada and Tolko Industries found buyers at the end of 2016, preventing the loss of hundreds of jobs in the region.

Employment dropped in Manitoba's other three regions in 2016. The Southwest region suffered the province's largest decline in employment (-6.2%), with 3,600 fewer people employed year over year. All labour market indicators point to negative results for the region. Employment is down both in the goods-producing and in the services-producing sectors, with the steepest decline occurring in the manufacturing industry. Not surprisingly, the region's unemployment rate jumped 1.7 percentage points to 5.7% during the past year.

Nonetheless, the employment outlook for Southwest region should improve over the next two years as a number of public and private projects will provide some support for construction and related industries. These

projects include Brandon University's new student housing project, the Sioux Valley Dakota First Nation commercial development and Federated Co-operatives Limited's new fertilizer terminal.

In the South Central and North Central region, employment fell slightly (-1.6%) on an annual basis, with the steepest drop occurring in educational services. However, the region's unemployment rate has increased considerably over the year, up 1.8 percentage points to 6.7%.



**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.

**Prepared by:** Labour Market Information (LMI) Directorate, Service Canada, Manitoba

**For further information,** please contact the LMI team at:

[NC-LMI-IMT-GD@hrsdc-rhdcc.gc.ca](mailto:NC-LMI-IMT-GD@hrsdc-rhdcc.gc.ca)

**For information on the Labour Force Survey,** please visit the Statistics Canada Web site at: [www.statcan.gc.ca](http://www.statcan.gc.ca)

© Her Majesty the Queen in Right of Canada as represented by Employment and Social Development Canada, 2017, all rights reserved

<sup>1</sup> Labour force survey estimates (LFS), employment by class of worker, North American Industry Classification System (NAICS) and sex. Retrieved from: <http://www5.statcan.gc.ca/cansim/a26?lang=eng&retrLang=eng&id=2820012&pattern=&stByVal=1&p1=1&p2=-1&tabMode=dataTable&csid=>

<sup>2</sup> Conference Board of Canada (December 22, 2016). Provincial Outlook Economic Forecast: Manitoba—Autumn 2016 (subscription required). Retrieved from: <http://www.conferenceboard.ca/e-library/abstract.aspx?did=8519>

<sup>3</sup> Conference Board of Canada (December 22, 2016). Provincial Outlook Economic Forecast: Manitoba—Autumn 2016 (subscription required). Retrieved from: <http://www.conferenceboard.ca/e-library/abstract.aspx?did=8519>

<sup>4</sup> Conference Board of Canada (November 11, 2016). Winnipeg: Metropolitan Outlook 1, Autumn 2016 (subscription required). Retrieved from: <http://www.conferenceboard.ca/e-library/abstract.aspx?did=8399>

Conference Board of Canada (December 22, 2016). Provincial Outlook Economic Forecast: Manitoba—Autumn 2016 (subscription required). Retrieved from: <http://www.conferenceboard.ca/e-library/abstract.aspx?did=8519>

<sup>5</sup> CTV News Winnipeg (November 18, 2016). \$2.5 billion pledged for Manitoba highways over next 5 years. Retrieved from: <http://winnipeg.ctvnews.ca/2-5-billion-pledged-for-manitoba-highways-over-next-5-years-1.3166878>

<sup>6</sup> RBC Economics. Provincial Outlook: December 2016. Retrieved from: <http://www.rbc.com/economics/economic-reports/pdf/provincial-forecasts/man.pdf>

<sup>7</sup> CBC News (January 18, 2017). World's biggest pea processing plant coming to Portage la Prairie. Retrieved from: <http://www.cbc.ca/news/canada/manitoba/pea-plant-manitoba-1.3941631>

<sup>8</sup> CBC News (July 25, 2016). Port of Churchill layoffs 'came out of nowhere,' says town's mayor. Retrieved from: <http://www.cbc.ca/news/canada/manitoba/port-churchill-layoffs-1.3694830>

<sup>9</sup> Deloitte. 2016-2017 Manitoba budget highlights. Retrieved from: <https://www2.deloitte.com/ca/en/pages/tax/articles/2016-2017-manitoba-budget-highlights.html>

<sup>10</sup> Save-on Foods (July 9, 2015). Media Release: Save-On-Foods to Open Three Stores in Winnipeg, Up to 40 custom-tailored neighbourhood stores for Manitoba and Saskatchewan communities over next five years. Retrieved from: <https://www.saveonfoods.com/wp-content/uploads/2016/05/sof-winnipeg-expansion-media-release-final.pdf>

<sup>11</sup> CBC News (June 16, 2016). Winnipeg tech company hopes new app will double its workforce. Retrieved from: <http://www.cbc.ca/news/canada/manitoba/winnipeg-tech-company-hopes-new-app-will-double-its-workforce-1.3639276>

<sup>12</sup> Statistics Canada, Labour Force Survey, CANSIM Table 282-0125, 01-06-2017.

<sup>13</sup> BuildForce Canada, Construction and Maintenance Looking Forward Highlights Reports, 2017. [http://www.buildforce.ca/en/system/files/products/2017-MB-Constr\\_Maint-Looking-Forward.pdf](http://www.buildforce.ca/en/system/files/products/2017-MB-Constr_Maint-Looking-Forward.pdf)