



Labour Market Bulletin

Manitoba

December 2017



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 fell during the fourth quarter of 2017 (-1,000), falling behind both British Columbia (+3,000) and Alberta (+19,900) in terms of job creation. Jobs in construction and agriculture, which are the leading contributors to Manitoba's economy, are expected to pick up with the return warm weather in spring.

In the past quarter, full-time employment in Manitoba decreased by 2,000, while part-time employment increased by 1,100. This is counter the national trend, as full-time employment increased by 88,800, and part-time employment decreased by 33,000.¹

Public sector employment increased by 0.4%, (+700), while the private sector decreased by 1.2%, (-4,600). Meanwhile, self-employment increased by 3,100.²

Unemployment

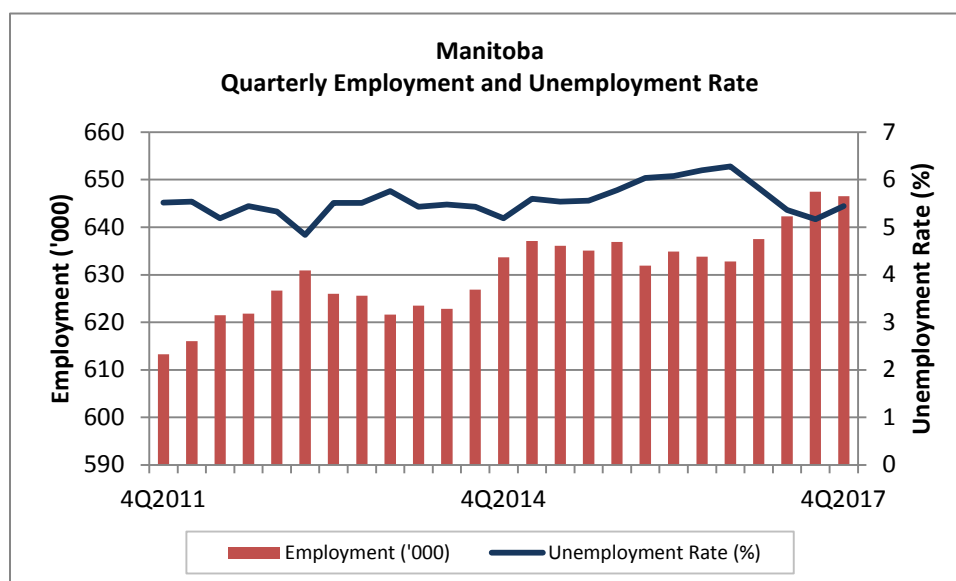
Manitoba's unemployment rate remained relatively unchanged in the fourth quarter, increasing by 0.2 of a percentage point to 5.4%. Across Western Canada, the province had the second lowest unemployment rate after British Columbia (4.7%).

Manitoba Quarterly Labour Force Statistics

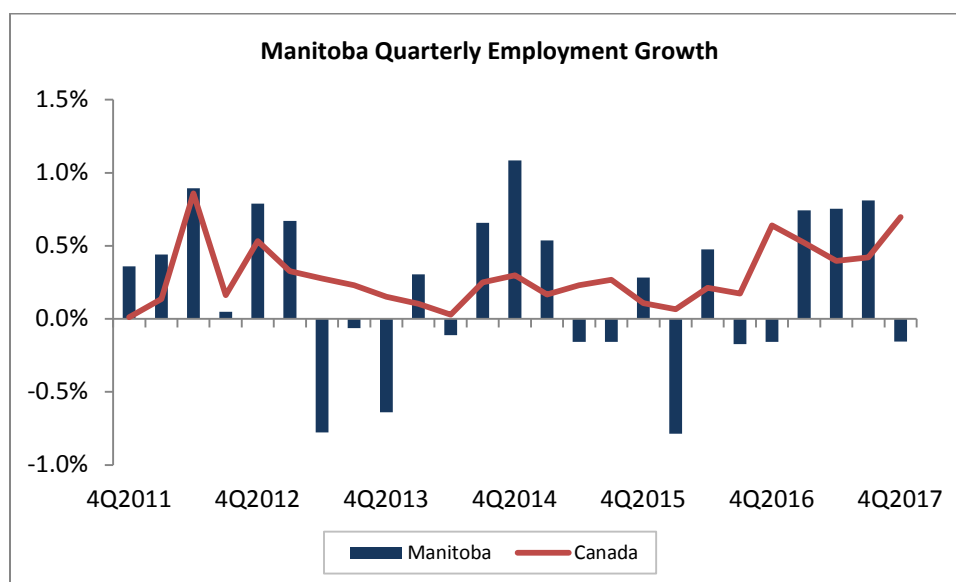
Seasonally Adjusted Data	4th Quarter 2017	3rd Quarter 2017	4th Quarter 2016	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	1,018.1	1,015.7	1,003.6	2.4	0.2	14.5	1.4
Labour Force ('000)	683.6	682.8	675.2	0.8	0.1	8.4	1.2
Employment ('000)	646.5	647.5	632.8	-1.0	-0.2	13.7	2.2
Full-Time ('000)	520.0	522.0	507.2	-2.0	-0.4	12.8	2.5
Part-Time ('000)	126.5	125.4	125.6	1.1	0.9	0.9	0.7
Unemployment ('000)	37.2	35.3	42.4	1.9	5.4	-5.2	-12.3
Unemployment Rate (%)	5.4	5.2	6.3	0.2	-	-0.9	-
Participation Rate (%)	67.1	67.2	67.3	-0.1	-	-0.2	-
Employment Rate (%)	63.5	63.7	63.1	-0.2	-	0.4	-

Note: Totals may not add due to rounding

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



The unemployment rate for those aged 15-24 increased this quarter by 0.6 percentage points to 11.8%. By comparison, the unemployment rate for those aged 25 years and older remained relatively unchanged at 4.2%. Compared to last year, youth unemployment decreased by 1.3 percentage points and the unemployment rate for those 25 years and older decreased 0.8 percentage points. For both age groups, the improvement was marginally lower over the past year than what was seen nationwide (-0.3 and -0.3 percentage points, respectively).³



The unemployment rate for men aged 15 to 24 years old grew to 13.5%, increasing by 1.3 percentage points from the previous quarter. The unemployment rate for women aged 15 to 24 remained relatively unchanged at 10.1% over the same period.

Manitoba Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	4th Quarter 2017 (%)	3rd Quarter 2017 (%)	4th Quarter 2016 (%)	Quarterly Variation	Yearly Variation
				(% points)	(% points)
Total	5.4	5.2	6.3	0.2	-0.9
25 years and over	4.2	4.0	5.0	0.2	-0.8
Men - 25 years and over	4.3	4.0	5.4	0.3	-1.1
Women - 25 years and over	4.1	4.0	4.4	0.1	-0.3
15 to 24 years	11.8	11.2	13.1	0.6	-1.3
Men - 15 to 24 years	13.5	12.2	15.0	1.3	-1.5
Women - 15 to 24 years	10.1	10.2	11.2	-0.1	-1.1

Note: Totals may not add due to rounding

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

Labour market indicators for Indigenous people

In the fourth quarter (Q4) of 2017, the total population aged 15+ in Manitoba was a little over 1.0 million. The Indigenous population living off-reserve accounted for 11.6% of that, or 117,900 people. Employment among Indigenous people in Manitoba stood at 66,100, representing an increase of 700 (+1.1%) from a year earlier (Q4 2016). The employment gains were both in full-time positions (+500 or +1.0%) and in part-time employment (+200 or +1.5%).

The unemployment rate among the Indigenous population was 10.4% in Q4 2017, representing a decrease of 0.1 pp from the previous year. Among the non-Indigenous population, the unemployment rate was 4.3% (-0.8pp). In Q4 2017, the participation rate of Indigenous people stood at 62.6% (-0.8 percentage points from Q4

2016) while among non-Indigenous population, it remained unchanged at 67.3%. The employment rate for Indigenous people decreased to 56.1% (-0.7 percentage point) while the non-Indigenous population saw a slight increase at 64.4% (+0.5 percentage points).

Manitoba - Labour Market Indicators for Indigenous People

3-month moving averages Seasonally unadjusted data	Indigenous		Yearly variation (Indigenous)		Non-Indigenous		Yearly variation (non-Indigenous)	
	Q4 2017	Q4 2016	number	%	Q4 2017	Q4 2016	number	%
Population 15 + ('000)	117.9	115.3	2.6	2.3	900.4	888.3	12.1	1.4
Labour Force ('000)	73.8	73.1	0.7	1.0	606.4	598.2	8.2	1.4
Employment ('000)	66.1	65.4	0.7	1.1	580.2	567.6	12.6	2.2
Full-Time ('000)	52.4	51.9	0.5	1.0	459.9	450.0	9.9	2.2
Part-Time ('000)	13.7	13.5	0.2	1.5	120.3	117.6	2.7	2.3
Unemployment ('000)	7.7	7.7	0.0	0.0	26.2	30.6	-4.4	-14.4
Unemployment Rate (%)	10.4	10.5	-0.1	-	4.3	5.1	-0.8	-
Participation Rate (%)	62.6	63.4	-0.8	-	67.3	67.3	0.0	-
Employment Rate (%)	56.1	56.8	-0.7	-	64.4	63.9	0.5	-

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

EMPLOYMENT BY INDUSTRY

In the fourth quarter, employment in Manitoba's goods-producing sector fell by 2,700, and employed 2,100 (-1.4%) fewer workers compared to the same time last year. Year over year, employment losses were primarily in manufacturing (-1,900), and utilities (-1,600). The decline in utilities may be attributed to the 675 voluntary departures at Manitoba Hydro between July and December this year. As the utility faces rising debt, additional positions are to be eliminated through attrition or retirements.⁴

Over the same period, there was moderate growth in agriculture (+500) and construction (+900). A late harvest of summer crops and the continuation of fall field work across the province contributed to job growth in agriculture.⁵ In this past quarter, continued construction of rural infrastructure, the Keeyask Hydroelectric Generating Station, and True North Square in downtown Winnipeg have all supported growth in construction.^{6,7,8}

In the past quarter, the goods-producing sector experienced losses in all industries, with the exception of agriculture (+600). Significant job losses were experienced in manufacturing (-2,300) and construction (-800).

On a year-over-year basis, the services-producing sector experienced strong employment growth across the province, with employment increasing by 3.3% (+15,800). Almost all service industries experienced strong employment gains, with the strongest growth being in accommodation and food services (+3,800), health care

and social assistance (+3,100), and trade (+3,000). Over the same period, employment decreased in public administration (-1,900) and information, culture and recreation (-700).

Since last quarter, Manitoba's services-producing sector increased by 1,800, with gains in health care and social assistance (+2,300), and accommodation and food services (+2,000). Job losses during this period were in educational services (-1,800), additionally both trade and public administration each decreased by 1,300.

Employment in Manitoba is likely to continue to increase moderately throughout 2018; however a decline in the mining industry, the introduction of a carbon tax, a reduction in the civil service, and increasing hydro rates may limit growth.

Manitoba Quarterly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	4th Quarter 2017	3rd Quarter 2017	4th Quarter 2016	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	646.5	647.5	632.8	-1.0	-0.2	13.7	2.2
Goods-producing sector	149.5	152.2	151.6	-2.7	-1.8	-2.1	-1.4
Agriculture	24.9	24.3	24.4	0.6	2.5	0.5	2.0
Forestry, fishing, mining, quarrying, oil and gas	6.5	6.6	6.5	-0.1	-1.5	0.0	0.0
Utilities	8.3	8.5	9.9	-0.2	-2.4	-1.6	-16.2
Construction	47.1	47.9	46.2	-0.8	-1.7	0.9	1.9
Manufacturing	62.7	65.0	64.6	-2.3	-3.5	-1.9	-2.9
Services-producing sector	497.0	495.2	481.2	1.8	0.4	15.8	3.3
Trade	90.5	91.8	87.5	-1.3	-1.4	3.0	3.4
Transportation and warehousing	36.2	36.5	35.6	-0.3	-0.8	0.6	1.7
Finance, insurance, real estate and leasing	37.3	37.0	36.0	0.3	0.8	1.3	3.6
Professional, scientific and technical services	28.8	27.6	28.3	1.2	4.3	0.5	1.8
Business, building and other support services	20.5	20.5	18.7	0.0	0.0	1.8	9.6
Educational services	51.8	53.6	49.1	-1.8	-3.4	2.7	5.5
Health care and social assistance	103.8	101.5	100.7	2.3	2.3	3.1	3.1
Information, culture and recreation	23.4	24.2	24.1	-0.8	-3.3	-0.7	-2.9
Accommodation and food services	44.4	42.4	40.6	2.0	4.7	3.8	9.4
Other services	28.8	27.4	27.2	1.4	5.1	1.6	5.9
Public administration	31.4	32.7	33.3	-1.3	-4.0	-1.9	-5.7

Note: Totals may not add due to rounding

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

REGIONAL ANALYSIS

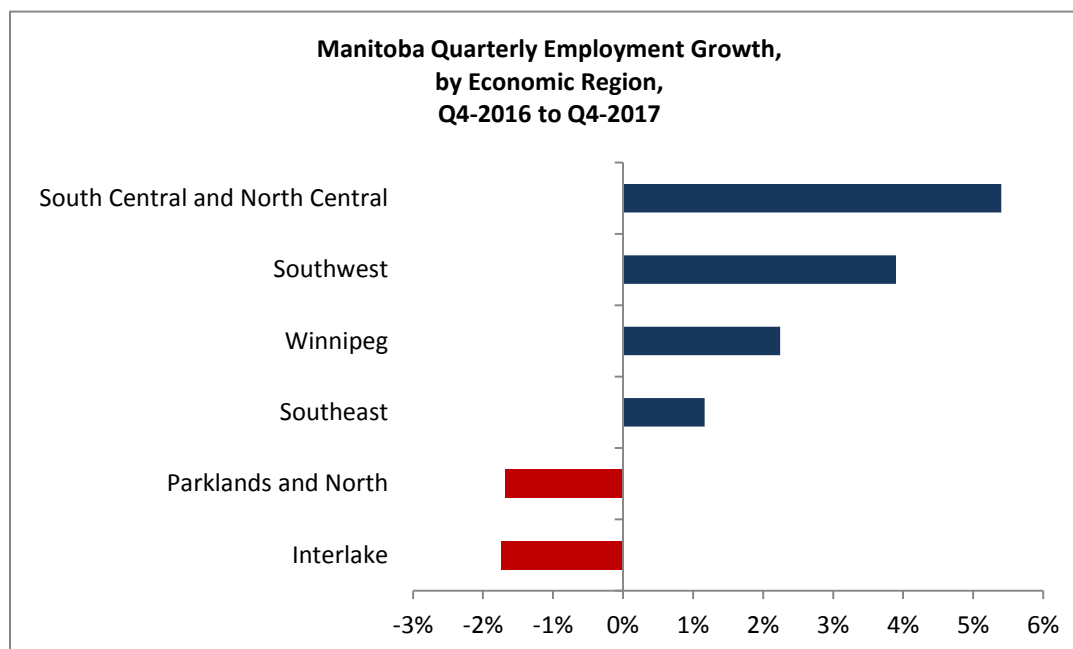
Within the past year, employment grew in all the regions of Manitoba, with the exception of the Interlake and the Parklands and North regions. However, the unemployment rate increased in Southeast, South Central and North Central, and Parklands and North.

Manitoba Quarterly Labour Force Statistics, by Economic Region

Not Seasonally Adjusted Data	Employment			Unemployment Rate		
	4th Quarter 2017 ('000)	4th Quarter 2016 ('000)	Yearly Variation (%)	4th Quarter 2017 (%)	4th Quarter 2016 (%)	Yearly Variation (% points)
Manitoba	646.3	633.4	2.0	5.0	5.7	-0.7
Economic Regions						
Southeast	60.8	60.1	1.2	4.7	3.5	1.2
South Central and North Central	56.6	53.7	5.4	3.4	3.1	0.3
Southwest	56.0	53.9	3.9	4.3	5.3	-1.0
Winnipeg	392.2	383.6	2.2	5.5	6.6	-1.1
Interlake	45.3	46.1	-1.7	3.2	5.1	-1.9
Parklands and North	35.3	35.9	-1.7	4.9	4.3	0.6

Note: Totals may not add due to rounding

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



Since the fourth quarter of 2016, Interlake had a significant improvement in its unemployment rate, with a decrease of 1.9 pp to 3.2%; the lowest quarterly unemployment rate in the province. However, overall employment decreased by 1,700 (-1.7%) since the same time last year. In the past year, employment gains

were made in health care and social assistance (+200). However, such gains were offset by losses in agriculture (-300), and business, building and other support services (-300).⁹

Southeast experienced the second largest employment growth rate (3.9%) since the fourth quarter of 2016, as employment reached 60,800. The town of Pinawa is trying to become the demonstration site for a small modular reactor (SMR). If successful, a SMR demonstration site may be operational by 2023, and offset some job losses at the Whiteshell Laboratories nuclear research site¹⁰ which is to be decommissioned by 2024.¹¹

Employment in South and North Central increased by 5.4% since the fourth quarter of 2016 due to strong growth in agriculture (+1,800). The construction of Roquette's \$400 million pea-processing facility and legislative changes to the province's hog industry are expected to have long-term positive impacts in the region.

In the past year, employment in Winnipeg increased by 2.2%. Over the same period, the unemployment rate fell by 1.1 percentage points to 5.5%. Employment growth was mainly in educational services (+1,800) and in accommodation and food services (+1,600). This was offset by losses in construction (-500), and public administration (-1,700).¹²

Industries in Winnipeg face changes in 2018. For instance, the City amended its 'Vehicle for Hire Bylaw', which would allow Uber and Lyft to operate in Winnipeg as early as March 1, 2018. Winnipeg-based companies New Flyer (manufacturing) and Boyd Group Income Fund (mutual fund operator), who earn a large part of their revenues in the U.S. are expected to benefit from the recent American corporate tax cuts. Additionally, Linamar Corp. (manufacturing) has reached an agreement to purchase Winnipeg's agricultural manufacturer MacDon for \$1.2 billion.¹³ Though pending approval, operations should continue at MacDon's Winnipeg headquarters; while some manufacturing is to be moved to Linamar's plant in Hungary.¹⁴

Parklands and North region experienced a decrease in employment of 1.7% to 35,300 compared to the same period last year. The town of Churchill, which faced economic and social hardship from the disrepair of its rail line, completed the nearly 300 kilometre ice road between Gillam and Churchill, and the first shipment of supplies arrived December 22.¹⁵ Convoys are expected to arrive every three days to deliver supplies at much lower costs than being flown in. The new lifeline to Churchill is expected to employ up to 24 people over the winter.

While the mining industry is expected to decline into 2019, a recent feasibility study from Alamos Gold Inc. estimates the potential for two open-pit gold mines near Lynn Lake. While it may take at least 4 years before these mines become operational, the company believes construction of the mine would create 500 jobs, and employ an additional 500 people once it is operational.¹⁶

The closure of Vale's Birchtree mine and upcoming smelter in August 2018 is expected to have a negative economic impact on the City of Thompson. The closure is expected to affect 525 employees.¹⁷ The City of Thompson is currently undertaking steps to mitigate the economic impact and has submitted a letter of intent to the Province of Manitoba for financial assistance from the provincial Mining Community Reserve Fund. City council is looking at cost-cutting measures to reduce spending up to \$1 million for 2018.

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: http://www.esdc.gc.ca/cqi-bin/contact/edsc-esdc/eng/contact_us.aspx?section=lmi

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

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

¹ Statistics Canada. Table 282-0087 – Labour Force Survey estimates (LFS), by sex and age group, seasonally adjusted and unadjusted, monthly (persons unless otherwise noted), CANSIM (database). (accessed January 5, 2018)

² Statistics Canada. Table 282-0089 – Labour force survey estimates (LFS), employment by class of worker and sex, seasonally adjusted and unadjusted, monthly (persons x 1,000), CANSIM (database). (accessed January 5, 2017)

³ Statistics Canada. Table 282-0087 – Labour force survey estimates (LFS), by sex and age group, seasonally adjusted and unadjusted, monthly, (persons unless otherwise noted) CANSIM (database). (accessed January 5, 2018)

⁴ CBC News. More than 800 Manitoba Hydro employees take voluntary buyout. <http://www.cbc.ca/news/canada/manitoba/manitoba-hydro-voluntary-buyout-1.4142384> (June 1, 2017)

⁵ Government of Manitoba. September. Crop Report: Issue 23, October 5, 2017. <https://www.gov.mb.ca/agriculture/crops/seasonal-reports/crop-report-archive/crop-report-2017-09-05.html>

⁶ Thompson Citizen. Foundation of new sewage treatment plant in place. <http://www.thompsoncitizen.net/news/thompson/foundation-of-new-sewage-treatment-plant-in-place-1.23022009> (September 26, 2017)

⁷ Keeyask Project Manager Update. Fall 2017. http://keeyask.com/wp-content/uploads/2017/02/KPMU-Newsletter_Fall-Edition-2017_web.pdf (accessed January 9, 2018)

⁸ CBC News. Construction on True North Square hotel, apartment towers to begin next year, developers say. <http://www.cbc.ca/news/canada/manitoba/winnipeg-true-north-square-chop-sutton-1.4271087> (August 31, 2017)

⁹ Statistics Canada. Table 282-0124 - Labour Force Survey estimates (LFS), employment by economic region based on 2011 Census boundaries and North American Industry Classification System (NAICS), three-month moving average, unadjusted for seasonality, monthly (persons), CANSIM (database). (accessed January 5, 2018)

¹⁰ Redcop, Bill. Winnipeg Free Press. Pinawa eyes nuclear-powered future. (December 20, 2017)

¹¹ Canadian Nuclear Laboratories. Whiteshell Decommissioning. <http://www.cnl.ca/en/home/environmental-stewardship/whiteshell/default.aspx> (accessed January 3, 2018)

¹² Statistics Canada. Table 282-0124 - Labour Force Survey estimates (LFS), employment by economic region based on 2011 Census boundaries and North American Industry Classification System (NAICS), three-month moving average, unadjusted for seasonality, monthly (persons), CANSIM (database). (accessed January 5, 2018)

¹³ Financial Post. Linamar reaches \$1.2 billion deal to buy agricultural manufacturer MacDon.
<http://business.financialpost.com/commodities/agriculture/linamar-corp-reaches-1-2-billion-deal-to-buy-agriculture-manufacturer-macdon> (December 14, 2017)

¹⁴ MacDon. Linamar to Acquire the MacDon Group of Companies.
<http://www.macdon.com/en/media/linamar-to-acquire-the-macdon-group-of-companies> (accessed January 2, 2018)

¹⁵ CBC News. Churchill cheers as shipment of goods arrives after 25-hour ice road journey.
<http://www.cbc.ca/news/canada/manitoba/goods-shipping-arrives-churchill-1.4463112> (December 22, 2017)

¹⁶ Redcop, Bill. Winnipeg Free Press. Feasibility study finds Lynn Lake glitters with gold. (December 15, 2017)

¹⁷ Thompson Citizen. October 12, 2016. Smelter becoming a single-furnace operation in 2017.
<http://www.thompsoncitizen.net/news/thompson/smelter-becoming-a-single-furnace-operation-in-2017-1.2362248>