



Labour Market Bulletin

Manitoba

2017 (Annual Edition)



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

Manitoba had a good year in 2017, as employment grew by 1.7%, reaching 644,100. Strong gains in full-time employment (+9,200), surpassed not only part-time employment gains (+1,300), but also the losses (-4,200) of 2016. Employment growth was strong in Manitoba's private sector (+10,300) with annual employment increasing to 395,600. Self-employment also increased for a third consecutive year (+1,300), and off-set losses in Manitoba's public sector (-1,100).¹

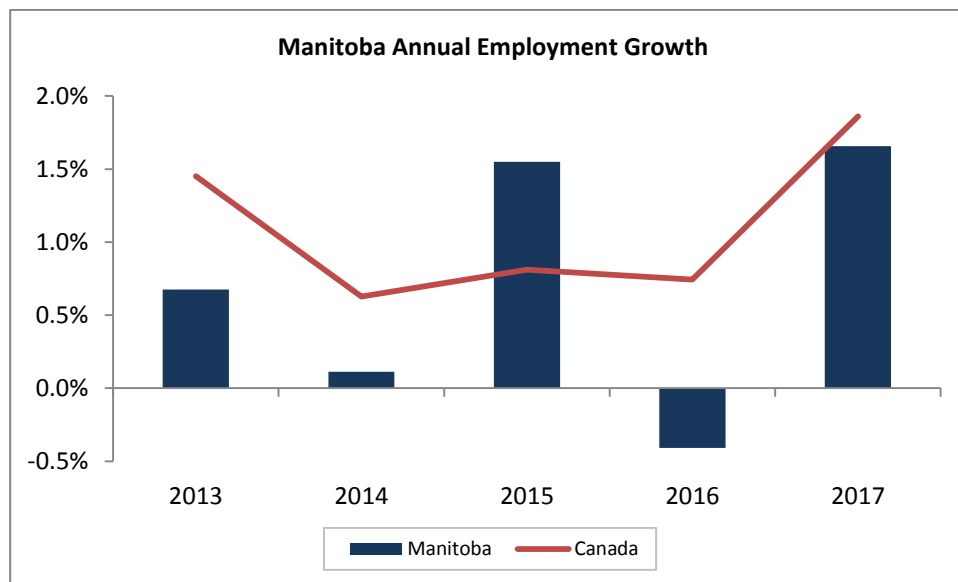
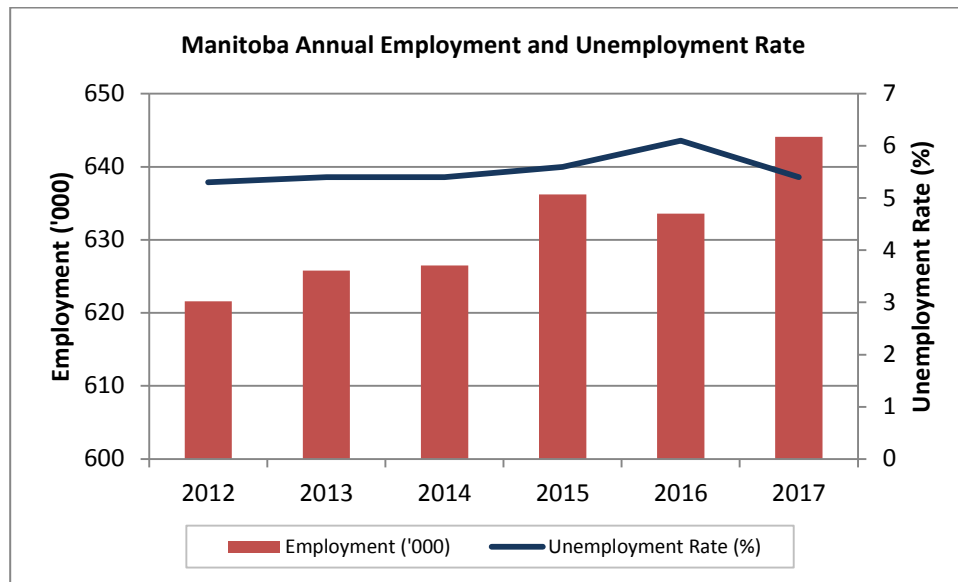
According to the Conference Board of Canada, Manitoba's economy reached real GDP growth of 2.5% in 2017. However, they project that the continuing decline in Manitoba's mining industry, a reduction in residential construction, the near-completion of Manitoba Hydro's construction projects, plus uncertainty surrounding the North American Free Trade Agreement, are expected to reduce 2018's real GDP growth to 1.8%.²

Manitoba Annual Labour Force Statistics

Labour Force Survey Estimates	2017	2016	2015	2016 to 2017		2015 to 2016	
				Number	%	Number	%
Population 15 + ('000)	1,013.3	999.0	987.2	14.3	1.4	11.8	1.2
Labour Force ('000)	680.9	674.9	674.1	6.0	0.9	0.8	0.1
Employment ('000)	644.1	633.6	636.2	10.5	1.7	-2.6	-0.4
Full-Time ('000)	519.7	510.5	514.7	9.2	1.8	-4.2	-0.8
Part-Time ('000)	124.4	123.1	121.5	1.3	1.1	1.6	1.3
Unemployment ('000)	36.8	41.4	37.9	-4.6	-11.1	3.5	9.2
Unemployment Rate (%)	5.4	6.1	5.6	-0.7	-	0.5	-
Participation Rate (%)	67.2	67.6	68.3	-0.4	-	-0.7	-
Employment Rate (%)	63.6	63.4	64.4	0.2	-	-1.0	-

Note: Totals may not add due to rounding

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



Compared to 2016, Manitoba’s unemployment rate improved marginally, decreasing by 0.7 of a percentage point to 5.4%. The province had the second lowest unemployment rate in the region, falling only behind British Columbia (5.1%).³

Youth unemployment improved in 2017, with the unemployment rate falling 1.5 percentage points to 11.7%, which is still more than double the rate for those aged 25 and older (5.4%). In 2017, the unemployment rate for young men (15 to 24 years) improved the most, decreasing nearly 2 percentage points, whereas the rate for young women (15 to 24 years) fell by 1.0 percentage point. The unemployment rates for men and women (25 years and over) were significantly better than their youth counterparts, as they both experienced marginal decreases of 0.8% and 0.3%, respectively.

Manitoba Annual Unemployment Rates, by Gender and Age

Labour Force Survey Estimates	2017	2016	2015	2016 to 2017 (% points)	2015 to 2016 (% points)
Total	5.4	6.1	5.6	-0.7	0.5
25 years and over	4.2	4.8	4.5	-0.6	0.3
Men - 25 years and over	4.4	5.2	4.4	-0.8	0.8
Women - 25 years and over	4.0	4.3	4.6	-0.3	-0.3
15 to 24 years	11.7	13.2	11.4	-1.5	1.8
Men - 15 to 24 years	12.9	14.8	11.8	-1.9	3.0
Women - 15 to 24 years	10.3	11.3	11.1	-1.0	0.2

Note: Totals may not add due to rounding

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

Labour market indicators for Indigenous people

In 2017, the total population aged 15+ in Manitoba was 1.013 million. The Indigenous population living off-reserve accounted for 11.5% of that, or 117,000 people. Employment among Indigenous people in Manitoba stood at 66,900, representing an increase of 2,700 positions (+4.2%) from 2016. The employment gains were in full-time positions (+2,700 or +5.2%).

The unemployment rate among the Indigenous population was 10.8% in 2017, representing a decrease of 1.5 percentage points from the previous year. Among the non-Indigenous population, the unemployment rate was 4.8% (-0.6 percentage points). In 2017, the participation rate of Indigenous people stood at 64.1% (-0.2 percentage points from 2016) while among non-Indigenous population, it decreased marginally to 67.6% (-0.4 percentage points). The employment rate for Indigenous people increased to 57.2% (+0.8 percentage points) while the non-Indigenous population remained unchanged at 64.4%.

Manitoba - Labour Market Indicators for Indigenous People

Annual averages Seasonally unadjusted data	Indigenous		Yearly variation (Indigenous)		Non-Indigenous		Yearly variation (non-Indigenous)	
	2017	2016	number	%	2017	2016	number	%
Population 15 + ('000)	117.0	113.8	3.2	2.8	896.4	885.2	11.2	1.3
Labour Force ('000)	75.0	73.2	1.8	2.5	606.1	601.8	4.3	0.7
Employment ('000)	66.9	64.2	2.7	4.2	577.3	569.3	8.0	1.4
Full-Time ('000)	54.5	51.8	2.7	5.2	465.2	458.7	6.5	1.4
Part-Time ('000)	12.4	12.4	0.0	0.0	112.1	110.7	1.4	1.3
Unemployment ('000)	8.1	9.0	-0.9	-10.0	28.8	32.5	-3.7	-11.4
Unemployment Rate (%)	10.8	12.3	-1.5	-	4.8	5.4	-0.6	-
Participation Rate (%)	64.1	64.3	-0.2	-	67.6	68.0	-0.4	-
Employment Rate (%)	57.2	56.4	0.8	-	64.4	64.3	0.1	-

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

Estimates are based on annual 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 2017, employment in Manitoba's goods-producing sector remained relatively unchanged (+800), as employment losses in the agriculture (-300) and utilities (-1,000) were offset by gains in construction (+1,200).

The utilities industry's leading employer, Manitoba Hydro, implemented its voluntary departure plan, reducing its province wide workforce by over 800 positions. The Crown Corporation had set a goal of reducing 15% (900 employees) of its workforce as part of its effort to reduce operating costs.⁴ Separate from the voluntary departure plan, Manitoba Hydro also reduced its senior management staff by 30% earlier in the year.⁵

Employment in the construction industry increased for the third consecutive year in 2017, employing 48,300 workers. The industry experienced strong growth in part due to an increase in residential and non-residential construction projects. In addition, the continuation of major construction projects such as, Manitoba Hydro's Keeyask generating station and Bipole III, Roquette's pea-processing plant, and True North Square also contributed to the high employment. However, the Conference Board of Canada expects the industry to slowly decline over time as major projects near completion, and residential investments within Manitoba are projected to fall by almost 6% in 2018.⁶

Manitoba Annual Labour Force Statistics, by Industry

Labour Force Survey Employment Estimates ('000)	2017	2016	2015	2016 to 2017		2015 to 2016	
				Number	%	Number	%
Total employment, all industries	644.1	633.6	636.2	10.5	1.7	-2.6	-0.4
Goods-producing sector	152.1	151.3	147.4	0.8	0.5	3.9	2.6
Agriculture	24.0	24.3	23.2	-0.3	-1.2	1.1	4.7
Forestry, fishing, mining, quarrying, oil and gas	6.9	6.4	5.7	0.5	7.8	0.7	12.3
Utilities	8.9	9.9	8.3	-1.0	-10.1	1.6	19.3
Construction	48.3	47.1	45.6	1.2	2.5	1.5	3.3
Manufacturing	63.9	63.6	64.6	0.3	0.5	-1.0	-1.5
Services-producing sector	492.0	482.3	488.8	9.7	2.0	-6.5	-1.3
Wholesale and retail trade	90.8	89.2	91.9	1.6	1.8	-2.7	-2.9
Transportation and warehousing	36.6	35.5	38.4	1.1	3.1	-2.9	-7.6
Finance, insurance, real estate, rental and leasing	37.1	34.0	32.7	3.1	9.1	1.3	4.0
Professional, scientific and technical services	28.3	27.6	25.4	0.7	2.5	2.2	8.7
Business, building and other support services	19.5	18.3	18.8	1.2	6.6	-0.5	-2.7
Educational services	51.1	50.1	52.2	1.0	2.0	-2.1	-4.0
Health care and social assistance	102.3	101.8	102.1	0.5	0.5	-0.3	-0.3
Information, culture and recreation	23.9	23.3	22.6	0.6	2.6	0.7	3.1
Accommodation and food services	42.5	41.6	41.3	0.9	2.2	0.3	0.7
Other services (except public administration)	27.5	28.4	29.3	-0.9	-3.2	-0.9	-3.1
Public administration	32.7	32.5	34.1	0.2	0.6	-1.6	-4.7

Note: Totals may not add due to rounding

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

Compared to the goods-producing sector, employment in the services-producing sector increased significantly by 9,700. Employment grew in all the industries within the service sector, with the exception of other services (except public administration), as employment fell by -900.

In 2017, there was significant employment growth in finance, insurance, real estate, rental and leasing (+3,100), and modest growth in wholesale and retail trade (+1,600) and business, building and other support services (+1,200). Employment slightly increased in accommodation and food services (+900), and information, culture and recreation (+600) as these industries briefly benefitted from Winnipeg hosting the Canada Summer Games and with the expanded Winnipeg Convention Centre attracting 557,000 visitors.⁷ These industries should continue to demonstrate marginal growth in the near future following the completion of five new hotels in Winnipeg, and as the province's Look North Action Plan works to promote tourism in Northern Manitoba.^{8, 9}

Health care and social assistance experienced minimal growth last year, following a realignment of services within the Winnipeg Regional Health Authority, and a mandated cut of 15% of senior management positions at all the regional health authorities. The staff reductions were part of the provincial government's plan to reduce the provincial deficit.¹⁰

REGIONAL ANALYSIS

Within the past year, employment grew in all of Manitoba's regions, with the exception of the Parklands and North region. This year's regional employment growth rates exceeded last year's in all but, the Southeast, and Parklands and North regions.

The province passed a number of bills affecting industries such as; fresh water fishing, vehicles for hire, and retail cannabis.¹¹ These bills may promote economic growth across the province by creating new retail markets and increased competition. The province's economic transformation in 2018 will continue with the *Made-in-Manitoba Climate and Green Plan*. The plan includes a carbon pricing of \$25 per tonne in an effort to promote environmental sustainability and economic growth.¹² The province also increased the minimum wage by \$0.15 to \$11.15 an hour, tying the minimum wage to inflation.¹³

Manitoba Annual Labour Force Statistics, by Economic Region

Labour Force Survey Estimates: Employment ('000)	2017	2016	2015	2016 to 2017		2015 to 2016	
				Number	%	Number	%
Manitoba	644.1	633.6	636.2	10.5	1.7	-2.6	-0.4
Economic Regions							
Southeast	61.6	60.2	56.3	1.4	2.3	3.9	6.9
South Central and North Central	55.8	53.9	54.8	1.9	3.5	-0.9	-1.6
Southwest	55.2	54.1	57.7	1.1	2.0	-3.6	-6.2
Winnipeg	389.3	383.4	385.3	5.9	1.5	-1.9	-0.5
Interlake	46.7	45.9	46.3	0.8	1.7	-0.4	-0.9
Parklands and North	35.5	36.0	35.8	-0.5	-1.4	0.2	0.6

Note: Totals may not add due to rounding

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

Last year, employment in Winnipeg increased by 1.5% (+5,900), as the unemployment rate fell by 0.8 percentage points.¹⁴ Winnipeg's manufacturing industry thrived, as employers such as Magellan Aerospace and New Flyer were each awarded with significant contracts.^{15,16,17} Winnipeg's construction industry also spiked

during the second half of the year, as residential developers rushed to attain building permits before the new impact fee went into effect on May 1, 2017.¹⁸

Despite the success of the manufacturing and construction industries, the Winnipeg region did experience a significant number of closings and layoffs by various employers; Sears, Manitoba Hydro, Great West Life, the Winnipeg Regional Health Authority, and the Investors Group.^{19, 20, 21, 22, 23}

Looking ahead, Winnipeg's manufacturing industry remains strong due to a low Canadian dollar, increased demand, and low interest rates. However, the industry faces uncertainty from the ongoing NAFTA negotiations.

Southeast experienced marginal employment growth +2.3% (+1,400) over the past year to reach 61,600, in part to Steinbach continuing as Manitoba's third largest city. The region's agriculture industry may experience further growth in 2018, as new provincial legislation permits new hog barns to be constructed, and Manitoba Pork reports that last year's porcine epidemic diarrhea outbreak is nearly eliminated.^{24, 25}

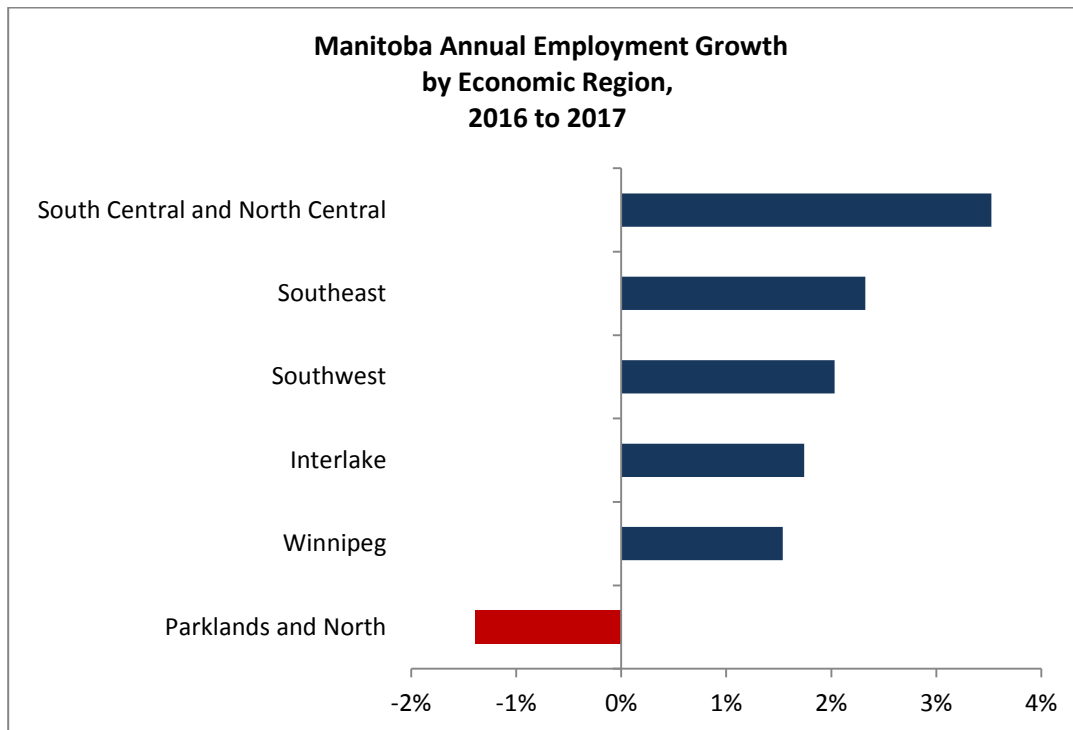
Parklands and North was the only region in Manitoba that experienced minimal losses in employment (-500). The region's future is expected to worsen following the province's report stating that the region will lose an additional 1,500 jobs over the next two to three years.²⁶

The province's mining industry is expected to shrink as Vale (Thompson) and Hudbay Minerals (Flin Flon) reduce their staff to save costs. The downturn began last fall, with Vale's closure of its Birchtree nickel mine, affecting 150 employees. Vale is expected to close its smelter and refinery in August 2018, and reduce its workforce from 1,180 to 837.²⁷ Hudbay Minerals is also expected to close its Reed mine, and layoff around 60 workers.²⁸

In the spring of 2017, severe flooding closed the single rail line into Churchill and Omnitrax, the owner of the rail line, suspended services. As a result, the town of nearly 900 people experienced job cuts, and rising food and gas prices. Without rail access, supplies, have to be delivered either by plane, winter-road, or by boat when the weather permits. No announcements have been made as to when or if the rail line will be repaired.²⁹

Manitoba Hydro continues with construction of the Keeyask generating station between Thompson and Gillam, and last reported 3,273 active hires in November 2017.³⁰ The project has suffered significant cost overruns and delays before 2017, though significant progress has since been made, as the project should continue to employ nearly 3,500 people during the construction season.^{31, 32} The Public Utilities Board of Manitoba will soon render a decision on Manitoba Hydro's request for a 7.9% annual rate increase for the next 5 years. The request has led to significant pushback from consumers and businesses concerned with growing electricity bills.³³

In 2017, employment grew in Manitoba's other three regions, with South Central and North Central experiencing the second largest increase (+1,900) within the province. The region's unemployment rate marginally improved, declining by 0.5 percentage points to 3.6% last year.³⁴ South Central and North Central should continue to demonstrate moderate growth in the near future as Portage La Prairie benefits from investments in infrastructure; continued construction of the \$400 million Roquette pea-processing plant; and Simplot's \$460 million investment in its potato plant expansion.^{35, 36, 37}



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 Statistics Canada. Table 282-0089 - Labour Force Survey estimates (LFS), employment by class of worker and sex, seasonally adjusted and unadjusted, annual (persons), CANSIM (database). (accessed: March 6, 2018)

² The Conference Board of Canada. Provincial Outlook Executive Summary: Winter 2018. Ottawa: The Conference Board of Canada, 2018. (accessed: March 7, 2018)

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