



# Labour Market Bulletin

Manitoba

October 2018



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 in Manitoba grew to 649,900 (+1,800) between September and October, as full-time employment increased by 4,400 (+0.8%) and part-time employment decreased by 2,600 (-2.0%).<sup>1</sup> Compared to the same time last year, 3,100 more people were employed.<sup>2</sup> Despite employment in the public service having grown 1.3% since the start of the year, roughly half of this year's gains were eliminated in the past month (-2,100). The private sector grew to 396,500 (+0.4%) between September and October continuing the year to date trend which is up +1.4%. Self-employment surged to 91,700 (+2.7%) reversing a three-month slide that began in July.<sup>3</sup>

Last month, Canada submitted formal notice of ratification of the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP) trade deal, making it the fifth country to file notice. In 2017, over 10% of Manitoba's exports were shipped to Japan, Mexico, Australia, and Singapore. These countries make up four of the eleven signatories of the CPTPP.<sup>4</sup> Last year, Manitoba exported approximately \$813 million in goods to Japan; 95% of which were agricultural product.<sup>5</sup> The CPTPP is anticipated to be in effect at the end of the year, reducing tariffs on a variety of products, including agricultural, industrial goods, aerospace products and automotive parts.<sup>6,7</sup> Ratification of the trade deal should alleviate some uncertainty for Manitoba's farmers, as Canada's agriculture industry continues to suffer due in part to the U.S. launched trade wars against China and Mexico. This summer, China's and Mexico's retaliatory actions against the U.S. led to a depreciation of North American soybean and pork prices which have financially hurt Manitoba farmers. However, Canadian exports of pork to Mexico and soybeans (used for pig feed) to China have grown, increasing Canada's global market share.<sup>8</sup>

Despite a newly negotiated trade deal (United States-Mexico-Canada Agreement), Manitoba's economy still faces uncertainty as the U.S. continues to enforce its tariffs on steel (25%). In the coming months, manufacturing costs may increase further with the addition of a 25% tariff on certain steel imports coming into Canada starting on October 25, 2018.<sup>9,10</sup>

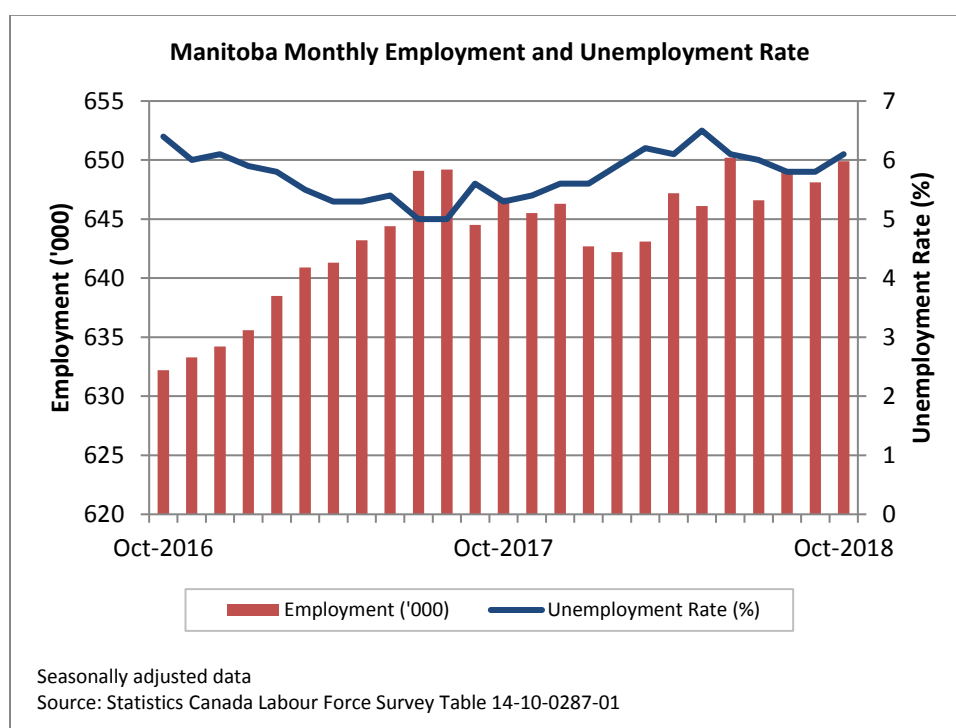
## Manitoba Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	October 2018	September 2018	October 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Population 15 + ('000)</b>	1,027.9	1,027.2	1,017.3	0.7	0.1	10.6	1.0
<b>Labour Force ('000)</b>	692.3	687.8	682.8	4.5	0.7	9.5	1.4
<b>Employment ('000)</b>	649.9	648.1	646.8	1.8	0.3	3.1	0.5
Full-Time ('000)	525.1	520.7	519.2	4.4	0.8	5.9	1.1
Part-Time ('000)	124.8	127.4	127.6	-2.6	-2.0	-2.8	-2.2
<b>Unemployment ('000)</b>	42.3	39.7	36.0	2.6	6.5	6.3	17.5
<b>Unemployment Rate (%)</b>	6.1	5.8	5.3	0.3	-	0.8	-
<b>Participation Rate (%)</b>	67.4	67.0	67.1	0.4	-	0.3	-
<b>Employment Rate (%)</b>	63.2	63.1	63.6	0.1	-	-0.4	-

Note: Totals may not add due to rounding

Source: Statistics Canada – Table 14-10-0287-01, formerly CANSIM 282-0087

Manitoba's unemployment rate increased from 5.8% to 6.1% between September and October. Compared to other the provinces, Manitoba held the fourth lowest unemployment rate, behind British Columbia (4.1%), Quebec (5.2%) and Ontario (5.6%).<sup>11</sup> Year-over-year, the province's unemployment rate has increased 0.8 percentage points.



### Unemployment by major demographic groupings

On a month-over-month basis, the unemployment rate for Manitoba youth (ages 15-24 years) grew by 1.2 percentage points to 12.4%, while the unemployment rate for those aged 25 years and older grew by 0.3 percentage points. Year over year, Manitoba youth unemployment rate is up 1.2 percentage points. The unemployment rate for the 25+ age group also increased 0.9 percentage points.

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

Seasonally Adjusted Data	October 2018	September 2018	October 2017	Monthly Variation	Yearly Variation
	(%)	(%)	(%)	(% points)	(% points)
<b>Total</b>	6.1	5.8	5.3	0.3	0.8
<b>25 years and over</b>	5.0	4.7	4.1	0.3	0.9
Men - 25 years and over	5.0	5.1	4.1	-0.1	0.9
Women - 25 years and over	4.9	4.3	4.2	0.6	0.7
<b>15 to 24 years</b>	12.4	11.2	11.2	1.2	1.2
Men - 15 to 24 years	13.2	12.3	12.9	0.9	0.3
Women - 15 to 24 years	11.4	9.9	9.2	1.5	2.2

*Note: Totals may not add due to rounding*

*Source: Statistics Canada – Table 14-10-0287, formerly CANSIM 282-0087*

**EMPLOYMENT BY INDUSTRY**

Manitoba's goods-producing sector employed 2,800 fewer (-1.9%) workers compared to the same time last year. The employment losses were in construction (-1,600), utilities (-1,400) and manufacturing (-900). Over the same period, agriculture increased by 1,000 workers.

With the anticipated implementation of the CPTPP, the outlook for Manitoba's agriculture sector is better as a variety of tariffs will be cut on goods such as pork, beef, wheat and barley, and canola oil. The new trade agreement is expected to help Manitoba diversify its trade, reducing its dependency on U.S. consumers.<sup>12</sup>

Manitoba's aerospace sector will receive \$10 million in funding from the federal government to promote innovation, skills development, and growth. The funding is anticipated to create up to 70 jobs in the province.<sup>13</sup> With the third largest aerospace industry in Canada, the new CPTPP trade deal could create new economic opportunities for Manitoba as tariffs on aerospace products of up to 5% will be eliminated on exports to Australia and New Zealand.<sup>14</sup>

Compared to October 2017, employment within the services-producing sector grew across the province by 6,000 (+1.2%). Employment grew in transportation and warehousing (+3,900), public administration (+2,900), healthcare and social assistance (+2,700), and in business, building and other support services (+2,500). Over the same period, employment declined in finance, insurance, real estate and leasing (-3,400); trade (-2,700); and accommodation and food services (-2,600).

## Manitoba Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	October 2018	September 2018	October 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
<b>Total employed, all industries</b>	649.9	648.1	646.8	1.8	0.3	3.1	0.5
<b>Goods-producing sector</b>	148.1	147.8	150.9	0.3	0.2	-2.8	-1.9
Agriculture	25.7	25.7	24.7	0.0	0.0	1.0	4.0
Forestry, fishing, mining, quarrying, oil and gas	6.7	6.6	6.6	0.1	1.5	0.1	1.5
Utilities	7.1	7.1	8.5	0.0	0.0	-1.4	-16.5
Construction	46.4	45.9	48.0	0.5	1.1	-1.6	-3.3
Manufacturing	62.2	62.4	63.1	-0.2	-0.3	-0.9	-1.4
<b>Services-producing sector</b>	501.9	500.4	495.9	1.5	0.3	6.0	1.2
Trade	87.0	87.9	89.7	-0.9	-1.0	-2.7	-3.0
Transportation and warehousing	40.4	39.8	36.5	0.6	1.5	3.9	10.7
Finance, insurance, real estate and leasing	34.1	34.6	37.5	-0.5	-1.4	-3.4	-9.1
Professional, scientific and technical services	29.2	28.6	28.6	0.6	2.1	0.6	2.1
Business, building and other support services	22.6	21.7	20.1	0.9	4.1	2.5	12.4
Educational services	51.0	51.8	51.5	-0.8	-1.5	-0.5	-1.0
Health care and social assistance	106.3	105.1	103.6	1.2	1.1	2.7	2.6
Information, culture and recreation	23.8	23.4	23.5	0.4	1.7	0.3	1.3
Accommodation and food services	41.8	41.1	44.4	0.7	1.7	-2.6	-5.9
Other services	31.0	31.1	28.6	-0.1	-0.3	2.4	8.4
Public administration	34.6	35.3	31.7	-0.7	-2.0	2.9	9.1

Note: Totals may not add due to rounding

Source: Statistics Canada – Table 14-10-0355, formerly CANSIM 282-0088

## REGIONAL ANALYSIS

Within the past year, employment grew in three of Manitoba's six economic regions. Employment growth in the province was led by Winnipeg with 9,700 jobs created, whereas there was only minimal growth in Southwest (+300), and Southeast (+300).

As of October 31, Greyhound Canada ceased operations across Western Canada, affecting 64 employees in Manitoba.<sup>15</sup> Several regional service providers have emerged to offer long-distance passenger and freight services across most of northern and rural Manitoba.<sup>16,17</sup> The federal government recently announced funding to any provinces that back-fill discontinued routes.<sup>18</sup>

On October 17, recreational cannabis became legal across Canada. At the time of writing, there are a reported eight licensed retail stores in Manitoba, two production facilities, and one licenced delivery service in Winnipeg.<sup>19,20</sup> According to a recent survey, more than 500 people are now directly employed by the province's cannabis industry, with possibly a few hundred more anticipated to be hired in the coming months.<sup>21</sup>

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

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	October 2018 ('000)	October 2017 ('000)	Yearly Variation (%)	October 2018 (%)	October 2017 (%)	Yearly Variation (% points)
<b>Manitoba</b>	652.8	650.5	0.4	5.8	5.3	0.5
<b>Economic Regions</b>						
Southeast	63.1	62.8	0.5	4.2	3.7	0.5
South Central and North Central	53.9	57.9	-6.9	4.6	3.7	0.9
Southwest	56.5	56.2	0.5	3.7	5.1	-1.4
Winnipeg	401.4	391.7	2.5	6.4	6.1	0.3
Interlake	45.6	46.6	-2.1	6.0	3.7	2.3
Parklands and Northern	32.2	35.3	-8.8	6.9	4.1	2.8

*Note: Totals may not add due to rounding*

*Source: Statistics Canada – Table 14-10-0293, formerly CANSIM 282-0122*

Year-over-year, employment increased by 2.5% in Winnipeg. Over the same period, the unemployment rate grew 0.3 percentage points to 6.4%. Part-time employment in retail trade is likely to grow in the coming months, as retailers prepare for the holiday season. Employment in the construction industry is likely to remain stable in the coming months, as work has begun on a residential tower near the University of Manitoba and the provincial government announced details to construct a new school.<sup>22, 23</sup>

U.S.-based agricultural company Monsanto announced it will close its Canadian head office in Winnipeg and relocate operations to Calgary by September 2019. Approximately 70 employees will be affected.<sup>24</sup> The move will mostly affect employees in finance, human resources, marketing, and commercial sales; though, it is unknown at this time how many may receive job offers for Calgary. Uncertainty remains surrounding an additional 56 Monsanto employees working at research facilities in Winnipeg, Carman, and Headingly.<sup>25</sup>

Employment within Southwest grew 0.5%, and its unemployment rate decreased by 1.4 percentage points. Employment within the region is likely to remain strong short-term, as construction on Enbridge's Line 3 replacement pipeline in Manitoba is expected to continue until early 2019. Around 2,000 workers are expected to be employed on the pipeline until its completion. Within Manitoba, construction will take place on three sections of the pipeline that run through the Southwest and South Central regions, with 600 to 800 people employed on each section.<sup>26, 27, 28</sup>

Compared to October 2017, employment in Parklands and North declined by 8.8% and the unemployment rate grew by 2.8 percentage points as mining operations across the region were cut earlier this year.<sup>29, 30</sup> Unfortunately, no new mine openings are anticipated in the next few years due in part to low commodity prices and declining mineral reserves.<sup>31</sup>

After nearly 18 months, repairs to the rail line into Churchill are now complete. Full passenger and freight rail service is expected to be restored by the end of November. In anticipation for next year's shipping season, the new owners of the rail line (Arctic Gateway) are planning to import and export primarily agricultural products.<sup>32, 33</sup>

**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> Statistics Canada. Table 14-10-0287-01 Labour force characteristics, monthly, seasonally adjusted and trend-cycle, last 5 months accessed November 2, 2018 <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1410028701>

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