



Labour Market Bulletin

Manitoba

November 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 652,500 (+2,600) between October and November, as full-time employment and part-time employment increased by 1,400 (+0.3%) and 1,200 (+1.0%), respectively.¹ Compared to October 2017, 7,000 more people were employed.² Employment in the public sector rebounded in November (+4,100) after roughly half of this year's gains were erased in October (-2,100). Between October and November, the private sector declined to 395,500 (-0.3%); however, the year to date trend remains positive (+1.2%). Self-employment remained relatively stable at 91,100 (-0.7%).³

While in attendance of the G20 summit in Argentina, all three North American countries signed on to the newly negotiated Canada-United States-Mexico Agreement. Unfortunately, Manitoba's economy still faces uncertainty as the U.S. continues to enforce its tariffs on steel (25%), and each country must overcome its domestic challenges as they work towards ratification and implementation.⁴ At this time, the North American Trade Agreement remains in effect.⁵

Despite the continued challenges with Manitoba's largest trading partner, Manitoba's economy remains steady. According to most recent data (September 2018), the number of regular Employment Insurance beneficiaries in Manitoba declined for the second month in a row to 15,460.⁶ Such improvement may be short-lived, as the Conference Board of Canada anticipates Manitoba's Real GDP growth to decline in the next few years, due in part to the completion of major construction projects and the province's declining mining industry.⁷

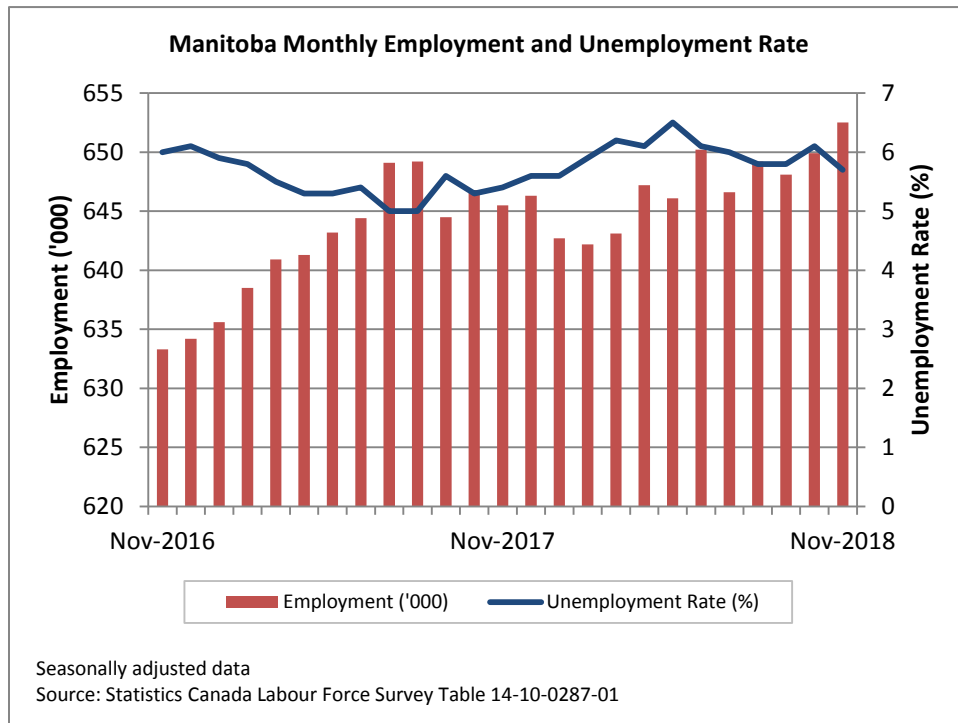
Manitoba Monthly Labour Force Statistics

| Seasonally Adjusted Monthly Data | November 2018 | October 2018 | November 2017 | Monthly Variation | | Yearly Variation | |
|----------------------------------|---------------|--------------|---------------|-------------------|------|------------------|------|
| | | | | Number | % | Number | % |
| Population 15 + ('000) | 1,028.8 | 1,027.9 | 1,018.0 | 0.9 | 0.1 | 10.8 | 1.1 |
| Labour Force ('000) | 691.5 | 692.3 | 682.6 | -0.8 | -0.1 | 8.9 | 1.3 |
| Employment ('000) | 652.5 | 649.9 | 645.5 | 2.6 | 0.4 | 7.0 | 1.1 |
| Full-Time ('000) | 526.5 | 525.1 | 519.0 | 1.4 | 0.3 | 7.5 | 1.4 |
| Part-Time ('000) | 126.0 | 124.8 | 126.5 | 1.2 | 1.0 | -0.5 | -0.4 |
| Unemployment ('000) | 39.1 | 42.3 | 37.1 | -3.2 | -7.6 | 2.0 | 5.4 |
| Unemployment Rate (%) | 5.7 | 6.1 | 5.4 | -0.4 | - | 0.3 | - |
| Participation Rate (%) | 67.2 | 67.4 | 67.1 | -0.2 | - | 0.1 | - |
| Employment Rate (%) | 63.4 | 63.2 | 63.4 | 0.2 | - | 0.0 | - |

Note: Totals may not add due to rounding

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

Manitoba’s unemployment rate declined from 6.1% to 5.7% between October and November. Compared to other the provinces, Manitoba held the fifth lowest unemployment rate, behind British Columbia (4.4%), Quebec (5.4%), Saskatchewan (5.5%), and Ontario (5.6%).⁸ Year-over-year, the province’s unemployment rate has increased 0.3 percentage points.



Unemployment by major demographic groupings

On a month-over-month basis, the unemployment rate for Manitoba youth (ages 15-24 years) remained relatively stable at 12.5%, while the unemployment rate for those aged 25 years and older shrank by 0.6 percentage points to 4.4%. Year over year, Manitoba youth unemployment rate is up 0.6 percentage points. Additionally, the unemployment rate for the 25+ age group grew slightly by 0.2 percentage points.

Manitoba Monthly Unemployment Rates, by Gender and Age

| Seasonally Adjusted Data | November 2018 (%) | October 2018 (%) | November 2017 (%) | Monthly Variation (% points) | Yearly Variation (% points) |
|---------------------------|-------------------|------------------|-------------------|------------------------------|-----------------------------|
| Total | 5.7 | 6.1 | 5.4 | -0.4 | 0.3 |
| 25 years and over | 4.4 | 5.0 | 4.2 | -0.6 | 0.2 |
| Men - 25 years and over | 4.6 | 5.0 | 4.4 | -0.4 | 0.2 |
| Women - 25 years and over | 4.2 | 4.9 | 4.0 | -0.7 | 0.2 |
| 15 to 24 years | 12.5 | 12.4 | 11.9 | 0.1 | 0.6 |
| Men - 15 to 24 years | 13.5 | 13.2 | 13.1 | 0.3 | 0.4 |
| Women - 15 to 24 years | 11.5 | 11.4 | 10.5 | 0.1 | 1.0 |

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 1,400 more (+0.9%) workers compared to the same time last year, due to employment growth in construction (3,200). However, large employment losses were reported in utilities (-1,200), whereas employment declined slightly in manufacturing (-300) and forestry, fishing, mining, quarrying, oil and gas (-400).

Despite a slight year-over-year decline (-300), employment in Manitoba's manufacturing industry remains relatively healthy. However, the industry continues to face continuing uncertainty, due in part to foreign domestic policies affecting global trade. For instance, Winnipeg-based bus manufacturer New Flyer announced that it would be moving 90 jobs from Winnipeg to its facility in Shepherdsville, Ky. in response to tighter Buy American regulations.⁹ The layoffs come amid an increase in the requirement for U.S. content in buses sold to American municipalities that receive federal subsidies. In 2015, under the U.S. Fixing America's Surface Transportation Act, the law required 60% of U.S. content; it then increased to 65% in 2017 and will increase to 70% next year.¹⁰ Layoff notices are to be issued between January and August of 2019, and the company anticipates no future job transfers.

Hudbay Minerals announced that it would close its 777 mine by 2021; simultaneously placing its mill under care and maintenance once the mine closes. It is likely that the company will also close its zinc processor by then as well.¹¹ The closures are expected to affect around 800 employees; however, the company estimates that up to 300 employees will be eligible for retirement in the coming years.¹² The company is expected to continue its operations at the Stall mill, New Brit Gold mine and Lalor mine near Snow Lake, 200 Km east of Flin

Flon.¹³ Within the past two years, provincial mining activity has declined due in part to Hudbay Minerals closing its Reed mine near Flin Flon, and Vale closing its Birchtree nickel mine, and smelter and refinery in Thompson.

Compared to November 2017, employment within the services-producing sector increased across the province by 5,500 (+1.1%). Employment grew in transportation and warehousing (+4,600), public administration (+2,600), and other services (+2,400). Over the same period, employment declined in trade (-3,200), finance, insurance, real estate and leasing (-2,600), and accommodation and food services (-2,100).

Manitoba Monthly Labour Force Statistics, by Industry

| Seasonally Adjusted Data ('000) | November 2018 | October 2018 | November 2017 | Monthly Variation | | Yearly Variation | |
|---|---------------|--------------|---------------|-------------------|------|------------------|-------|
| | | | | Number | % | Number | % |
| Total employed, all industries | 652.5 | 649.9 | 645.5 | 2.6 | 0.4 | 7.0 | 1.1 |
| Goods-producing sector | 149.3 | 148.1 | 147.9 | 1.2 | 0.8 | 1.4 | 0.9 |
| Agriculture | 25.0 | 25.7 | 25.0 | -0.7 | -2.7 | 0.0 | 0.0 |
| Forestry, fishing, mining, quarrying, oil and gas | 6.1 | 6.7 | 6.5 | -0.6 | -9.0 | -0.4 | -6.2 |
| Utilities | 7.0 | 7.1 | 8.2 | -0.1 | -1.4 | -1.2 | -14.6 |
| Construction | 49.1 | 46.4 | 45.9 | 2.7 | 5.8 | 3.2 | 7.0 |
| Manufacturing | 62.1 | 62.2 | 62.4 | -0.1 | -0.2 | -0.3 | -0.5 |
| Services-producing sector | 503.2 | 501.9 | 497.7 | 1.3 | 0.3 | 5.5 | 1.1 |
| Trade | 87.8 | 87.0 | 91.0 | 0.8 | 0.9 | -3.2 | -3.5 |
| Transportation and warehousing | 40.9 | 40.4 | 36.3 | 0.5 | 1.2 | 4.6 | 12.7 |
| Finance, insurance, real estate and leasing | 34.7 | 34.1 | 37.3 | 0.6 | 1.8 | -2.6 | -7.0 |
| Professional, scientific and technical services | 29.4 | 29.2 | 28.8 | 0.2 | 0.7 | 0.6 | 2.1 |
| Business, building and other support services | 22.5 | 22.6 | 20.6 | -0.1 | -0.4 | 1.9 | 9.2 |
| Educational services | 52.2 | 51.0 | 51.4 | 1.2 | 2.4 | 0.8 | 1.6 |
| Health care and social assistance | 105.6 | 106.3 | 104.1 | -0.7 | -0.7 | 1.5 | 1.4 |
| Information, culture and recreation | 22.8 | 23.8 | 23.6 | -1.0 | -4.2 | -0.8 | -3.4 |
| Accommodation and food services | 42.2 | 41.8 | 44.3 | 0.4 | 1.0 | -2.1 | -4.7 |
| Other services | 31.3 | 31.0 | 28.9 | 0.3 | 1.0 | 2.4 | 8.3 |
| Public administration | 33.9 | 34.6 | 31.3 | -0.7 | -2.0 | 2.6 | 8.3 |

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. Winnipeg led employment growth in the province with 9,900 jobs created, followed by Southwest (+1,800), and minimal growth in Southeast (+400).

Manitobans will continue to benefit from millions of dollars in public funding, as the provincial government announced that it would continue to fund \$20 million in infrastructure projects for the remainder of the 2018-19 fiscal year. The construction projects include bridge and gravel road restorations, work on culverts, and preparations for future paving projects.¹⁴ Also, the provincial government announced a renovation and additions project at École Noël Ritchot, in St. Norbert. The project is expected to exceed \$16 million, and includes a \$1.99 million contribution from Heritage Canada.¹⁵

The governments of Manitoba and Canada will be providing \$3 million in funding to support four diversification centres through the Canadian Agricultural Partnership. The centres will operate as private-public partnerships focusing on research to benefit the agriculture sector.¹⁶

Manitoba Monthly Labour Force Statistics, by Economic Region

| 3-Month Moving Averages Seasonally Unadjusted Data | Employment | | | Unemployment Rate | | |
|---|----------------------------|----------------------------|----------------------------|-------------------------|-------------------------|-----------------------------------|
| | November 2018 ('000) | November 2017 ('000) | Yearly Variation (%) | November 2018 (%) | November 2017 (%) | Yearly Variation (% points) |
| Manitoba | 652.6 | 647.7 | 0.8 | 5.3 | 5.0 | 0.3 |
| Economic Regions | | | | | | |
| Southeast | 61.9 | 61.5 | 0.7 | 3.4 | 3.9 | -0.5 |
| South Central and North Central | 54.5 | 57.0 | -4.4 | 4.0 | 3.4 | 0.6 |
| Southwest | 57.7 | 55.9 | 3.2 | 2.7 | 4.6 | -1.9 |
| Winnipeg | 401.6 | 391.7 | 2.5 | 5.8 | 5.7 | 0.1 |
| Interlake | 44.7 | 46.2 | -3.2 | 6.5 | 2.9 | 3.6 |
| Parklands and Northern | 32.1 | 35.3 | -9.1 | 7.2 | 4.3 | 2.9 |

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 stayed about the same at 5.8%. Employment in the construction industry is likely to decline in the coming months due to winter; however, work is anticipated to continue on some construction projects, such as the Waverly Underpass Project and the first tax credit-affiliated daycare, the Living Prairie Childcare.^{17,18} Looking forward, the government of Canada announced it would provide \$18 million in funding to build an affordable housing complex in Winnipeg. The 95-unit complex will be built in the neighborhood of Transcona, and have rents capped at 30 per cent of the area's median household income.¹⁹

The provincial government continues to work towards improving services for Manitobans, as the Winnipeg Regional Health Authority announced \$3.2 million in funding for additional neonatal intensive care unit staff. The additional funding will go towards hiring 30 new nurses, and adding 11 new beds for newborns at the St. Boniface and Health Sciences Centre hospitals.²⁰

Employment within South Central and North Central declined by 4.4%, and its unemployment rate grew by 0.6 percentage points. Despite this decline, recent announcements suggest that the region's agri-food sector will remain strong, as McCain Foods announced \$75 million in infrastructure investments until 2019, including \$45 million in its Portage la Prairie facility. The company also committed over \$30 million to its Carberry plant, located within Southwest.²¹

Construction has now resumed on Roquette's new pea-processing plant in Portage La Prairie, with production at the plant anticipated for the second half of 2020.²² Meanwhile, construction continues on the expansion of Simplot's potato production facility in Portage La Prairie, with the development to become operational by the fall of 2019.²³ As such, the outlook for local farmers should remain positive in the coming years, as the expanding agri-food industry should increase the demand for local produce.

Year-over-year, employment declined by 3.2% in Interlake. Over the same period, the unemployment rate more than doubled, increasing by 3.6 percentage points to 6.5%. Despite employment within the region having declined, employment prospects are likely to improve late next year as the Manitoba government has chosen two engineer firms to commence work on the \$540 million Lake St. Martin and Lake Manitoba Outlet Channels. Hatch Ltd. was awarded the Lake Manitoba engineering design and construction oversight contract, while the KGS Group was awarded a similar arrangement for Lake St. Martin.²⁴ Cost of the projects will be shared between the federal and provincial governments, with the federal government providing \$247.5 million in funding through the federal Disaster Mitigation and Adaptation Fund. Once complete, the project will greatly reduce the risk of flooding to First Nations and surrounding communities within the Interlake and Southwestern Regions.

Compared to November 2017, employment in Parklands and North declined by 9.1% and the unemployment rate grew by 2.9 percentage points as mining operations across the region were cut earlier this year.^{25,26} Employment prospects within the region are likely to decline further in the coming years, due in part to the anticipated completion of Manitoba Hydro's Keeyask Hydroelectric project, and cessation of mining operations in Flin Flon. At this time, no new mines are anticipated to open shortly.

The Government of Canada announced that it would invest \$248 million towards new and upgraded school facilities on four remote First Nations in northern Manitoba. Bunibonibee Cree Nation, God's Lake First Nation, Manto Sipi Cree Nation, and Wasagamack First Nation have signed a contract to build four new schools in their communities, including renovations at an existing school at Bunibonibee Cree Nation.²⁷ Currently, the school in God's Lake Narrows only goes up to Grade 9 and the high school in Manto Sipi only goes to Grade 11. Construction is expected to begin in spring 2019, and is scheduled to be complete in 2020. Once complete, the new schools will provide children with access to education from kindergarten to Grade 12 in their home communities.²⁸

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

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¹ Statistics Canada. Table 14-10-0287-01 Labour force characteristics, monthly, seasonally adjusted and trend-cycle, last 5 months accessed December 7, 2018 <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1410028701>

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³ Statistics Canada. Table 14-10-0288-01 Employment by class of worker, monthly, seasonally adjusted and unadjusted, last 5 months (x 1,000) accessed December 7, 2018 <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1410028801>

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