



Labour Market Bulletin

Manitoba

August 2019



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

During the month of August, employment in Manitoba grew to 654,700 (+5,200), which is unexpected, as employment growth in July was relatively flat. Overall employment growth in the month of August was generated by full-time employment gains (+11,500), which more than offset losses in part-time employment (-6,300).¹ In August, employment increased in the public sector (+2,400), and in the private sector (+5,500). Self-employment declined by 2,700 to 87,800; and, has declined by 3,100 since the same time last year.²

At the time of writing this report, Manitoba's agriculture sector is caught in a trade dispute between China and Canada, which is affecting a variety of products, including canola and pork. Manitoba's economy will continue to face strong headwinds due to the ongoing trade dispute with its second largest trading partner.³ In addition, Manitoba's labour force remains at risk by the on-going U.S.-China trade war.⁴ With the global economy showing signs of slowing down, it may be difficult for Manitoba's leading exporters to diversify and find new markets.

Hourly-paid Manitobans worked 29.3 hours on average in June (the most recent data available), placing Manitoba tenth across Canada and below the national average (29.7 hours). Meanwhile, at \$955 per week, average earnings Manitobans remain seventh amongst the provinces, up 1.4% over the previous 12 months.⁵

In June 2019, the number of regular Employment Insurance (EI) beneficiaries remained relatively unchanged at 15,390. Year over year, the number of regular EI recipients in Manitoba was 0.8% lower than in June 2018, a fraction of what occurred nationwide (-4.6%).⁶

Unemployment

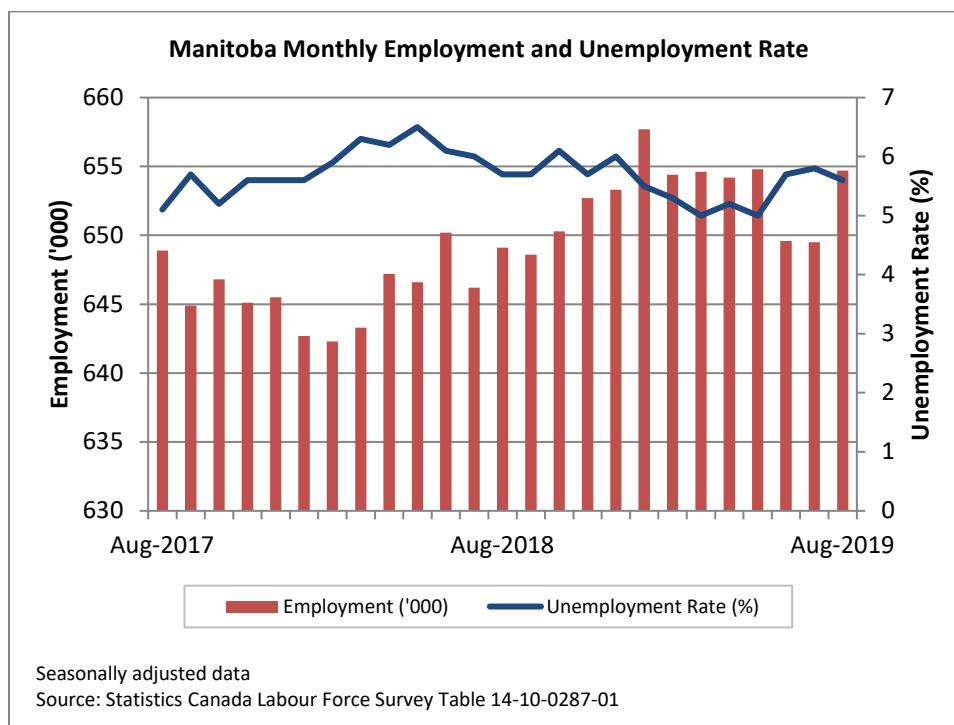
In August, Manitoba's unemployment rate improved slightly to 5.6%.⁷ Yet, according to the Conference Board of Canada, Manitoba's economic outlook for the next couple of years may be modest at best. With a projected real GDP growth rate of 0.5 per cent in 2019, and 0.8 per cent in 2020, Manitoba may have the lowest growth across Canada. The anticipated decline is due in part to the completion of large construction projects, lower consumer spending, along with declines in the oil and mining sector, and the ongoing trade dispute with China.^{8,9}

Manitoba Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	August 2019	July 2019	August 2018	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	1,039.4	1,038.2	1,026.7	1.2	0.1	12.7	1.2
Labour Force ('000)	693.2	689.7	688.7	3.5	0.5	4.5	0.7
Employment ('000)	654.7	649.5	649.1	5.2	0.8	5.6	0.9
Full-Time ('000)	530.5	519.0	522.5	11.5	2.2	8.0	1.5
Part-Time ('000)	124.2	130.5	126.6	-6.3	-4.8	-2.4	-1.9
Unemployment ('000)	38.6	40.2	39.6	-1.6	-4.0	-1.0	-2.5
Unemployment Rate (%)	5.6	5.8	5.7	-0.2	-	-0.1	-
Participation Rate (%)	66.7	66.4	67.1	0.3	-	-0.4	-
Employment Rate (%)	63.0	62.6	63.2	0.4	-	-0.2	-

Note: Totals may not add due to rounding

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



On a monthly basis, the unemployment rate for Manitoba youth (age 15-24 years) increased slightly in August, up 0.9 percentage points to 13.2%. Whereas, the unemployment rate of those aged 25 years and older decreased to 4.1%. Year over year, Manitoba's youth unemployment rate edged up 2.9 percentage points; whereas, the unemployment rate for Manitobans 25 years and over declined by 0.8 percentage points. As is often the case in Manitoba, the unemployment rate for women was lower than for men in both age groups.¹⁰

Manitoba Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	August 2019 (%)	July 2019 (%)	August 2018 (%)	Monthly Variation (% points)	Yearly Variation (% points)
Total	5.6	5.8	5.7	-0.2	-0.1
25 years and over	4.1	4.6	4.9	-0.5	-0.8
Men - 25 years and over	4.5	4.8	5.2	-0.3	-0.7
Women - 25 years and over	3.7	4.3	4.5	-0.6	-0.8
15 to 24 years	13.2	12.3	10.3	0.9	2.9
Men - 15 to 24 years	16.6	15.2	12.9	1.4	3.7
Women - 15 to 24 years	9.6	9.4	7.4	0.2	2.2

Note: Totals may not add due to rounding

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

EMPLOYMENT BY INDUSTRY

When compared to August of last year, employment in Manitoba's **goods producing sector** increased by 4.5% to 151,000. Employment increased in construction (+4,500) and manufacturing (+4,100). Alternatively, fewer workers were employed in forestry, fishing, mining, quarrying, oil and gas (-1,800), and utilities (-400).¹¹

In August, Manitoba's **agriculture** industry benefitted from some much-needed rain; however, it is likely too late in the season to affect most crop yields. Especially since the harvest of most cereal crops are nearing completion.¹² Despite most of the province having received some rain in the past weeks, twelve rural municipalities, most located in the Interlake region, declared a state of agriculture disaster due to severe drought conditions.¹³ The situation has become increasingly dire, as this has been the second straight year cattle farmers have been impacted by dry weather. Earlier this summer, the province temporarily allowed cattle farmers to access Crown land for emergency grazing and cutting. Nevertheless, the feed shortage is anticipated to last until next spring and farmers are pushing for the federal-provincial AgriRecovery disaster relief framework to be implemented.¹⁴ Without further relief, there is the risk that a significant portion of Manitoba's cattle herd may be culled in the coming months.

Major **construction** projects are progressing across the province, including the Keeyask hydroelectric project near Gillam, Roquette's pea-protein processing facility in Portage La Prairie, and the 300 Main multi-purpose skyscraper in downtown Winnipeg.¹⁵ Looking ahead, over \$130M in federal, provincial, and municipal funding will be invested in four projects to improve water and wastewater services in rural Manitoba.¹⁶ In addition, construction of the \$453M Manitoba-Minnesota power transmission project is scheduled to begin this September and is expected to be completed by June 2020.¹⁷

Provincial budget cuts to highway and bridge construction and repair are beginning to have a noticeable impact. In August, Manitoba-based heavy construction company, Hugh Munro Construction Ltd., arranged to have more than 1,200 pieces of heavy equipment auctioned off, roughly 65 per cent of the company's fleet. Looking forward, the company plans to provide specific services in road construction, and move into the quarrying business.¹⁸ In addition, the company cited low prices and out-of-province competition as a challenge to maintain their workforce. It is unclear at this time how many of the up to 350 seasonal employees will be impacted.¹⁹

Year-over-year, employment in Manitoba's **services sector** remained relatively unchanged at 503,700. Notable employment growth was seen in educational services (+2,600), and professional, scientific and technical services (+2,400). Alternatively, employment declined sharply in health care and social assistance (-4,100), other services (-1,900), and finance, insurance, real estate and leasing (-1,500).²⁰

This August, the Government of Canada provided \$4.9M in funding to six projects for business growth, skills training, and economic development, with recipients including the University College of the North, and the Communities Economic Development Fund. The projects will help build an inclusive and empowered economy in Manitoba.²¹ The Government of Canada is also providing more than \$12M in funding for four projects as part of the Western Canada Growth Strategy. The funding aims to increase Manitoba's global competitiveness, create jobs, and support economic growth.²²

Manitoba Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	August 2019	July 2019	August 2018	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	654.7	649.5	649.1	5.2	0.8	5.6	0.9
Goods-producing sector	151.0	150.5	144.5	0.5	0.3	6.5	4.5
Agriculture	24.9	25.1	24.8	-0.2	-0.8	0.1	0.4
Forestry, fishing, mining, quarrying, oil and gas	5.0	5.3	6.8	-0.3	-5.7	-1.8	-26.5
Utilities	6.6	6.4	7.0	0.2	3.1	-0.4	-5.7
Construction	50.2	50.5	45.7	-0.3	-0.6	4.5	9.8
Manufacturing	64.3	63.2	60.2	1.1	1.7	4.1	6.8
Services-producing sector	503.7	499.0	504.6	4.7	0.9	-0.9	-0.2
Trade	88.8	88.6	89.2	0.2	0.2	-0.4	-0.4
Transportation and warehousing	40.7	41.2	40.4	-0.5	-1.2	0.3	0.7
Finance, insurance, real estate and leasing	34.5	34.3	36.0	0.2	0.6	-1.5	-4.2
Professional, scientific and technical services	30.6	29.0	28.2	1.6	5.5	2.4	8.5
Business, building and other support services	22.6	23.7	22.0	-1.1	-4.6	0.6	2.7
Educational services	54.4	53.3	51.8	1.1	2.1	2.6	5.0
Health care and social assistance	101.9	100.7	106.0	1.2	1.2	-4.1	-3.9
Information, culture and recreation	24.0	23.2	23.2	0.8	3.4	0.8	3.4
Accommodation and food services	41.7	41.6	42.5	0.1	0.2	-0.8	-1.9
Other services	28.2	27.5	30.1	0.7	2.5	-1.9	-6.3
Public administration	36.2	35.9	35.2	0.3	0.8	1.0	2.8

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 marginally in three of Manitoba's six economic regions, Winnipeg (+4,900), Southwest (+3,300), and Interlake (+1,500). Over the same period, the unemployment rates grew in South Central and North Central, Parklands and Northern, and Southwest.

Manitoba Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	August 2019 ('000)	August 2018 ('000)	Yearly Variation (%)	August 2019 (%)	August 2018 (%)	Yearly Variation (% points)
Manitoba	658.6	656.2	0.4	5.9	6.2	-0.3
Economic Regions						
Southeast	61.4	64.5	-4.8	3.8	4.7	-0.9
South Central and North Central	53.8	54.4	-1.1	5.8	4.6	1.2
Southwest	59.4	56.1	5.9	5.1	4.6	0.5
Winnipeg	406.5	401.6	1.2	6.2	7.0	-0.8
Interlake	47.4	45.9	3.3	4.6	5.4	-0.8
Parklands and Northern	30.2	33.7	-10.4	9.3	5.6	3.7

Note: Totals may not add due to rounding

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

Since August 2018, **Winnipeg** saw employment increase by 1.2%. Over the same period, the unemployment rate declined by 0.8 percentage points to 6.2%. With completion of the Waverly Underpass, a sudden drop in housing starts, and winter just months away, employment in construction is expected to ease in the short-term.^{23,24} Despite the anticipated slowdown, the Government of Canada is providing \$4.7M to build a new multi-purpose facility and renovate the Interpretive Centre in FortWhyte. Construction is set to begin in 2019 with the Interpretive Centre re-opening in 2020 and the new facility in 2021.²⁵ The industry's outlook may improve in the coming years as the Kapyong Barracks were transferred to the Treaty 1 First Nations this August. Initial development plans include various commercial buildings and residential areas over 45-hectares.²⁶

Even though the aluminum and steel tariffs between Canada and the U.S. having been lifted earlier this summer, Supreme Steel announced it would be closing its steel construction plant in Winnipeg. The company cited ongoing tariff uncertainty and a prolonged economic downturn for their restructuring.²⁷ The plant is set to close September 30, 2019, affecting around 50 workers.²⁸

Within the past year, employment declined slightly by 1.1% in **South Central and North Central**, and its unemployment rate increased by 1.2 percentage points. The labour market within the region is unlikely to improve over the coming months, as construction projects are nearing completion, including the Pine Ridge Childcare Centre in Winkler. Once complete, the Centre will provide the City with 114 additional childcare spaces.²⁹

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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