



Labour Market Bulletin

Manitoba

January 2021



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

The Government of Manitoba re-imposed stricter regulations in November to help prevent the spread of COVID-19. These measures included the closure of in-person dining services, recreation facilities, personal care services, and non-essential retail stores. These restrictions were maintained until late January when some businesses were allowed to re-open in most of the province. Case counts remain high in northern Manitoba, and for this reason, restrictions are still in effect throughout the Northern Health Region and Churchill.

Manitoba Monthly Labour Force Statistics

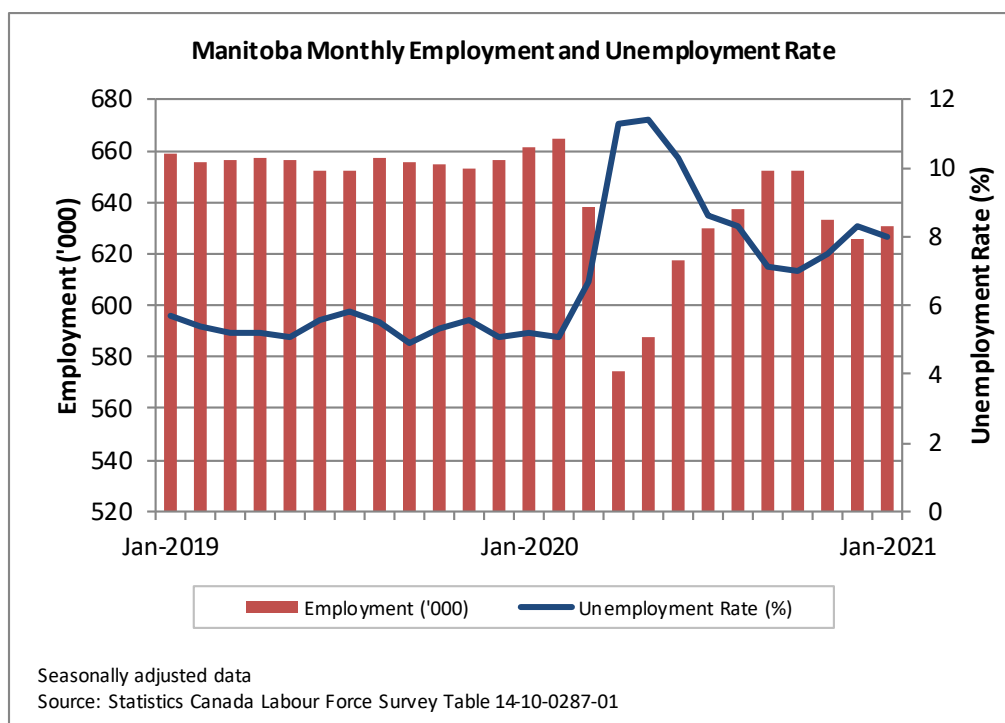
Seasonally Adjusted Monthly Data	January 2021	December 2020	January 2020	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	1,049.4	1,049.4	1,046.0	0.0	0.0	3.4	0.3
Labour Force ('000)	685.9	681.8	697.8	4.1	0.6	-11.9	-1.7
Employment ('000)	631.0	625.5	661.6	5.5	0.9	-30.6	-4.6
Full-Time ('000)	525.8	509.8	524.5	16.0	3.1	1.3	0.2
Part-Time ('000)	105.3	115.7	137.2	-10.4	-9.0	-31.9	-23.3
Unemployment ('000)	54.8	56.3	36.2	-1.5	-2.7	18.6	51.4
Unemployment Rate (%)	8.0	8.3	5.2	-0.3	-	2.8	-
Participation Rate (%)	65.4	65.0	66.7	0.4	-	-1.3	-
Employment Rate (%)	60.1	59.6	63.3	0.5	-	-3.2	-

Note: Totals may not add due to rounding

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

According to the Canadian Federation of Independent Business (CFIB), only 45% of small businesses remain fully open in Manitoba. In addition, 15% of small business owners in the province are seriously considering permanently shuttering their operations — possibly jeopardising over 100,000 jobs.¹

Indeed, business restrictions had a significant impact on employment in November (-18,500) and December 2020 (-7,900). Meanwhile, employment edged up 5,500 in January with full-time employment gains (+16,000) outpacing part-time employment losses (-10,400).



On an annual basis, total employment in Manitoba is still down over 30,000. Most of these job losses are in the private sector (-18,500), while public sector employment is down 8,600 and self-employment declined 3,500.²

According to the Conference Board of Canada, Manitoba's economic recovery from the pandemic is not expected to occur until 2022 due to the recent increase in COVID-19 cases.³ Initially, the Conference Board forecast provincial employment to reach pre-pandemic levels by the first quarter of 2021.⁴

Manitoba Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	January 2021 (%)	December 2020 (%)	January 2020 (%)	Monthly Variation (% points)	Yearly Variation (% points)
Total	8.0	8.3	5.2	-0.3	2.8
25 years and over	6.0	6.5	4.4	-0.5	1.6
Men - 25 years and over	4.8	5.7	4.6	-0.9	0.2
Women - 25 years and over	7.4	7.5	4.3	-0.1	3.1
15 to 24 years	18.9	18.3	9.1	0.6	9.8
Men - 15 to 24 years	18.0	19.3	10.4	-1.3	7.6
Women - 15 to 24 years	19.6	17.3	7.8	2.3	11.8

Note: Totals may not add due to rounding

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

Manitoba's unemployment rate declined 0.3 percentage points to 8.0% in January and remains well below the national average (9.4%). However, the province's unemployment rate is still significantly higher than it was in January 2020 (5.2%).

Manitobans aged 15 to 24 continue to be disproportionately affected by job losses induced by pandemic-related business restrictions. Indeed, youth employment is down 18,500 year-over-year while the youth unemployment rate has more than doubled on an annual basis, reaching 18.9%. In 2020, approximately 47% of all youth employment in Manitoba was part-time work. These positions are typically more precarious than full-time jobs and offer less job security in times of economic uncertainty.

EMPLOYMENT BY INDUSTRY

Employment increased in Manitoba's **goods-producing sector** (+2,100), primarily due to gains in **manufacturing** (+1,300) and **agriculture** (+900). Meanwhile, monthly employment growth in the province's **services-producing sector** (+3,500) was led by gains in **other services** (+2,300) and **public administration** (+1,400). Employment also grew in Manitoba's **accommodation and food services industry** (+500) for the first time in three months.

Manitoba Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	January 2021	December 2020	January 2020	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	631.0	625.5	661.6	5.5	0.9	-30.6	-4.6
Goods-producing sector	145.0	142.9	151.1	2.1	1.5	-6.1	-4.0
Agriculture	25.6	24.7	26.2	0.9	3.6	-0.6	-2.3
Forestry, fishing, mining, quarrying, oil and gas	3.8	4.4	5.1	-0.6	-13.6	-1.3	-25.5
Utilities	4.7	4.7	6.8	0.0	0.0	-2.1	-30.9
Construction	48.3	47.8	49.5	0.5	1.0	-1.2	-2.4
Manufacturing	62.6	61.3	63.5	1.3	2.1	-0.9	-1.4
Services-producing sector	486.0	482.5	510.5	3.5	0.7	-24.5	-4.8
Trade	90.4	91.0	92.7	-0.6	-0.7	-2.3	-2.5
Transportation and warehousing	40.2	40.9	40.1	-0.7	-1.7	0.1	0.2
Finance, insurance, real estate and leasing	35.6	35.1	33.6	0.5	1.4	2.0	6.0
Professional, scientific and technical services	31.3	30.4	30.8	0.9	3.0	0.5	1.6
Business, building and other support services	20.6	21.6	22.4	-1.0	-4.6	-1.8	-8.0
Educational services	55.3	55.6	53.4	-0.3	-0.5	1.9	3.6
Health care and social assistance	100.2	100.7	108.0	-0.5	-0.5	-7.8	-7.2
Information, culture and recreation	20.1	19.4	21.8	0.7	3.6	-1.7	-7.8
Accommodation and food services	27.1	26.6	43.7	0.5	1.9	-16.6	-38.0
Other services	28.1	25.8	27.9	2.3	8.9	0.2	0.7
Public administration	36.9	35.5	36.1	1.4	3.9	0.8	2.2

Note: Totals may not add due to rounding

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

Employment in Manitoba's **manufacturing** industry grew over 2% in January. One of the province's recent food manufacturing developments is the construction of Roquette's \$600 million pea processing facility located in Portage la Prairie. This plant started production towards the end of last year and has already brought in 200 loads of peas to process since operations began. The plant currently employs approximately 110 people and up to 60 out-of-country support staff are expected to arrive in the coming weeks to help with initial stages of the operation.⁵

Merit Functional Foods also recently started producing pea protein at their new facility in Winnipeg, with plans to begin the production of canola protein in February.⁶ Merit expects to create over 175 jobs in Manitoba over the next three years based on these new developments.⁷

Growing global demand for plant protein is supporting new manufacturing jobs, adding value to local farm products and bolstering research and development in Manitoba. In 2020, Protein Industries Canada funded 13 technology projects in Canada including four in Manitoba. Merit and Roquette are two of the companies participating in these projects and received a share of the \$116 million in federal funding allocated to Manitoba projects. The four local projects are expected to create 570 new jobs, 18 new products and 10 new patents.⁸

Developments in food manufacturing should also lead to opportunities for Manitoba farmers. While most peas grown in Manitoba are currently sold directly to China for processing, Roquette's processing facility, along with the Merit Functional Foods plant, now offer local processing facility options for farmers.^{9,10} In fact, Roquette is currently working with Manitoba and Saskatchewan farmers to establish local supply agreements for the upcoming growing season.¹¹ While peas are not currently a predominant crop choice in Manitoba, producing just 50,000 hectares annually, neighbouring Saskatchewan produces over a million hectares of peas each year.¹²

Turning to services-producing industries, employment in **other services** increased on a monthly basis in January (+8.9%), after three consecutive months of job losses. This industry comprises activities not classified elsewhere such as automotive and machinery repair and maintenance, and personal care. Due to close contact to the public involved in some of these occupations, the other services industry was adversely affected by public health measures to contain the virus. For instance, the Government of Manitoba ordered barbershops and hair stylists to remain closed from mid-November through late January. Meanwhile, increased telework and "stay home" public health advice contributed to fewer cars on the road, reducing the need for vehicle maintenance and repairs.

The most significant job losses in 2020 were in the **accommodation and food services** industry. Year-over-year, employment in this industry is down almost 40%. Provincial measures put in place to prevent the spread of COVID-19 significantly reduced employment opportunities for those working in the food services industry as all dine-in restaurant services were shuttered for most of November, December and January.

While employment in Manitoba's **wholesale trade** industry is up 4,000 year-over-year, retail trade is down 6,000 over the same period. The City of Winnipeg is dealing with a growing commercial vacancy rate in its downtown core.¹³ In 2020, 32 downtown Winnipeg businesses permanently closed in part due to reduced foot traffic.¹⁴ One of the City's largest business anchors, the Hudson's Bay store, permanently closed in late November — three months earlier than originally scheduled.¹⁵

REGIONAL ANALYSIS

Employment is down in five out of Manitoba's six economic regions on an annual basis. The **Winnipeg** region saw the largest overall decline in employment (-21,700) and has the highest unemployment rate (8.9%) in the province. **Interlake** had the highest percentage decline in employment (-13.8%) and has the second highest unemployment rate (7.8%).

In the **Parklands and North** region, employment fell 6.7% and the unemployment rate increased 2.7 percentage points to 7.6%. The number of COVID-19 cases in northern Manitoba grew in January, reaching a five-day test-positivity rate of approximately 26%.¹⁶ Due to this increase, restrictions were maintained for the north even when measures were eased in the rest of Manitoba in late January.¹⁷ As a result, stores in the north remain restricted to only selling essential items and many retail stores are still temporarily closed.^{18,19}

Despite a 5.4% annual decline in employment in the **Winnipeg** region, employment in the scientific services industry grew 2.1%.²⁰ Hatch, a Canadian-based global engineering firm, is drawing on local expertise and adding jobs in the scientific services industry by creating a new centre of excellence for high-voltage direct current and flexible AC transmission systems.²¹

Meanwhile, employment in Winnipeg's transportation and warehousing industry was relatively unchanged (-0.8%) on an annual basis. Over 65% of all Manitobans working in the transportation and warehousing industry are located in the Winnipeg economic region.²² Moving forward, new developments should support employment in this local industry. For instance, the Town of Headingley approved the second phase of a 14-lot industrial complex in January.²³ Meanwhile, Amazon plans to open a 113,000 square-foot warehouse in Winnipeg this year. This new facility is expected to create hundreds of full- and part-time jobs.²⁴

Manitoba Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	January 2021 ('000)	January 2020 ('000)	Yearly Variation (%)	January 2021 (%)	January 2020 (%)	Yearly Variation (% points)
Manitoba	625.0	651.7	-4.1	7.7	5.1	2.6
Economic Regions						
Southeast	60.1	58.8	2.2	5.8	6.4	-0.6
South Central and North Central	58.4	55.0	6.2	3.3	4.4	-1.1
Southwest	55.2	56.5	-2.3	5.8	5.7	0.1
Winnipeg	381.6	403.3	-5.4	8.9	5.0	3.9
Interlake	39.2	45.5	-13.8	7.8	4.6	3.2
Parklands and Northern	30.5	32.7	-6.7	7.6	4.9	2.7

Note: Totals may not add due to rounding

Source: Statistics Canada – Table 14-10-0387, formerly CANSIM 282-0122

Year-over-year employment in the **South Central and North Central** region is up 3,400 while the region's unemployment rate edged down 1.1 percentage points to 3.3%. Agriculture, manufacturing, and construction led job growth in this region over the last year.²⁵ Looking ahead, several construction projects will continue to support employment in the region through 2021. Construction of the \$4.75 million Stephenfield treatment plant

is scheduled to be complete this spring. The Town of Altona will begin construction on its downtown drainage system this year while the Town of Morris is upgrading their water treatment plant and also starting construction on a \$1.5 million industrial park.^{26,27}

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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