



Labour Market Bulletin

Manitoba

March 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 continued to lift restrictions throughout the first quarter of 2021 after enforcing about three months of measures to prevent the spread of COVID-19. In turn, provincial employment grew in the first quarter — up 7,000 to 643,900. Significant full-time employment gains (+16,000) were partially offset by part-time employment losses (-9,100). All of Manitoba's quarterly employment gains were in the private sector (+11,000). Meanwhile, there were 1,700 fewer people employed in the public sector and 2,900 less self-employed workers.¹

Over the last few decades, Manitoba's population growth has been driven by immigration.² Travel restrictions and delays in processing applications led to a significant decrease in immigration in 2020. Indeed, while over 18,000 people immigrated to Manitoba in 2019, less than 9,000 moved to the province in 2020.³ Three quarters of all Manitoba's international migrants are of working age, helping to bolster the provincial labour force.⁴ Decreased international migration means fewer skilled immigrants are joining Manitoba's labour force — a skills gap that will be felt once businesses look to expand their operations post-pandemic.⁵

While Manitoba's economy contracted 4.0% in 2020, the Conference Board of Canada predicts it will expand 4.3% in 2021. This growth is expected to be driven by increased service expenditures as the province slowly reopens.⁶ Small businesses, especially in the service sector, have been hard hit by the pandemic. A recent survey conducted by the Canadian Federation of Independent Business (CFIB) indicates almost 60% of Manitoba businesses were below normal staffing levels in March 2021. In addition, almost 70% of these businesses report having below normal revenues compared to the same period last year.⁷

The Government of Manitoba's newly released Budget 2021 includes provisions to address some of these business concerns. For instance, over \$62 million has been set aside to help businesses retrain employees and

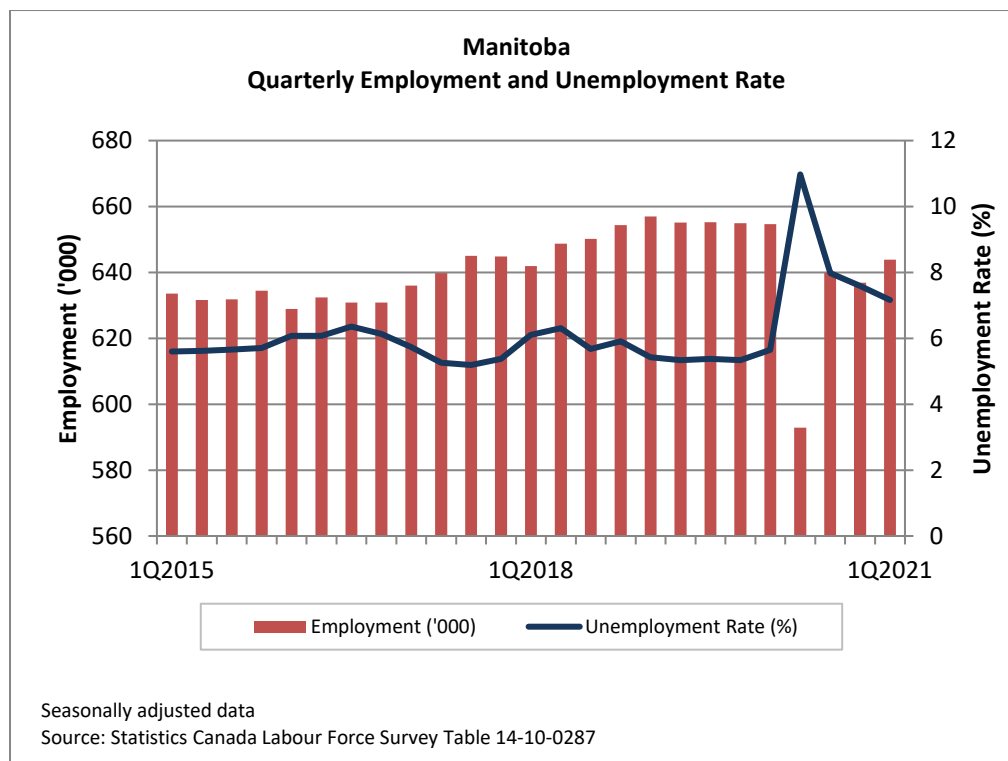
develop e-commerce platforms. The Province is also increasing tax relief for some small businesses, and enhancing or extending several tax credits.⁸

Manitoba Quarterly Labour Force Statistics

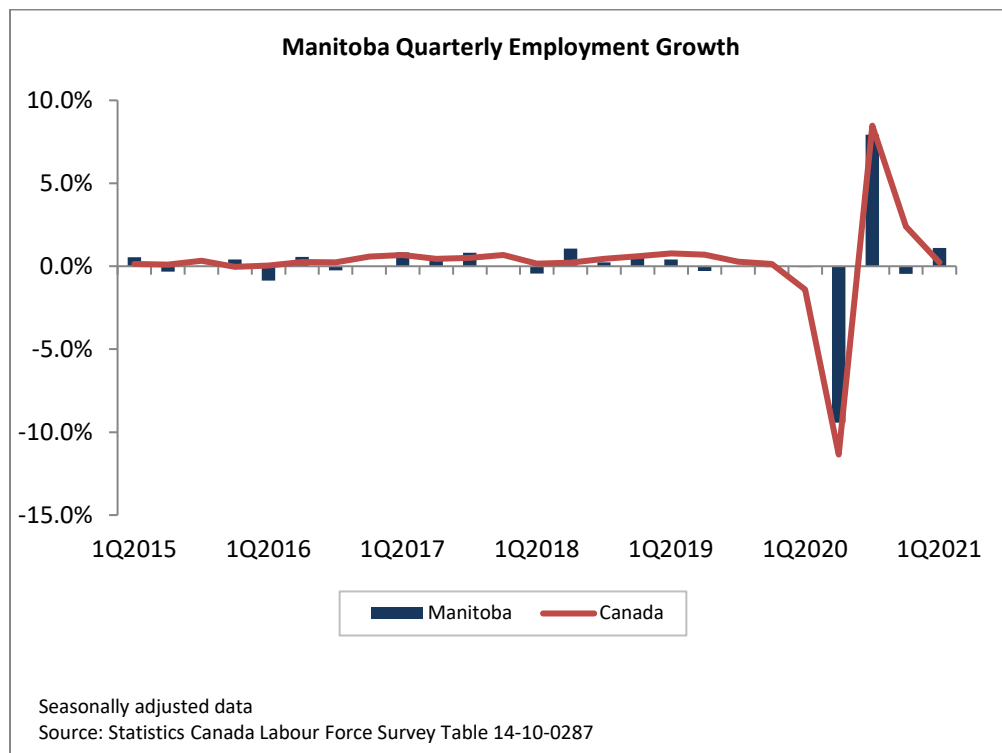
Seasonally adjusted data	1st Quarter 2021	4th Quarter 2020	1st Quarter 2020	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	1,050.2	1,049.3	1,046.5	0.9	0.1	3.7	0.4
Labour Force ('000)	693.7	689.3	693.8	4.4	0.6	-0.1	0.0
Employment ('000)	643.9	636.9	654.6	7.0	1.1	-10.7	-1.6
Full-Time ('000)	530.1	514.1	521.1	16.0	3.1	9.0	1.7
Part-Time ('000)	113.8	122.9	133.6	-9.1	-7.4	-19.8	-14.8
Unemployment ('000)	49.7	52.3	39.2	-2.6	-5.0	10.5	26.8
Unemployment Rate (%)	7.2	7.6	5.7	-0.4	-	1.5	-
Participation Rate (%)	66.1	65.7	66.3	0.4	-	-0.2	-
Employment Rate (%)	61.3	60.7	62.6	0.6	-	-1.3	-

Note: Totals may not add due to rounding

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



Manitoba’s unemployment rate decreased for the third consecutive quarter, down 0.4 percentage points to 7.2%, and remains below the national average of 8.4%. However, the province’s unemployment rate is still higher than it was in the first quarter of 2020 (5.7%). Manitoba’s unemployment rate is not expected to return to pre-pandemic levels until after 2025.⁹



Manitoba Quarterly Unemployment Rates, by Gender and Age

Seasonally adjusted data	1st Quarter 2021 (%)	4th Quarter 2020 (%)	1st Quarter 2020 (%)	Quarterly Variation (% points)	Yearly Variation (% points)
Total	7.2	7.6	5.7	-0.4	1.5
25 years and over	5.5	6.1	4.7	-0.6	0.8
Men - 25 years and over	4.8	5.9	4.9	-1.1	-0.1
Women - 25 years and over	6.2	6.3	4.4	-0.1	1.8
15 to 24 years	16.2	15.8	10.6	0.4	5.6
Men - 15 to 24 years	16.2	17.1	11.8	-0.9	4.4
Women - 15 to 24 years	16.1	14.5	9.4	1.6	6.7

Note: Totals may not add due to rounding

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

The unemployment rate for young women in Manitoba increased for the second consecutive quarter, up 1.6 percentage points to 16.1%. On an annual basis, young women saw the most significant increase in their unemployment rate (+6.7 percentage points). Meanwhile, the unemployment rate for young men remains the highest among all demographic groups. Although their unemployment rate edged down 0.9 percentage points to 16.2% this quarter, it remains significantly higher than a year ago (11.8%).

EMPLOYMENT BY INDUSTRY

Employment increased in Manitoba's **goods-producing** (+5,700) and **services producing** (+1,300) sectors in the first quarter of 2021. Employment growth in the goods-producing sector was led by gains in **construction** (+2,500) and **manufacturing** (+2,400). Meanwhile, gains in the **wholesale and retail trade** industry (+2,900) drove employment growth in the province's services-producing sector. However, over half of all services-producing industries saw employment fall in the first quarter of 2021, with the most significant losses in **accommodation and food services** (-1,100).

Manitoba Quarterly Labour Force Statistics, by Industry

Seasonally adjusted data ('000)	1st Quarter 2021	4th Quarter 2020	1st Quarter 2020	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	643.9	636.9	654.6	7.0	1.1	-10.7	-1.6
Goods-producing sector	147.8	142.1	150.7	5.7	4.0	-2.9	-1.9
Agriculture	25.5	24.6	26.7	0.9	3.7	-1.2	-4.5
Forestry, fishing, mining, quarrying, oil and gas	3.8	3.8	5.2	0.0	0.0	-1.4	-26.9
Utilities	4.8	4.8	6.8	0.0	0.0	-2.0	-29.4
Construction	50.0	47.5	49.1	2.5	5.3	0.9	1.8
Manufacturing	63.8	61.4	62.8	2.4	3.9	1.0	1.6
Services-producing sector	496.1	494.8	504.0	1.3	0.3	-7.9	-1.6
Trade	94.1	91.2	91.3	2.9	3.2	2.8	3.1
Transportation and warehousing	40.3	41.2	40.5	-0.9	-2.2	-0.2	-0.5
Finance, insurance, real estate and leasing	34.7	34.8	33.2	-0.1	-0.3	1.5	4.5
Professional, scientific and technical services	31.8	31.4	31.2	0.4	1.3	0.6	1.9
Business, building and other support services	21.5	21.8	22.6	-0.3	-1.4	-1.1	-4.9
Educational services	57.0	56.7	53.5	0.3	0.5	3.5	6.5
Health care and social assistance	101.3	102.1	106.9	-0.8	-0.8	-5.6	-5.2
Information, culture and recreation	19.9	20.2	20.9	-0.3	-1.5	-1.0	-4.8
Accommodation and food services	29.2	30.3	40.8	-1.1	-3.6	-11.6	-28.4
Other services	29.2	28.6	27.3	0.6	2.1	1.9	7.0
Public administration	36.9	36.4	35.6	0.5	1.4	1.3	3.7

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table T14-10-0355, formerly CANSIM 282-0088

The **construction** industry saw the most employment growth in the first quarter (+ 5.3%). Indeed, employment in this industry has returned to pre-pandemic levels, up 1.8% from the first quarter of 2020. According to BuildForce Canada, new home construction is expected to increase in 2021 and 2022 while non-residential construction will slow due to the completion of major projects such as the Keeyask Generating Station.¹⁰

Government stimulus programs are also expected to generate employment in the construction industry. The Government of Manitoba allocated \$2.1 billion in Budget 2021 on infrastructure spending including almost \$630

million for road construction and maintenance, over \$292 million for health infrastructure, and \$415 million for kindergarten to Grade 12 and post-secondary infrastructure.¹¹

Existing programs such as the National Housing Strategy will also fuel employment in the construction industry this year. For instance, Manitoba is receiving \$40 million for the construction of affordable housing units through the federal Rapid Housing Initiative. The funds will go towards the construction of new modular multi-unit rentals, the conversion of non-residential to multi-residential homes, and the rehabilitation of existing buildings to be used as multi-residential homes. All told, the initiative will support costs associated with the construction of 222 affordable homes in Manitoba and almost 70% of these units will be dedicated to Indigenous housing.¹²

In the services-producing sector, the **wholesale and retail trade** industry added almost 3,000 jobs in the first quarter of 2021. This employment growth was possible due to an easing of restrictions that began in late January, allowing non-essential retail stores to re-open at reduced capacity after suspending in-person operations for much of the fourth quarter of 2020.

Employment in **healthcare and social assistance** is down 800 on a quarterly basis. Much of the quarterly job losses in this industry are concentrated in social assistance services (- 4,100) while employment in ambulatory health care services increased (+ 3,800).¹³ Meanwhile, the Government of Manitoba has hired over 2,000 people to assist with vaccination efforts.¹⁴ The Province is also continuing to recruit system navigators to help direct and support patients. Additional staff are primarily needed to support vaccination super sites in Brandon, Thompson, Selkirk, and Morden.¹⁵

Registered nurses continue to be in high demand in Manitoba, especially in rural hospitals where staffing is often an ongoing issue. The Altona Community Memorial Health Centre temporarily shut down their emergency department recently due to a lack of available nurses.¹⁶ The hospital plans to hire paramedics to work alongside emergency room doctors in order to re-open these emergency services as they continue to recruit nurses.¹⁷ This strategy is being discussed at a regional level between the Southern Health regional authority and Shared Health, Manitoba's provincial organization that oversees hospital staffing.¹⁸

Employment in the **accommodation and food services** industry still has a long way to go before reaching the pre-pandemic levels of the first quarter of 2020. Employment in this industry is still down almost 30% on an annual basis. Those working in the food services industry were left with very few employment options, as Manitoba's restaurants had to close all dine-in services between much of November 2020 and February 2021 due to public health measures in place.

While easing restrictions will go a long way to increasing employment in accommodation and food services, government programs will also support recovery in the industry. The Government of Manitoba's new Hospitality Relief Sector Program will provide \$8 million in financial help to Manitoba's accommodation and tourism sector including compensation to hotels and full-time licenced resource tourism operators for some costs incurred during the pandemic that are not covered by other relief programs.¹⁹

REGIONAL ANALYSIS

Employment fell in three of Manitoba's six economic regions during the first quarter of 2021, with **Parklands and North** (-9.1%) posting the largest percentage decline year-over-year. The **Winnipeg** region saw the greatest number of total job losses (-9,500) for this period and its unemployment rate increased 2.1 percentage points to 8.0% — the highest unemployment rate of any region in Manitoba.

COVID-19 and associated health measures continue to put a strain on the **Winnipeg** economic region. For instance, one year after the first COVID-19 lockdowns, only 18% of the usual 70,000 workers are attending their job on-site in the city's downtown.²⁰ Even with the re-opening of downtown businesses such as restaurants and non-essential retail stores, reduced foot traffic will diminish local business revenue.

Manitoba Quarterly Labour Force Statistics, by Economic Region

Seasonally unadjusted data	Employment			Unemployment Rate		
	1st Quarter 2021 ('000)	1st Quarter 2020 ('000)	Yearly Variation (%)	1st Quarter 2021 (%)	1st Quarter 2020 (%)	Yearly Variation (% points)
Manitoba	635.5	646.4	-1.7	7.2	5.7	1.5
Economic Regions						
Southeast	60.0	59.4	1.0	6.7	5.9	0.8
South Central and North Central	57.7	55.0	4.9	5.4	5.0	0.4
Southwest	56.7	55.1	2.9	5.0	5.3	-0.3
Winnipeg	389.6	399.1	-2.4	8.0	5.9	2.1
Interlake	40.7	44.0	-7.5	5.6	6.6	-1.0
Parklands and Northern	30.8	33.9	-9.1	7.2	5.3	1.9

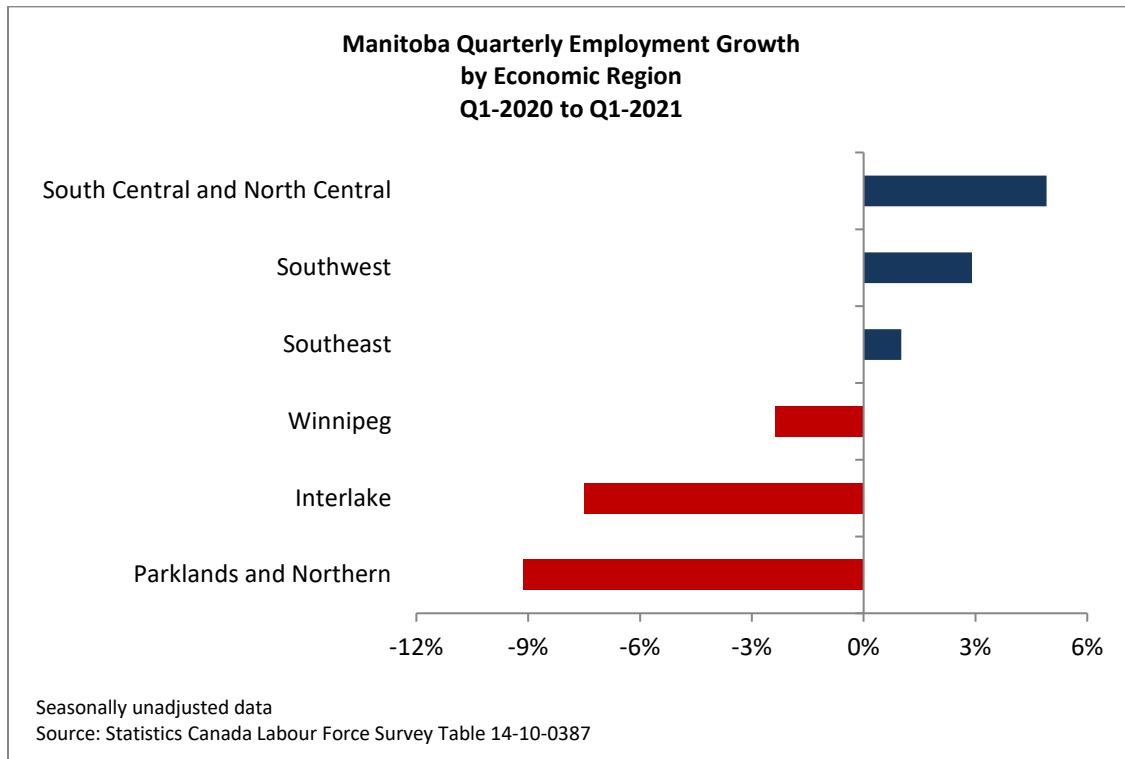
Note: Totals may not add due to rounding

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

The **Parklands and North** economic region had the highest proportion of annual job losses of any region in Manitoba (-9.1%). Business restrictions put in place in November 2020 remained in effect in northern Manitoba for three weeks longer than any other region in the province due to high case counts.^{21,22} In addition to the closure of dine-in restaurant service, personal services, and non-essential retail stores, the northern region was also subject to travel restrictions to and from the region.²³

Meanwhile, a recent change in ownership points to new opportunities for residents of northern Manitoba. OneNorth, a group of First Nations and communities in Northern Manitoba and Nunavut recently agreed to assume 100% ownership of Arctic Gateway Group — a company whose workforce is approximately 70% Indigenous.²⁴ This transaction means the Port of Churchill, the Hudson Bay Rail line, and the Churchill Marine Tank Farm will now be 100% locally owned and operated.²⁵ This infrastructure is part of an arctic trade corridor that is expected to bring long-term benefits to the local northern economy through employment and trade. Over 233,000 tonnes of grain and other commodities have been shipped around the world through the Port of Churchill since 2018.²⁶

Employment in the **South Central and North Central** region grew 4.9% on an annual basis. Construction is set to begin on several new infrastructure projects during the second quarter of 2021, supporting regional employment in the construction industry. Local projects include water treatment plant upgrades in Morris, the addition of a new causeway and traffic circle in Portage la Prairie, and upgrades to St. Ambroise beach.^{27,28,29}



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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