



Labour Market Bulletin

Manitoba

July 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

Employment in Manitoba increased in July, up 7,400 to 654,800. The launch of the first phase of the province’s “4-3-2-One Great Summer” reopening plan in late June led to job gains both in full-time (+2,600) and part-time (+4,800) employment for July. All of Manitoba’s monthly employment gains occurred in the private sector (+11,900). Meanwhile, employment in the public sector fell 4,100 and the number of people working in self-employment decreased 200.¹

Manitoba Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	July 2021	June 2021	July 2020	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	1,051.4	1,050.4	1,047.7	1.0	0.1	3.7	0.4
Labour Force ('000)	697.3	700.5	689.3	-3.2	-0.5	8.0	1.2
Employment ('000)	654.8	647.4	630.2	7.4	1.1	24.6	3.9
Full-Time ('000)	530.0	527.4	503.6	2.6	0.5	26.4	5.2
Part-Time ('000)	124.8	120.0	126.6	4.8	4.0	-1.8	-1.4
Unemployment ('000)	42.4	53.1	59.1	-10.7	-20.2	-16.7	-28.3
Unemployment Rate (%)	6.1	7.6	8.6	-1.5	-	-2.5	-
Participation Rate (%)	66.3	66.7	65.8	-0.4	-	0.5	-
Employment Rate (%)	62.3	61.6	60.2	0.7	-	2.1	-

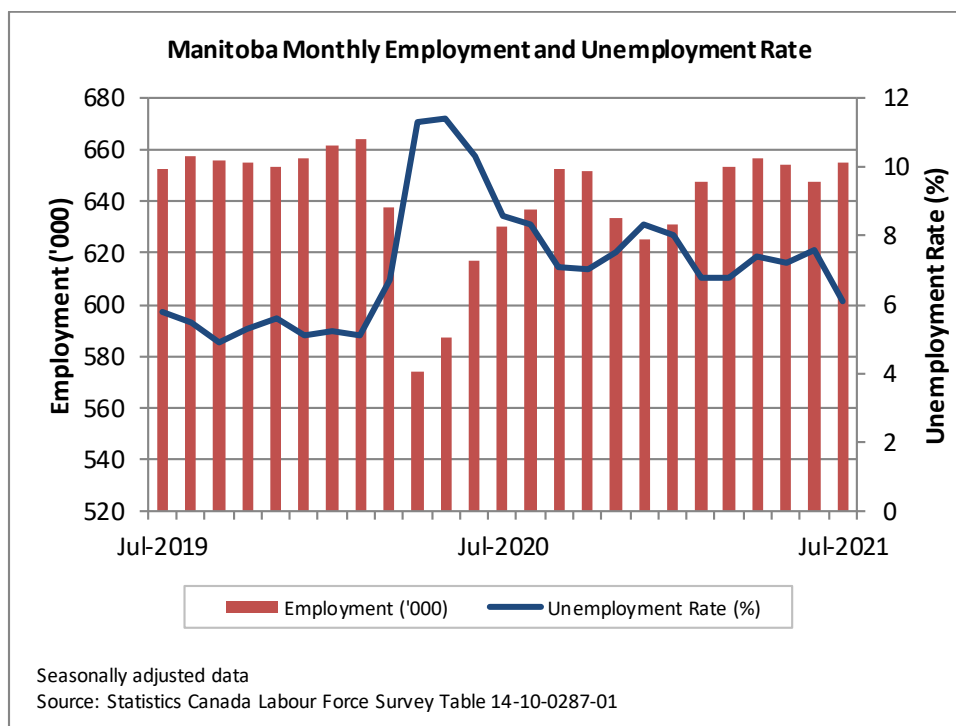
Note: Totals may not add due to rounding

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

Vaccination rates in the province continue to rise, causing the Government of Manitoba to move to the second phase of its reopening plan two weeks ahead of schedule on July 17.² Relaxed public health restrictions enabled most businesses to increase capacity to 50% or up to a prescribed number of people. Some recreational facilities

such as movie theatres and casinos were also allowed to reopen for the first time since November 2020 for fully vaccinated guests only.

Despite the easing of public health restrictions, small businesses in Manitoba saw little improvement in July. According to the latest survey from the Canadian Federation of Independent Business, 63% of small businesses in the province were fully open in July, representing no change since June.³ Staffing levels increased this month, with 49% of small businesses surveyed reporting a full complement of staff compared to 41% in June.⁴ Still, just 37% of small businesses were experiencing at or normal revenues, up only slightly from 35% in June.⁵



Manitoba’s unemployment rate fell 1.5 percentage points to 6.1% in July, the lowest it has been since the start of the pandemic in March 2020 (6.7%). The provincial unemployment rate remains well below the national average of 7.5% and is tied with Quebec for the lowest among provinces.

Manitoba Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	July 2021 (%)	June 2021 (%)	July 2020 (%)	Monthly Variation (% points)	Yearly Variation (% points)
Total	6.1	7.6	8.6	-1.5	-2.5
25 years and over	5.8	6.4	6.8	-0.6	-1.0
Men - 25 years and over	5.7	6.0	6.9	-0.3	-1.2
Women - 25 years and over	5.9	7.0	6.7	-1.1	-0.8
15 to 24 years	7.6	13.6	18.0	-6.0	-10.4
Men - 15 to 24 years	10.0	14.6	20.6	-4.6	-10.6
Women - 15 to 24 years	5.2	12.6	14.8	-7.4	-9.6

Note: Totals may not add due to rounding

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

Manitoba's youth unemployment rate also decreased in July, down 6.0 percentage points to 7.6%. On an annual basis, significant improvements were seen in the unemployment rate both for young women (-9.6 percentage points) and young men (-10.6 percentage points). These declines were likely driven by increasing employment in Manitoba's services-producing sector in July, particularly in the accommodation and food services industry.

EMPLOYMENT BY INDUSTRY

Employment decreased in Manitoba's **goods-producing sector** (-1,300) on a monthly basis, as gains in the **forestry, fishing, mining, quarrying, and oil and gas** industry (+300) were more than offset by job losses in **manufacturing** (-800) and **agriculture** (-500). Meanwhile, monthly employment growth in the services-producing sector (+8,700) was led by job gains in **accommodation and food services** (+7,000) and **information, culture, and recreation** (+4,200).

Manitoba Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	July 2021	June 2021	July 2020	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	654.8	647.4	630.2	7.4	1.1	24.6	3.9
Goods-producing sector	144.7	146.0	140.3	-1.3	-0.9	4.4	3.1
Agriculture	22.9	23.4	24.4	-0.5	-2.1	-1.5	-6.1
Forestry, fishing, mining, quarrying, oil and gas	4.0	3.7	5.2	0.3	8.1	-1.2	-23.1
Utilities	4.9	4.9	5.5	0.0	0.0	-0.6	-10.9
Construction	49.2	49.4	46.5	-0.2	-0.4	2.7	5.8
Manufacturing	63.7	64.5	58.8	-0.8	-1.2	4.9	8.3
Services-producing sector	510.1	501.4	489.9	8.7	1.7	20.2	4.1
Trade	94.4	97.4	87.0	-3.0	-3.1	7.4	8.5
Transportation and warehousing	41.2	39.8	36.0	1.4	3.5	5.2	14.4
Finance, insurance, real estate and leasing	35.2	36.0	33.5	-0.8	-2.2	1.7	5.1
Professional, scientific and technical services	33.1	32.5	33.0	0.6	1.8	0.1	0.3
Business, building and other support services	20.8	21.3	21.4	-0.5	-2.3	-0.6	-2.8
Educational services	57.5	58.8	55.2	-1.3	-2.2	2.3	4.2
Health care and social assistance	106.5	106.3	99.7	0.2	0.2	6.8	6.8
Information, culture and recreation	21.9	17.7	20.3	4.2	23.7	1.6	7.9
Accommodation and food services	36.6	29.6	38.4	7.0	23.6	-1.8	-4.7
Other services	25.7	25.0	29.4	0.7	2.8	-3.7	-12.6
Public administration	37.2	37.0	35.9	0.2	0.5	1.3	3.6

Note: Totals may not add due to rounding

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

Goods-producing sector

Agriculture industry employment declined both on a monthly (-2.1%) and annual basis (-6.1%). Record-breaking temperatures and low levels of precipitation caused existing drought conditions to worsen across all regions of the province in July, resulting in hardships for berry, crop, and livestock producers.⁶ By the end of the month, all of Manitoba's agricultural landscape was classified as abnormally dry or in moderate to exceptional drought.⁷

Crop conditions across the province are continuing to deteriorate from drought stress. Major crops such as cereals and canola are maturing faster than normal, while grasshopper infestations are causing damage to crops and becoming more widespread. The lack of pasture available for livestock is also a major concern, with many producers struggling to secure enough feed for their herds and having to sell off cattle as a result. Fifteen rural municipalities declared Agricultural States of Disaster this July, with the majority located in the Interlake and Parklands regions.⁸ It is expected that most farmers will see reduced yields this harvest while others will experience complete crop failure.⁹

Employment in Manitoba's **construction** industry is up 5.8% compared to one year ago. Recent funding for a number of new residential and infrastructure projects is expected to sustain employment in the industry going forward. In the coming year, nearly 100 affordable housing units will be constructed in Brandon and Winnipeg through the National Housing Strategy.^{10,11} Federal and provincial funding will also support the construction of 15 culture and recreation infrastructure projects in rural and northern communities,¹² nine green infrastructure and community upgrade projects,¹³ as well as over \$355 million worth of upgrades to the North End Sewage Treatment Plant in Winnipeg.¹⁴ Funding for several roadwork projects was also announced in July, including more than \$17 million for three road improvement projects near Snow Lake, Thompson, and Duck Bay,¹⁵ and over \$76 million for 17 municipal transportation infrastructure projects across the province.¹⁶

Services-producing sector

Employment in the **health care and social assistance** industry increased 6.8% year-over-year. Although the province has struggled with a nursing shortage since long before the pandemic, COVID-19 has only amplified the problem. Intensive Care Units (ICUs) in Manitoba are experiencing a 25% job vacancy rate for critical care nurses, with hospitals being used as COVID-19 centres recording the highest vacancy rates of all.¹⁷ To address the shortage, the Government of Manitoba announced plans to add nearly 400 new nursing education seats across the province with the first intake starting as early as the 2021-22 school year.¹⁸ A new initiative is also being launched to provide financial and procedural support for internationally educated nurses who want to become licensed in Manitoba.¹⁹

Employment in the **information, culture and recreation** industry increased both on a monthly (+23.7%) and annual basis (+7.9%). As of July 17, movie theatres, museums, galleries, bingo halls, casinos, and video lottery terminal (VLT) lounges were allowed to reopen at 50% capacity for fully vaccinated guests only. These venues had been closed since last November when all recreational activities were required to cease operations as part of the province's critical-level pandemic restrictions. Still, some businesses are finding it difficult to reopen under the new public health guidelines. For example, the Landmark Cinema movie theatre in Winkler decided to remain closed due to low vaccination rates in the area, stating it would not be justifiable to reopen at reduced capacity for a limited proportion of the population.²⁰

Relaxed public health measures also contributed to job gains in the **accommodation and food services** industry, with employment up 23.6% month-over-month. As of July 17, restaurants and bars were allowed to expand to 50% capacity and extend their opening hours until midnight. Despite this improvement, restaurant owners have reported difficulties in finding enough employees to work under the new public health measures. Instability, uncertainty, and stressful customer interactions caused many food services workers to find jobs in other sectors while restaurants were shut down during the pandemic.²¹ According to the Manitoba Restaurant and Foodservices Association, only 36% of pre-pandemic employees have returned to work in the industry, leaving many establishments short staffed.²² Interest in working in the food services industry appears to be declining, with some restaurants seeing a minimal number of applicants in response to recent job postings.^{23,24}

REGIONAL ANALYSIS

Employment is up in all six of Manitoba's economic regions on an annual basis. The **Interlake** region recorded the largest percentage increase with employment up 10.5% year-over-year (+4,400). The **Winnipeg** and **South Central and North Central** regions have the highest unemployment rates, at 7.6% and 7.2% respectively.

Manitoba Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	July 2021 ('000)	July 2020 ('000)	Yearly Variation (%)	July 2021 (%)	July 2020 (%)	Yearly Variation (% points)
Manitoba	660.4	620.0	6.5	6.9	10.0	-3.1
Economic Regions						
Southeast	62.5	58.5	6.8	5.2	6.4	-1.2
South Central and North Central	53.9	53.4	0.9	7.2	5.5	1.7
Southwest	55.8	53.3	4.7	5.6	8.3	-2.7
Winnipeg	409.7	382.1	7.2	7.6	11.6	-4.0
Interlake	46.2	41.8	10.5	5.7	8.7	-3.0
Parklands and Northern	32.1	30.9	3.9	5.0	8.3	-3.3

Note: Totals may not add due to rounding

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

Severe drought conditions have hit the **Interlake** region especially hard this year. Of the fifteen rural municipalities that declared Agricultural States of Disaster this July, eight are located in the Interlake. As of August 3, only 5% of spring wheat, canola, barley, and oats crops in the Interlake were rated to be in good to excellent condition.²⁵ The first livestock auction of the year was also held in Ashern this July – the earliest it has ever been – with some producers in the Interlake choosing to completely disperse their cattle as a result of feed and water shortages.^{26,27} There are concerns that this year's drought conditions could mean the end of some family farms in the region, as financial and mental stress weighs heavily on producers.²⁸

The **South Central and North Central** region is also feeling the impacts of dry conditions. On July 27, the Pembina Valley Water Co-operative and its 14 member municipalities declared a Drought State of Emergency due to declining water levels at Stephenfield Lake and the Red River.²⁹ The same day, the City of Morden also declared it was moving into Extreme Drought Conditions due to below-normal water levels in Lake Minnewasta.³⁰ Residents and commercial businesses were asked to voluntarily reduce water consumption, while certain sectors

were issued mandatory restrictions. At present, commercial car washes must reduce their hours of operation by 20%, industrial businesses need to reduce water consumption to 80% and cease non-essential operations, and those involved in agriculture are prohibited from using City water to conduct spraying and irrigation, among other restrictions.³¹

Employment in the **Winnipeg** region increased 27,600 (+7.2%) on an annual basis. The impacts of COVID-19 have been particularly challenging for businesses and venues in the downtown area over the past year. A recent report released by the Downtown Winnipeg BIZ and other local organizations revealed that downtown storefront businesses, including restaurants and personal services, have lost an estimated \$139 million in total revenue and laid off over 2,000 people since the start of the pandemic.³² Just 20% of the 70,000 people who usually work downtown have returned to their jobs full-time, leading to a significant decrease in foot traffic and local business revenue.³³ Looking forward, a Downtown Recovery Strategy working group has been established to come up with a plan by this fall on ways to restore the vibrancy of Winnipeg's downtown.³⁴

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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¹ Statistics Canada. Table 14-10-0288-01 (formerly CANSIM 282-0089) Employment by class of worker, monthly, seasonally adjusted and unadjusted, last 5 months (x1,000). Accessed August 6, 2021: <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1410028801>

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