



Environmental Scan

Manitoba

2017



Once a year, Service Canada develops Economic/Environmental Scans (E-Scan) that provide a general overview of demographic, economic and labour market conditions and trends. E-scans will be of interest to those who seek to know more about the state of a provincial or regional economy and labour market. Facts and statistics presented in this document reflect information available as of April 2017.

KEY HIGHLIGHTS

- Manitoba's population increased 1.7% in 2016 – the largest year-over-year percentage increase that the province has ever seen.¹
- Manitoba is a young province with a median age of 37.5, well below the national median age of 40.6.
- The Conference Board of Canada estimates that real GDP in Manitoba will increase 1.9% in 2017 and 1.8% in 2018.
- Manitoba's construction industry will see steady growth over the next two years, up 2.9% in 2017 and 2.0% in 2018.
- Health care and social assistance is now the largest industry by employment in the province.
- Among Manitoba's economic regions, the Southeast region saw the largest employment growth in 2016, up 6.9% from previous year.
- Immigration is a key contributor to the provincial labour force. Between 2011 and 2016, Manitoba's immigrant labour force grew at a rate of 3.9% annually.

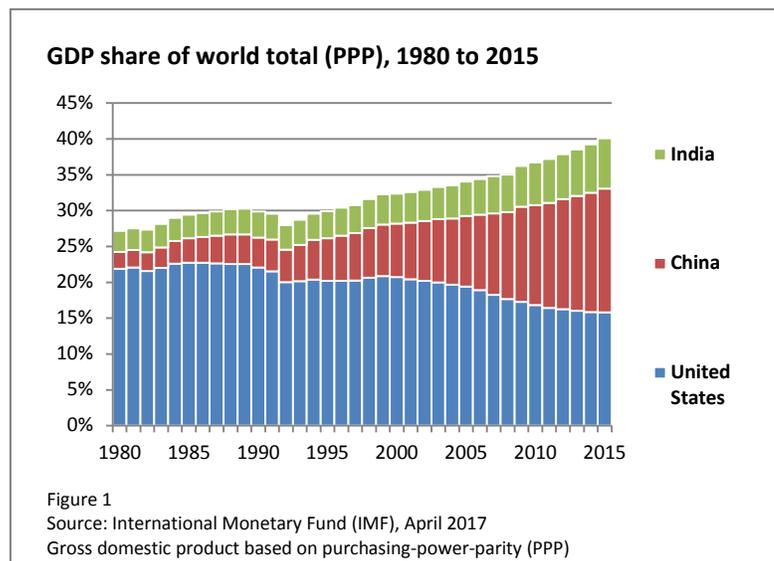
ECONOMIC CONTEXT

Global outlook: A strengthening recovery

The global economy faced significant headwinds in 2016, as geo-political events around the world continued to fuel economic uncertainty. A litany of global risks –the Brexit referendum, a slowing China and a rise in trade protectionism – contributed to subdued growth in the first half of the year. Following a shaky start, trade picked up in the final quarter of 2016, as the long slump in trade appeared to be easing. According to the International Monetary Fund, global growth is expected to rise to 3.4 percent in 2017, and 3.6 percent in 2018.² A healthy labour market, tax reforms and fiscal easing in the US will offset the Eurozone’s slower growth pace. Meanwhile, a modest recovery in commodity prices and stronger manufacturing activity will support gains in a number of emerging economies.

Much of the lingering global uncertainty stems from increased potential for shifts in US trade policy and from mixed reaction to Brexit. The British pound fell to 186-year-lows following the referendum last June. However, initial fears in the financial markets appear to have been allayed, if only temporarily.³ In Europe, withdrawal negotiations between the United Kingdom and the European Union (EU) have started and will likely remain on the Eurozone’s agenda for the next few years. Elsewhere in Europe, national elections are scheduled in a number of key member countries, where anti-EU parties are growing in popularity. Despite that, economic growth has surpassed expectations. Most currencies - including the Euro, Japanese Yen and Chinese Renminbi - have recovered from their recent lows, helping uplift exports and manufacturing activity. This in turn, has strengthened demand and prices for base metals.⁴ Oil prices have also firmed up, reflecting reduced US production and an agreement among OPEC producers to trim supply. Downside risks to an improving outlook for crude include OPEC’s inability to adhere to production cuts and rising shale oil production in the US.

In China, an attempt to avoid a deeper economic slowdown has driven policy makers to institute credit controls that discourage the outflow of capital from the country.⁵ So far, these policies have supported consumer confidence and demand, resulting in a stabilizing effect on the economy. However, China’s structural imbalances, stemming from a rapid pace of debt growth, continue to put downward pressure on long-term economic growth. That said, the Chinese economy remains the single largest contributor to world GDP growth.⁶ Meanwhile in India, the sudden demonetisation of 86 percent of the country’s bank notes in November 2016 rattled the economy. Since then, new legislation involving labour market, bankruptcy and tax reforms has succeeded in supporting growth.⁷ India’s economy is expected to be one of the most resilient among BRIC countries (Brazil, Russia, India and China) in 2017.



Other emerging markets are also on more solid footing. Brazil and Russia, the third and fourth largest emerging economies, are stabilizing after being mired in recession for a number of years.⁸ In Russia, a stable Ruble, firmer oil prices and easing monetary policies are steadying factors. Downside risks in the form of continued Western sanctions, weak foreign investment and little income growth and consumer spending are likely to have a chilling effect on the economy. In Brazil, hosting of the 2016 summer Olympic Games stimulated the country's economic recovery; if fiscal mismanagement is kept in check, Brazil's economy could be on the right path.

Moving forward, the global economic recovery appears to be gathering pace. Deflationary pressures are subsiding despite inflation rates largely remaining below target. The US Federal Reserve is expected to continue to hike inflation rates this year, which will provide a positive impulse to economic growth.⁹ In the medium term, a looser fiscal policy will outweigh more modest growth in China. The predominant risk threatening to impede global economic growth appears to be political volatility.¹⁰

National Overview

Canada experienced a sluggish economic year in 2016. Estimated real Gross Domestic Product growth hovered just above 1%.¹¹ It also followed a subpar 2015, when real GDP grew by less than a percent in Canada.¹² Weak private sector investments are the main reason for this lack of growth. It is particularly visible in the oil and gas sectors, where continued low oil prices led to a decrease in investment of almost \$13 billion last year.¹³ In the meantime, investments in other sectors of the economy have dropped for a third year in a row.¹⁴

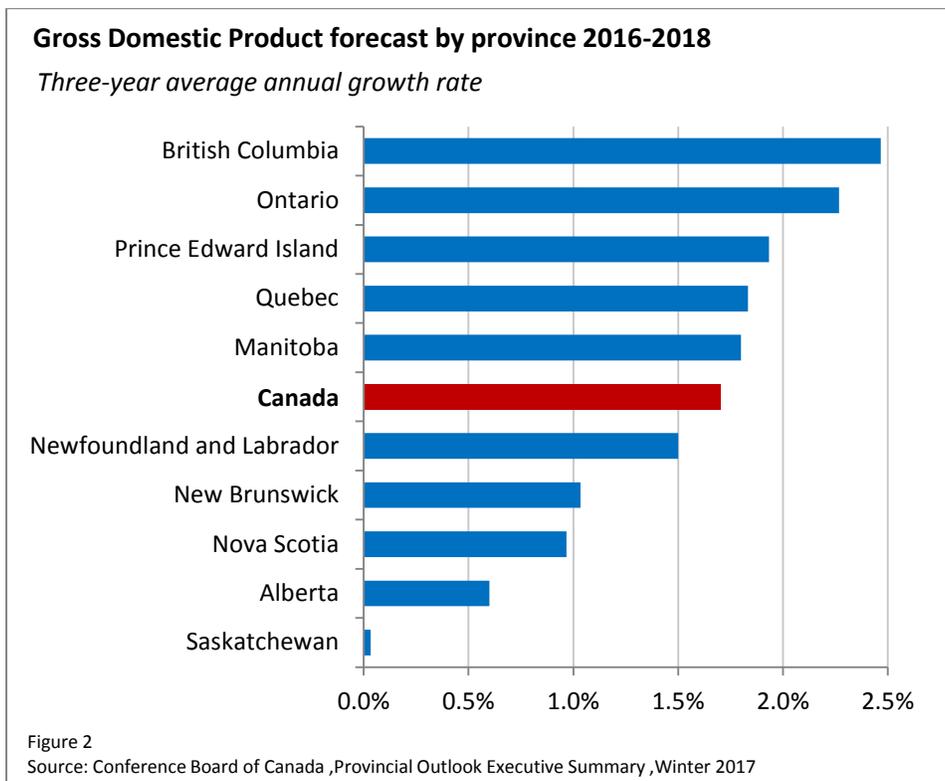
This reality has also been visible at the provincial level. Saskatchewan and Alberta experienced very weak growth in 2016 due to their reliance on the oil and gas sector. TD Economics forecasts that a recovery in Alberta and Saskatchewan would return both provinces to their usual "top of the class" position among provinces by 2018.¹⁵ TD Economics also forecasts a deceleration of the Ontario and British Columbia economies over that same time period. Both provinces have been experiencing above-trend growth.¹⁶

This reversal of provincial fortunes would be linked to, on one hand, an improvement in oil prices and, on the other hand, a slowdown in the real-estate market. Oil prices are expected to grow from US\$50 to about US\$60 by 2018.¹⁷ Real estate markets could slow down due to increased real estate prices and higher interest rates.¹⁸

Additionally, the current lumber dispute with the United States could negatively impact British Columbia's economy. The industry accounts for three per cent of the province GDP, but there could be up to 140 communities that are dependent on the forestry sector within the province.¹⁹

Higher interest rates could also affect household consumption in the medium term. In the past year, real consumer spending grew at a rate above 2% and represented a bright spot in Canada's economy.²⁰ At the same time, employment grew just 0.7%, and wage growth was slow.²¹ Part-time employment did trend up throughout 2016, rising by 154,000 or 4.5%, while full-time employment was little changed (+0.4%). During the same period, the number of hours worked was also virtually unchanged.²² Almost all of the employment growth in 2016 occurred in the second half of the year - +0.9% from June 2016 to December 2016 compared to +0.3% from December 2015 to May 2016.^{23 24}

As a consequence household debt rose quickly in 2016 reaching more than 160% of average household disposable income.²⁵ Put together, the Conference Board of Canada expects consumer spending to slow down slightly in 2017 due to low wage growth and employment gains.²⁶



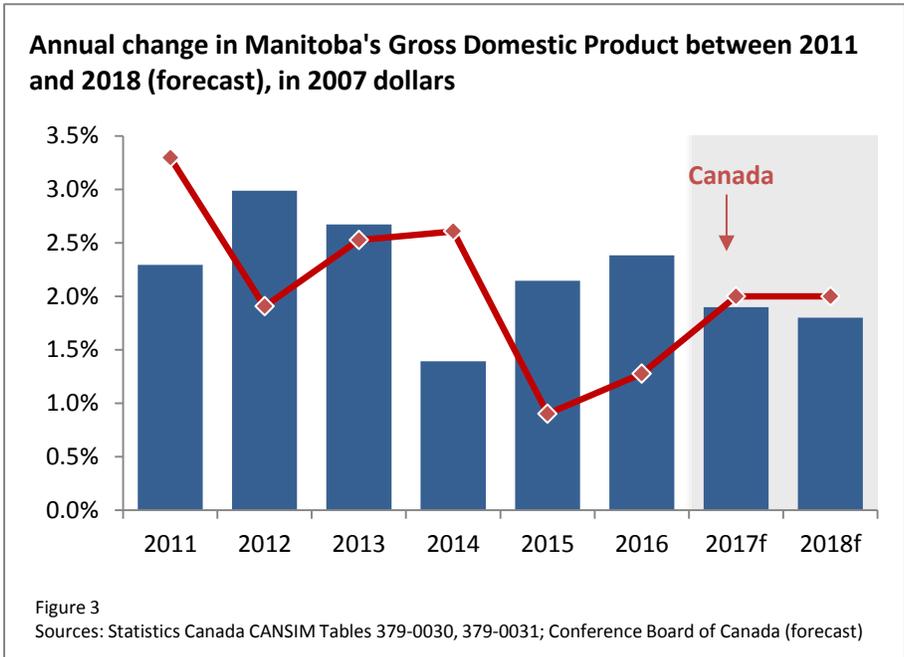
Provincial Overview

Manitoba has been a strong performer among Canadian provinces. In 10 of the last 12 years, provincial real gross domestic product (GDP) growth has been above 2.0%.²⁷ Last year, the province's GDP rose by 2.4%, the second highest growth rate among western provinces, behind only British Columbia.²⁸ Several large industries performed really well last year. For example, the transportation and warehousing industry grew almost 3.5%, while the construction industry saw significant year-over-year growth of 8.0% in 2016.²⁹

Manitoba's construction industry has been growing considerably in recent years and this positive trend is anticipated to continue going forward. The Conference Board of Canada forecasts that the construction industry will grow by 2.9% in 2017 and 2.0% in 2018, driven by hydro developments, transmission lines, and private construction projects across the province.³⁰

The outlook for Manitoba's manufacturing industry is also positive. Key players in manufacturing are expected to enjoy more favourable market conditions as the global economic recovery continues. In fact, a gradual recovery in Canada's energy sector along with further strengthening of the American economy and a still low-valued currency will help boost manufacturing output both in 2017 and in 2018. Food-processing, transit bus and aerospace assembly are anticipated to be the bright spots for the industry.³¹ The manufacturing industry is forecasted to grow 1.9% in 2017 and 2.0% in 2018.³²

Although the economic outlook for the province remains generally positive, Manitoba is expected to face some challenges in the near-term. In particular, the outlook for the province’s mining industry is weak, as several mines are expected to close in the next two years and no new metal mining projects are planned for the immediate future. The Conference Board of Canada expects the metal mining sector to weigh down overall growth in the province’s mining, oil and gas industry this year and next.³³

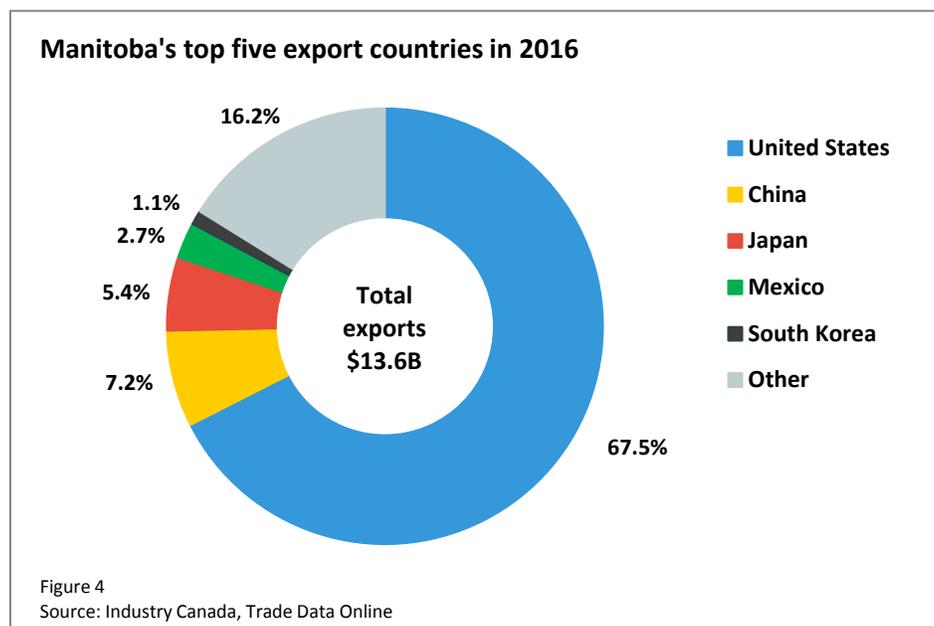


Nonetheless, the energy sector plays a smaller role in the Manitoba’s economy, contributing just 5.0% to total GDP in 2016, compared to 21.0% in Saskatchewan and 27.0% in Alberta.³⁴

Key global trading partners

Overall, Manitoba is not a large exporter compared to other provinces. For example, total exports in Manitoba represented \$13.6 billion in 2016, nearly half the amount of neighbouring Saskatchewan.³⁵ The main Manitoba exports continue to be agricultural products such as canola, processed pork and wheat.³⁶

Canada is one of the largest canola exporters in the world, and over 40% of the country’s canola is exported to China – representing a market worth of about \$2 billion in Canada.³⁷ It is therefore not surprising that about a third of Manitoba’s canola goes to China.³⁸ Japan and the U.S. also import large quantities of canola from Manitoba.³⁹ Canola is mostly exported as raw seeds to China and Japan, but as oil or meal for



livestock to the U.S.⁴⁰

Manitoba’s second largest export is processed meat products.⁴¹ Japan is the largest importer of processed meat products from Manitoba, followed by the U.S. and China.⁴² Almost all of Manitoba’s pork production is sold outside the province and nearly 60% is shipped internationally.⁴³

Most manufacturing activities in Manitoba are dependent on exports to the U.S. with pharmaceutical and medicine manufacturing being the most significant exporting industry.⁴⁴ This is mainly due to the fact that Valeant Pharmaceuticals International Inc.’s largest plant is located in Steinbach, Manitoba.⁴⁵ It employs more than 500 employees and is engaged in the formulation, clinical testing, registration, manufacturing, sale and promotion of pharmaceutical products.⁴⁶ The U.S. also imports other higher value-added manufacturing products such as aerospace products, motor vehicle and truck products.⁴⁷

POPULATION AND AGE

Population

Manitoba's population increased 1.7% in 2016, the largest year over year percentage growth that the province has ever seen.⁴⁸ This increase was much higher than the national average of 1.1%.

Manitoba continues to rely heavily on immigration to grow its population. In 2015/16, Manitoba welcomed over 17,000 international migrants to the province, with only 1,687 emigrating to other countries. In fact, Manitoba is one of the main users of the Provincial Nominee Program, attracting over 25% of all nominees in 2014.⁴⁹

Manitoba typically experiences net out-migration to other parts of the country. Over the last five years, Alberta drew the largest number of Manitoba residents by a significant margin, followed by Ontario, B.C., and Saskatchewan. However, out-migration to Alberta dropped significantly in 2015/16 as only 25% of all out-migrants from Manitoba left for Alberta, compared to 30% in 2011/12. Overall, Manitoba lost over 28,600 individuals to other provinces between 2011/12 and 2015/16 – taking into account those that migrated to the

Manitoba inter-provincial migration, 2011/12 to 2015/16

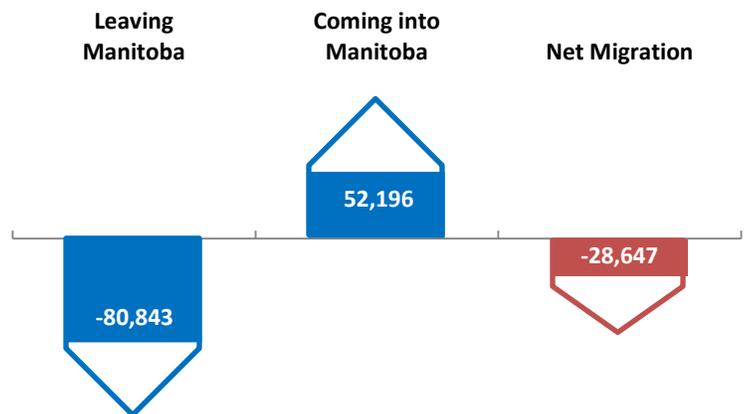


Figure 5
Source: Statistics Canada - CANSIM Table 051-0019

Manitoba net inter-provincial migration detail, 2011/12 to 2015/16

Region of Origin	Outgoing	Incoming	Net Migration
Atlantic Provinces	-3,634	3,466	-168
Quebec	-2,163	2,037	-126
Ontario	-21,243	17,203	-4,040
Saskatchewan	-10,390	8,293	-2,097
Alberta	-24,768	12,150	-12,618
British Columbia	-17,874	8,267	-9,607
Territories	-771	780	9
Total	-80,843	52,196	-28,647

Notes: Annual period from July 1 to June 30; Data for 2015/16 is preliminary
Source: Statistics Canada - CANSIM Table 051-0019

province.⁵⁰

Manitoba’s economy is showing signs of strength going into the next few years, and more people may look to the province for employment opportunities as a result. Mass layoffs in Alberta’s oil fields may also lead to a measurable amount of Manitobans returning to the province for work.

Age structure

Manitoba is a young province with a median age of 37.5, well below the national median age of 40.6. Despite the province’s younger-than-average age, it still faces similar age shifts as other provinces with the baby boomer generation approaching or entering retirement age. In 2016, the 55 and over age group made up 27.5% of the province’s population. This represents a much higher proportion of the population compared to three decades ago at 22.5%. However, the proportion of the prime working age group (25 to 54 years) has grown only slightly from 39.4% in 1986 to 39.9% in 2016.

Manitoba population by age group, then and now

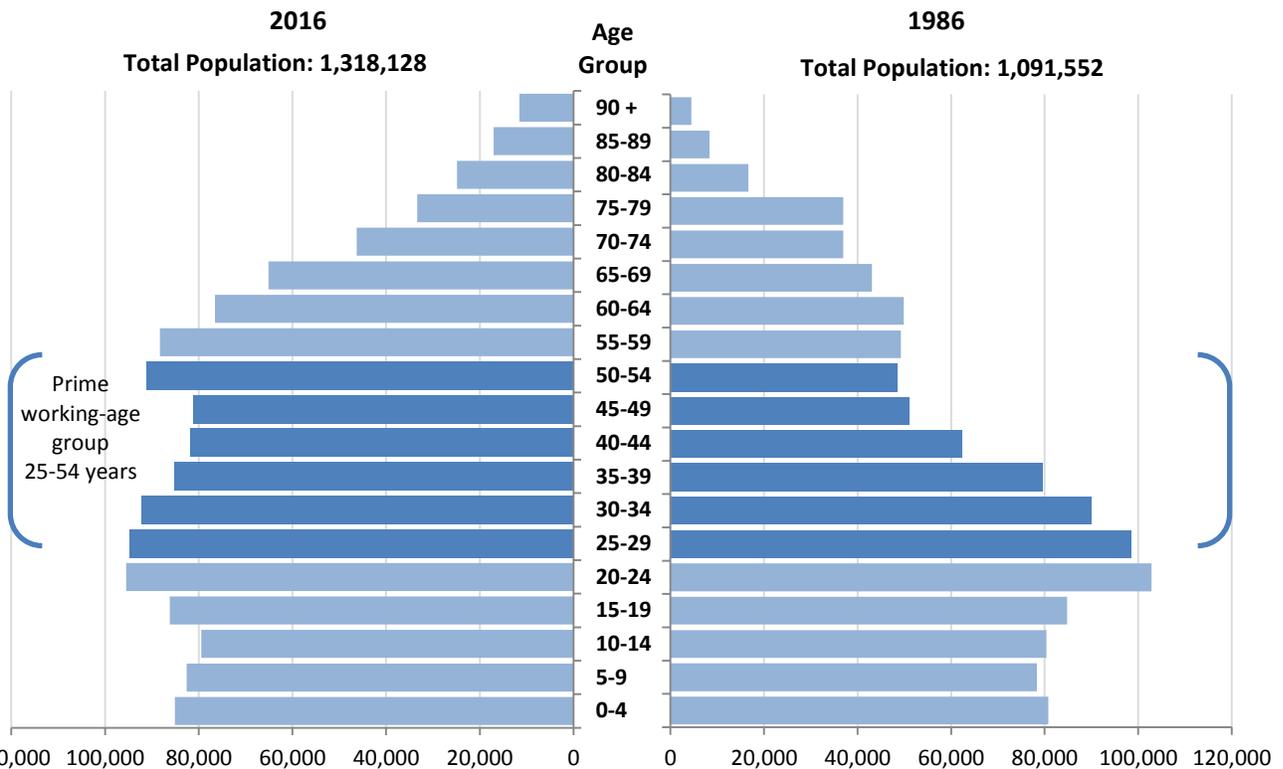


Figure 6
Source: Statistics Canada CANSIM Table 051-0001

LABOUR MARKET CONDITIONS

Year-over-year employment declined in Manitoba last year for the first time since 2009. The number of people employed in the province dropped 0.4% (-2,600) on the year. Minor gains in part-time employment were offset by substantial losses in full-time employment, marking the first time in seven years that full-time employment in the province edged downward. Not surprisingly, the province’s unemployment rate climbed from 5.6% in 2015 to 6.1% in 2016. That stated, Manitoba continues to retain the second lowest unemployment rate nationwide, behind only British Columbia (6.0%).

Economic activity in Manitoba is expected to pick up in 2017 and 2018. The Conference Board of Canada estimates that real GDP will advance 1.9% this year and 1.8% in 2018, propelled by growth in the manufacturing, transportation and construction industries.⁵¹ The Conference Board is forecasting employment increases of 0.6% and 1.0%, or 11,000 jobs over the two year period.⁵² With key sectors of the economy performing well, wages are expected to increase and improve purchasing power in the province. Higher incomes and continued flat fuel costs should provide a boost to the trade industry.

Manitoba						
	Population growth	Labour Force growth	Employment rate	Unemployment rate	Participation rate	Average Weekly Earnings
2016	999,000	674,900	63.4%	6.1%	67.6%	\$888.52
Annual Change	1.2% ▲	0.1% ▬	-1.0 ▼	0.5 ▲	-0.7 ▼	0.9 ▲
2015	987,200	674,100	64.4%	5.6%	68.3%	\$880.17

Figure 7
Source: Statistics Canada Labour Force Survey – CANSIM Tables 282-0002, 281-0027

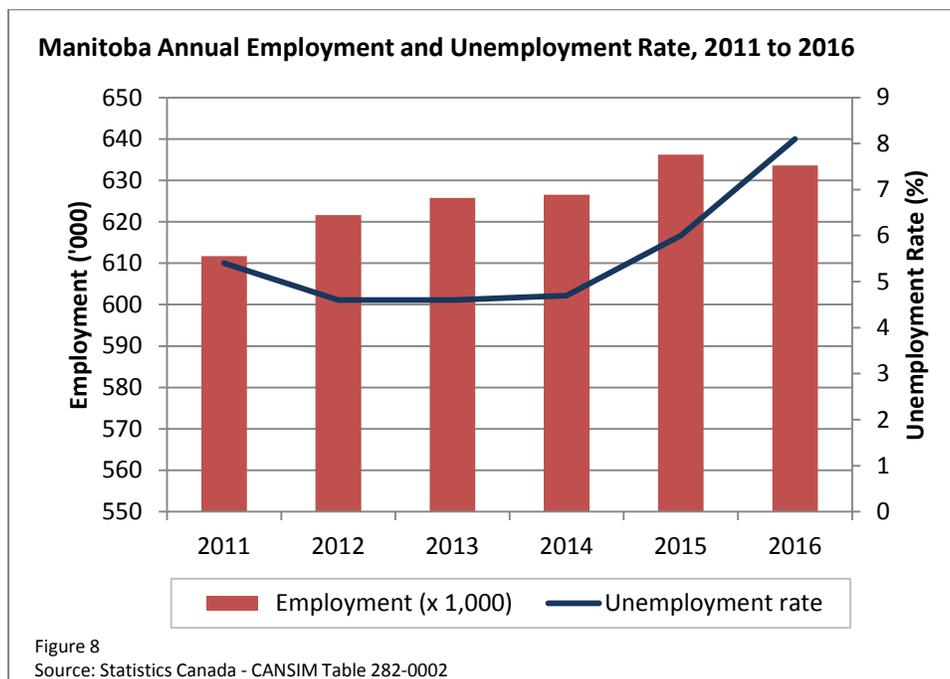


Figure 8
Source: Statistics Canada - CANSIM Table 282-0002

Employment by Sector

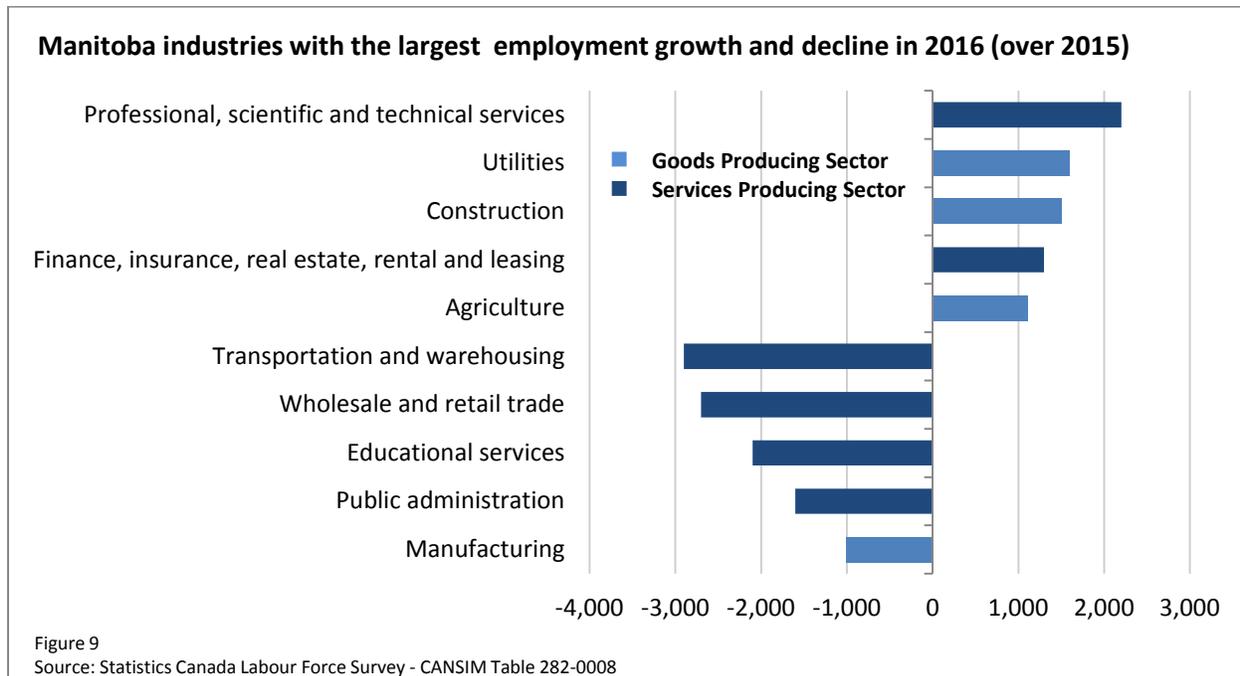
Employment in Manitoba's goods-producing sector increased significantly in 2016, up 2.6% (+3,900) from the previous year. Employment increased across all industries in the sector, with the exception of manufacturing (-1,000). Nevertheless, it is expected that Manitoba's manufacturing industry will experience steady employment gains due to a lower Canadian dollar and increasing global demand for aerospace technology and transportation equipment over the next two years. For example, a new heavy-maintenance aircraft hangar will create about 100 jobs in Winnipeg's aerospace sector between 2019 and 2022.⁵³

The province's agri-food manufacturing industry should also see growth – as demand for food products continues to increase worldwide.⁵⁴ HyLife Foods plans to expand its hog processing plant in Neepawa this year⁵⁵, while Maple Leaf Foods is expanding its meat production facility in Winnipeg. The Maple Leaf plant alone is expected to create 34 new full-time and 35 new part-time positions once the expansion is complete this year.⁵⁶

Manitoba's mining industry is likely to see declining employment over the next few years as Hudbay Minerals' 777 zinc mine in Flin Flon winds down production and is expected to cease operations by 2019.⁵⁷ Meanwhile, Vale SA intends to close their Thompson nickel smelting and refining operations in 2018.⁵⁸ In addition, Vale Canada Ltd. recently confirmed that they will be suspending operations at their Birchtree nickel mine in Thompson this October due to low nickel demand and market prices. The suspension will affect approximately 200 staff employed at the Birchtree mine.⁵⁹

The construction and utilities industries both posted significant increases in employment over the past two years. The construction industry now employs 47,100 workers in the province – an increase of 3.3% from 2015 levels. This positive trend is expected to continue, as a number of private and public construction projects are slated to begin across Manitoba over the next few years. For example, the provincial government is investing \$2.5 billion over the next five years for infrastructure projects, which should provide a boost for the province's construction industry.⁶⁰

The number of people employed in Manitoba's utilities industry rose from 8,300 in 2015 to 9,900 in 2016. Manitoba Hydro currently has a number of new utilities projects under construction in the province, including the Keeyask Dam and the Bipole III Transmission Reliability Project.⁶¹ However, rising costs from these projects pose challenges for Manitoba Hydro. The crown corporation's budget deficit has been growing, and the company plans to cut 900 positions across the province this year to improve operational efficiencies.⁶²



Employment fell in the majority of services-producing industries last year, with the largest losses occurring in transportation and warehousing (-2,900). For example, Denver-based OmniTrax – the operator of the Port of Churchill – shuttered its operations in Northern Manitoba due to a slump in grain shipments. The closure left about 90 people out of work.⁶³

Employment growth deteriorated in all three public-sector industries last year. On an annual basis, educational services lost 2,100 positions, while employment in public administration declined by 1,600. Similarly, healthcare and social assistance employed 300 fewer people year over year. Looking ahead, employment in the public service sector is likely to decline further this year as the provincial and federal governments continue to cope with large deficits. In February 2017, the provincial government instructed all Manitoba crown corporations to reduce their management positions by 15% this year, to help move the budget back to balance.⁶⁴

Employment also declined in the province’s trade industry in 2016 (-2,700). However, a number of planned retail developments should help industry employment rebound in the near-term. For example, supermarket-chain Save-On-Foods opened three new stores in Winnipeg last year and plans to open nine more stores in the city, as well as an undetermined number of stores in rural centres over the next few years. In addition, a 400,000 square foot outlet mall in Winnipeg’s south opened in May of this year. The new mall, Outlet Collection Winnipeg, houses approximately 100 retailers and is expected to create more than 1,300 full- and part-time jobs.⁶⁵

Labour Market Conditions by Economic Region

Southeast					
	Population growth	Labour Force growth	Employment rate	Unemployment rate	Participation rate
2016	91,000	63,200	66.2%	4.7%	69.5%
Annual Change	2.1% ▲	6.4% ▲	3.0 ▲	-0.7 ▼	2.8 ▲
2015	89,100	59,400	63.2%	5.4%	66.7%

Figure 10.1
Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0123

The Southeast saw the largest employment growth among Manitoba regions between 2015 and 2016. Employment is up both in the goods-producing sector and in the service-producing sector, with gains mainly concentrated in professional, scientific and technical services; agriculture; and health care and social assistance. Although employment in construction was flat last year, a number of construction projects are slated to begin over the short term that should provide a boost to employment in the region. These include construction of a new \$2.6 million fire hall in Steinbach, a \$24.3 million Performing Arts Centre in Steinbach and the \$40 million Shoal Lake 40’s Freedom Road project.

South Central and North Central					
	Population growth	Labour Force growth	Employment rate	Unemployment rate	Participation rate
2016	85,400	56,200	63.1%	4.1%	65.8%
Annual Change	1.2% ▲	-1.6% ▼	-1.8 ▼	0.1 ▬	-1.9 ▼
2015	84,400	57,100	64.9%	4.0%	67.7%

Figure 10.2
Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0123

Employment fell slightly on an annual basis in the South Central and North Central region. Employment losses were primarily in the goods-producing sector, particularly in agriculture and manufacturing. For the services-producing sector, employment losses in educational services were offset by gains in health care and social assistance. This year, the health care and social assistance industry will likely to see more funding for emergency support services from all levels of government, aiming to help refugee claimants due to an influx of asylum seekers from the U.S. entering Emerson, a small town in the region.⁶⁶

Southwest					
	Population growth	Labour Force growth	Employment rate	Unemployment rate	Participation rate
2016	88,500	57,400	61.1%	5.7%	64.9%
Annual Change	0.7% ▲	-4.5% ▼	-4.5 ▼	1.7 ▲	-3.5 ▼
2015	87,900	60,100	65.6%	4.0%	68.4%

Figure 10.3
Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0123

The Southwest region suffered the province's largest decline in employment last year, with employment falling 3,600 (-6.2%). Almost all labour market indicators point to negative results for the region. Nonetheless, there are a number of public and private projects scheduled to begin over the next few years. These projects are likely to provide some support for construction and related industries in the region. These projects include Brandon University's new student housing project, the Sioux Valley Dakota First Nation commercial development, the Shur-Gro Farm fertilizer storage facility expansion project in Brandon and Federated Co-operatives Limited's new Brandon fertilizer terminal.

Winnipeg					
	Population growth	Labour Force growth	Employment rate	Unemployment rate	Participation rate
2016	603,100	411,200	63.6%	6.8%	68.2%
Annual Change	1.4% ▲	0.1% -	-1.2 ▼	0.6 ▲	-0.9 ▼
2015	594,700	410,700	64.8%	6.2%	69.1%

Figure 10.4
Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0123

Employment in the Winnipeg region fell slightly on an annual basis as losses in Winnipeg's services-producing sector were partially offset by gains in the goods-producing sector. Employment in Winnipeg's construction industry jumped 9.3% or 2,100 positions over the year.⁶⁷ Moving forward, jobs in construction should remain in high demand as a number of mega-projects are either underway or scheduled to begin in 2017. Projects include the \$60 million Inuit Art Centre, the \$400 million Winnipeg Seasons of Tuxedo development project and the \$400 million True North Square development in downtown Winnipeg.

Interlake					
	Population growth	Labour Force growth	Employment rate	Unemployment rate	Participation rate
2016	75,500	49,200	60.8%	6.7%	65.2%
Annual Change	0.8% ▲	1.0% ▲	-1.0 ▼	1.8 ▲	0.2 ▲
2015	74,900	48,700	61.8%	4.9%	65.0%

Figure 10.5
Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0123

The Interlake region saw virtually no change in year over year employment. However, the region's unemployment rate increased considerably over the year, up 1.8 percentage points to 6.7% – the second

highest rate in the province. Looking ahead, public infrastructure projects such as the Seven Oaks School Division's \$6 million agriculture learning centre construction project in West St. Paul and the \$1 million water management pilot-project in Bifrost-River will help to create construction jobs and scientific research-related employment opportunities in the region.

Parklands and Northern, Manitoba					
	Population growth	Labour Force growth	Employment rate	Unemployment rate	Participation rate
2016	55,400	37,800	65.0%	4.5%	68.2%
Annual Change	-1.2% ▼	-0.8% ▼	1.2 ▲	-1.5 ▼	0.3 ▲
2015	56,100	38,100	63.8%	6.0%	67.9%

Figure 10.6

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0123

The key industries in Manitoba's Parklands and Northern are health care and social assistance; wholesale and retail trade; and resource extraction. Employment in this region was essentially flat in 2016, due in part to weakness in commodity markets. In the near-term, local conditions are expected to improve as work on several construction projects are set to begin this year. For example, European food-manufacturing giant Roquette announced plans to build the world's largest pea protein facility in Portage la Prairie. The \$400 million project is expected to create 350 jobs during two years of construction and about 150 production jobs when the plant opens.⁶⁸ In addition, the provincial government plans to invest \$23 million to redevelop and expand the emergency department at the Dauphin Regional Health Centre this year.

LABOUR MARKET OUTCOMES FOR CLIENT SEGMENTS

Immigrants/Newcomers

Immigration has been a key contributor to the provincial labour force. Between 2011 and 2016, Manitoba's immigrant labour force grew at a rate of 3.9% annually. By comparison, the Canadian-born labour force grew at a rate of just 0.9% per year over the same period. Last year, immigrants accounted for over 20% of Manitoba's total labour force. The labour force participation rate for immigrants in Manitoba was 69.4% last year, 2.3 percentage points higher than the participation rate of Manitobans born in Canada.⁶⁹

New immigrants typically experience a higher rate of unemployment than those born in Canada. In 2016, the unemployment rate of recent immigrants (arriving in the past five years) stood at 7.7%, which was significantly higher than the rate for the Canadian-born labour force (6.0%). However, immigrants that have been established in the province for more than 10 years had an unemployment rate of 5.4%, suggesting improved labour market outcomes for immigrants over time.

Indigenous People

Indigenous people made up 16.7% of Manitoba's total population in 2011, up from 15.5% in 2006. Nationally in 2011, Indigenous people accounted for 4.3% of the total population.⁷⁰ Demographic groupings vary within the Manitoba Indigenous population, with the majority self-identifying as First Nations or Métis.

Indigenous people were less likely to participate in the labour market compared to the non-Indigenous population. The participation rate for off-reserve Indigenous people was 64.3% compared to 68.0% for non-Indigenous people in 2016. Along with lower labour force attachment, Indigenous people also experience higher rates of unemployment than the non-Indigenous population. The unemployment rate for off-reserve Indigenous people in Manitoba was 12.3% in 2016, more than double the non-Indigenous unemployment rate of 5.4%.

Youth

Manitoba's youth (aged 15 to 24) unemployment rate increased from 11.4% in 2015 to 13.2% in 2016; more than twice the provincial rate for all workers (6.1%).⁷¹ The unemployment rate for young men is usually much higher than the rate for young women in Manitoba. In 2016, the unemployment rate for young men increased 3.0 percentage points to 14.8% over the year, while the rate for young women increased just 0.2 percentage points to 11.3%.

Since 2010, fewer youth have participated in Manitoba's labour market. Last year marked the seventh year in a row that the participation rate for youth was below 70%. Before that, Manitoba's youth participation rate only dipped below 70% once since 1980. Moreover, nearly 45% of employed youth in the province worked part-time in 2016.

Older Workers

In 2016, workers aged 55 and over made up nearly 21.0% of Manitoba's employed labour force. Over the past five years, employment in the 55 and over age group grew almost four times faster than the working age population (15 years and over). In fact, employment in the 55 and over age group increased by nearly 17,600 between 2011 and 2016. Strong employment growth for this age group can be attributed both to an aging population and to increased labour force participation among older workers. Nonetheless, government transfers and private pensions remain the primary source of income among older workers. Employment income represented just 16.5% of older workers' primary source of income in 2014.⁷²

Seniors

Manitoba's senior population (65+ years) has grown steadily over the past 15 years, increasing from 157,000 in 2001 to 198,000 in 2016. This trend will continue in the coming years as more and more baby boomers enter this age category.

Labour market participation continues to rise in this age group. In 2011, only 13.7% of those over 65 years of age participated in the labour market. Labour market participation among seniors has increased significantly since then though, reaching a high of 16.2% in 2016. Unemployment is low in this age category as government income supports become available at this age, allowing seniors to exit the labour market with greater ease.

People with Disabilities

Manitoba has the highest rate of disability nation-wide, exceeding the national average by 2.0 percentage points. In 2012, 15.6% of Manitoba's population reported having some type of disability compared to 13.7% nationally.⁷³

In 2012, the unemployment rate was nearly double for persons with a disability; 8.6% compared to 4.8% for persons with no disability. Also, far fewer disabled persons participated in the labour market. In fact, the labour force participation rate for those with a disability was just 61.7% in 2012, compared to 81.2% for the non-disabled population.

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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