



Labour Market Bulletin

Manitoba

March 2016



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

Employment in Manitoba dropped during the first quarter of 2016, with 5,100 fewer people working compared to the previous quarter. Provincial employment is also down compared to the first quarter of last year (- 4,700). Manitoba's employment losses were in line with both Saskatchewan and Alberta.

Quarterly losses were spread across full-time employment (-1,200) and part-time employment (-4,000). Compared to the first quarter of 2015, 9,000 fewer individuals are employed full-time, while part-time employment is up by 4,300.

Public sector employment fell 4,300 in the first quarter, undercutting all gains made in the private sector. After a full year of quarterly employment losses, the private sector expanded by 2,200 this quarter. However, private sector employment remained lower in the first quarter of 2016 compared to the same period last year (-5,300). Meanwhile, the number of self-employed individuals in Manitoba decreased 3,100 in the first quarter.

Unemployment

The number of people unemployed in Manitoba grew in the first quarter of 2016 (+1,600). Accordingly, the province's unemployment rate rose from 5.8% to 6.1%. Even so, Manitoba retains the second lowest unemployment rate nationwide for the fourth quarter in a row, and it should remain low in the future. Looking ahead, the Conference Board of Canada expects Manitoba's unemployment rate to drop to 4.9% in 2016.¹

Youth unemployment remained high this quarter, with the rate for those aged 15 to 24 averaging 12.4%; more than double the rate of 4.8% for those aged 25 years and older. Compared to a year ago, the youth

unemployment rate is up nearly a full percentage point. Those aged 55 and older have the lowest unemployment rate (3.5%) among all age groups.

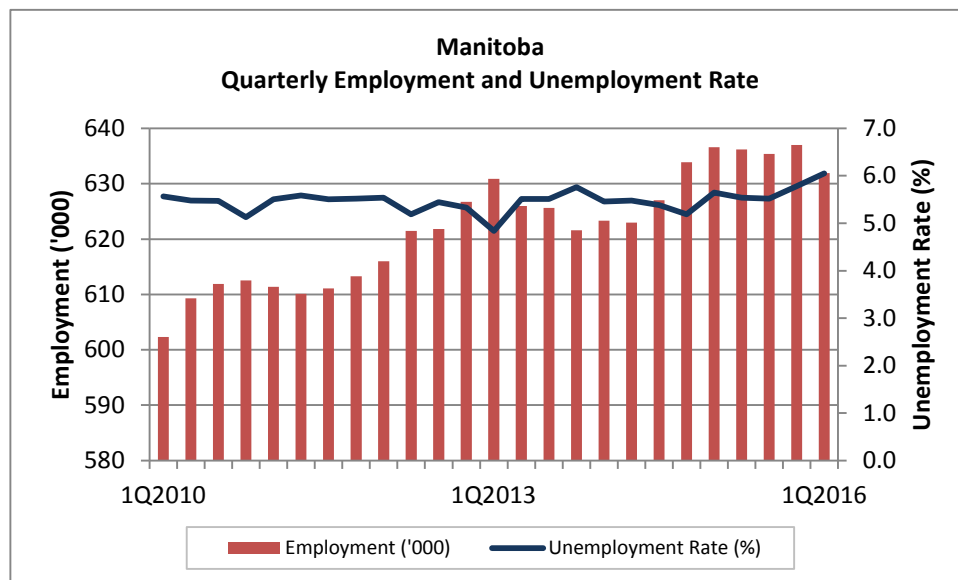
Looking at trends by gender, the unemployment rate was the highest among young men at 13.7% after rising 1.5 percentage points over the quarter. Unemployment among young women is currently 11.2%, more than twice the rate of women over the age of 25.

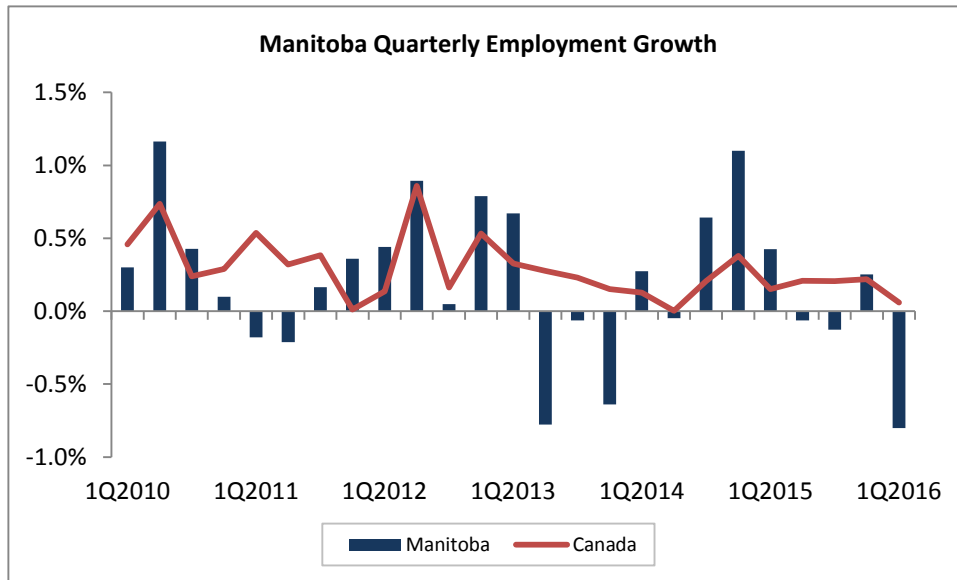
Manitoba Quarterly Labour Force Statistics

Seasonally Adjusted Data	1st Quarter 2016	4th Quarter 2015	1st Quarter 2015	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	994.0	991.3	983.2	2.7	0.3	10.8	1.1
Labour Force ('000)	672.5	676.2	674.7	-3.7	-0.5	-2.2	-0.3
Employment ('000)	631.9	637.0	636.6	-5.1	-0.8	-4.7	-0.7
Full-Time ('000)	510.4	511.6	519.4	-1.2	-0.2	-9.0	-1.7
Part-Time ('000)	121.5	125.5	117.2	-4.0	-3.2	4.3	3.7
Unemployment ('000)	40.7	39.1	38.1	1.6	4.1	2.6	6.8
Unemployment Rate (%)	6.1	5.8	5.6	0.3	-	0.4	-
Participation Rate (%)	67.7	68.2	68.6	-0.6	-	-1.0	-
Employment Rate (%)	63.6	64.3	64.7	-0.7	-	-1.2	-

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0087





Manitoba Quarterly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	1st Quarter 2016 (%)	4th Quarter 2015 (%)	1st Quarter 2015 (%)	Quarterly Variation (% points)	Yearly Variation (% points)
	Total	6.1	5.8	5.6	0.3
25 years and over	4.8	4.6	4.5	0.3	0.4
Men - 25 years and over	5.2	4.7	4.4	0.5	0.8
Women - 25 years and over	4.4	4.5	4.6	0.0	-0.2
15 to 24 years	12.5	12.1	11.5	0.4	1.0
Men - 15 to 24 years	13.7	12.2	12.2	1.5	1.5
Women - 15 to 24 years	11.1	12.0	10.9	-0.9	0.2

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0087

Manitoba - Labour market indicators for Indigenous People

Not Seasonally Adjusted Data	1st Quarter 2016		1st quarter 2015	Yearly Variation	
	Indigenous	Non-Indigenous	Indigenous	Number	%
Population 15 + ('000)	112.3	881.7	109.0	3.3	3.0
Labour Force ('000)	70.9	594.5	70.5	0.4	0.6
Employment ('000)	62.1	562.2	63.0	-0.9	-1.4
Full-Time ('000)	50.0	448.4	50.3	-0.3	-0.6
Part-Time ('000)	12.1	113.8	12.7	-0.6	-4.7
Unemployment ('000)	8.8	32.3	7.5	1.3	17.3
Unemployment Rate (%)	12.4	5.4	10.7	1.7	-
Participation Rate (%)	63.1	67.4	64.7	-1.6	-
Employment Rate (%)	55.3	63.8	57.8	-2.5	-

Notes: The Labour Force Survey excludes those living on-reserve.

Estimates are based on three-month moving averages.

Totals may not add due to rounding.

Totals may be different from other tables due to adjustments done to indigenous statistics in the Labour Force Survey.

Source: Statistics Canada Labour Force Survey – ESDC custom table

In the first quarter (Q1) of 2016, the total population aged 15+ in Manitoba was 994,000. The Indigenous population living off-reserve accounted for 11.3% of that, or 112,300 people. Employment among the Indigenous population stood at 62,100 representing a decline of -900 (-1.4%) from a year earlier. Employment losses occurred in both part-time employment (-600 or -4.7%), and to a lesser degree in full-time employment (-300 or -0.6%).

The unemployment rate among the Indigenous population was 12.4% in Q1 2016, representing a +1.7 percentage points (pp) increase from the previous year. Among the non-Indigenous population, the unemployment rate edged up slightly year-over-year and stood at 5.4% (+0.3pp). Between Q1 2015 and Q1 2016, the participation rate among both the Indigenous and non-Indigenous populations declined to 63.1% (-1.6pp) and 67.4% (-0.9pp), respectively. Over the same period, the employment rate among the Indigenous population declined to 55.3% (-2.5pp), and a smaller decline to 63.8% (-1.0pp) was experienced amongst the non-Indigenous population.

EMPLOYMENT BY INDUSTRY

Employment growth was concentrated in Manitoba's goods-producing sector in the first quarter, thanks in part to sizeable gains in the province's utilities industry (+1,100). This increase represents the fourth quarterly employment improvement in a row. This upward trend has left the industry with 1,900 more people employed compared to the first quarter of 2015. Meanwhile, employment in agriculture is down by 1,000 this quarter, returning the industry to employment levels of a year ago. Farmers can expect a good return from 2015 though, as the drought affecting Saskatchewan and Alberta did not impact Manitoba.

The construction industry saw limited employment growth this quarter (+500) but remains a key contributor to overall annual growth. The industry employed 1,800 more individuals in the first quarter of 2016 compared to the same quarter last year. Sustained provincial spending on infrastructure, along with other large-scale projects, appears to be keeping construction labour in high demand. The outlook for construction employment in the near-term is positive as core infrastructure investment remains a priority for the province and a number of major hydro projects are scheduled to start in 2016.

Employment in manufacturing fell by 400 in the first quarter, leaving industry employment down 1,200 compared to the same time last year. A recovery in the United States economy and a weakening Canadian dollar have not translated into increased employment for Manitoba's manufacturing industry as of yet. Nonetheless, there are signs of strength in the province's manufacturing industry. Bus manufacturing giant, New Flyer Industries, is now responsible for building roughly 50% of all heavy busses on North American roads. With the average age of city busses on U.S. roads at eight years (the average lifespan is 12 years), New Flyer is well-positioned to see continued growth going forward. The manufacturer now holds a total backlog of 9,664 units valued at \$4.95 billion US.

Finally, employment in forestry, fishing, mining, quarrying, and gas grew by 500 in the first quarter. Time will tell if this increase marks an end to the downward trend in employment within the industry that accompanied the global downturn in commodity prices.

Employment in the services-producing sector fell by 5,900 since last quarter, the largest quarterly drop on record for the sector. The only significant growth within the sector came from the professional, scientific and technical services industry, which employed 1,400 more people this quarter. Moreover, the industry now employs 2,600 more individuals compared to the first quarter of 2015.

Employment in the trade industry fell by 1,900 in the first quarter, continuing a downward trend in the industry since employment peaked in late 2014. However, this trend may be reversed in the coming years. Construction of a 100-store outlet mall recently began in Winnipeg, which will create an estimated 1,300 jobs when it opens for business in early 2017².

Meanwhile, employment in transportation and warehousing has trended downward for four consecutive quarters. Year-over-year, this mid-sized industry has lost the largest percentage of employment among all industries in Manitoba (-8.5%). Nevertheless, the installation of low-cost airline NewLeaf Travel's headquarters at Winnipeg's airport should positively impact industry employment going forward.

Sizeable losses also occurred in all three public-sector industries in the first quarter: educational services (-1,800), health care and social assistance (-600), and public administration (-1,600). All three also employed fewer individuals on an annual basis.

Manitoba Quarterly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	1st Quarter 2016	4th Quarter 2015	1st Quarter 2015	Quarterly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	631.9	637.0	636.6	-5.1	-0.8	-4.7	-0.7
Goods-producing sector	150.1	149.4	147.6	0.7	0.5	2.5	1.7
Agriculture	23.1	24.1	23.0	-1.0	-4.1	0.1	0.4
Forestry, fishing, mining, quarrying, oil and gas	6.4	5.9	6.3	0.5	8.5	0.1	1.6
Utilities	9.7	8.6	7.8	1.1	12.8	1.9	24.4
Construction	46.7	46.2	44.9	0.5	1.1	1.8	4.0
Manufacturing	64.3	64.7	65.5	-0.4	-0.6	-1.2	-1.8
Services-producing sector	481.7	487.6	489.1	-5.9	-1.2	-7.4	-1.5
Trade	88.7	90.6	94.3	-1.9	-2.1	-5.6	-5.9
Transportation and warehousing	35.4	36.7	38.7	-1.3	-3.5	-3.3	-8.5
Finance, insurance, real estate and leasing	32.2	32.0	33.9	0.2	0.6	-1.7	-5.0
Professional, scientific and technical services	26.9	25.5	24.3	1.4	5.5	2.6	10.7
Business, building and other support services	18.9	19.7	17.3	-0.8	-4.1	1.6	9.2
Educational services	51.1	52.9	52.0	-1.8	-3.4	-0.9	-1.7
Health care and social assistance	102.1	102.7	102.3	-0.6	-0.6	-0.2	-0.2
Information, culture and recreation	23.2	22.9	22.6	0.3	1.3	0.6	2.7
Accommodation and food services	40.6	41.4	40.7	-0.8	-1.9	-0.1	-0.2
Other services	29.8	28.8	29.0	1.0	3.5	0.8	2.8
Public administration	33.0	34.6	34.0	-1.6	-4.6	-1.0	-2.9

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0088

REGIONAL ANALYSIS

Negative labour market results were observed across most of Manitoba's economic regions, with only a single area seeing strong annual employment growth. Employment in Southeast region rose 3.8% year-over-year, thanks in large part to a 32.7% (+1,700) expansion in manufacturing employment. Nonetheless, the region's unemployment rate edged up slightly compared to the same time last year.

Employment in Winnipeg region remained virtually unchanged when compared to the first quarter of 2015. Employment rose just 0.1% year-over-year as sizeable losses across service-producing industries held back gains in a number of large goods-producing industries. Employment in Winnipeg's construction industry jumped 11.1% or 2,200 jobs since the first quarter of 2015. Going forward, jobs in construction should remain in high demand as a number of mega-projects are scheduled to begin in Winnipeg this year. Construction has begun on the \$400-million True North Centre and plans are moving ahead on a new \$165-million 40-story residential tower. Other

large contributors to employment growth in Winnipeg were the utilities (+2,500) and professional, scientific, and technical services (+1,800) industries.

Employment in the Interlake region was also unchanged this quarter. However, the region’s labour market could not accommodate a sharp increase in the labour force (+3.0%) and the unemployment rate rose accordingly – nearly 3 full percentage points on the year.

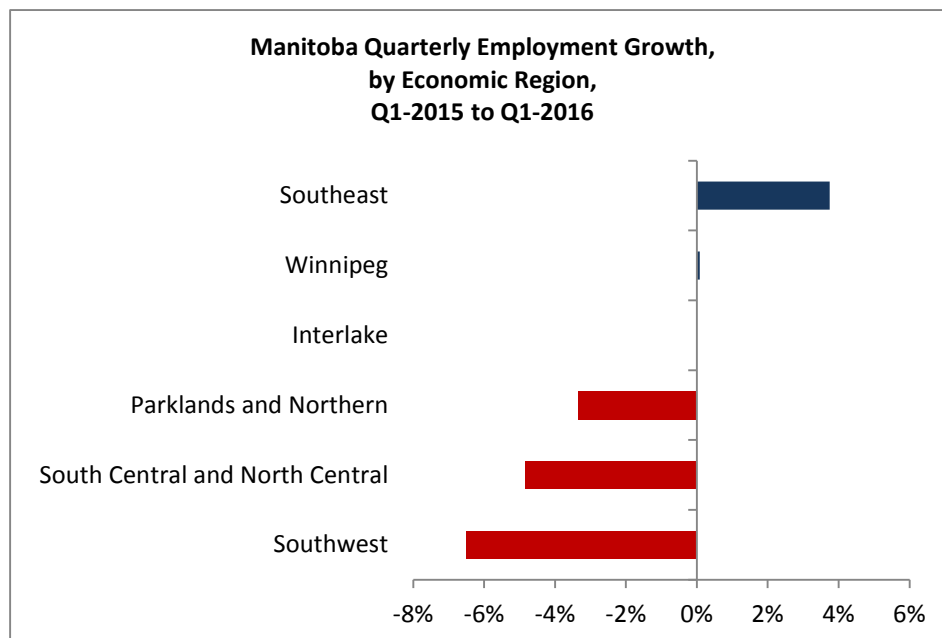
All other economic regions in Manitoba experienced significant declines in employment this quarter compared to the same period last year. Southwest saw the largest decline, as employment fell by 6.5% on the year. Unemployment rates also rose in these regions, with exception of Parklands and Northern. In spite of a 3.3% decline in employment, Parklands and Northern’s unemployment rate dropped to 4.7% this quarter from 6.3% in the first quarter of 2015. Parklands and Northern region should see increased construction activity in the short-term as the Keeyask generating station project is expected to reach peak employment in summer 2016.

Manitoba Quarterly Labour Force Statistics, by Economic Region

Not Seasonally Adjusted Data	Employment			Unemployment Rate		
	1st Quarter 2016 ('000)	1st Quarter 2015 ('000)	Yearly Variation (%)	1st Quarter 2016 (%)	1st Quarter 2015 (%)	Yearly Variation (% points)
Manitoba	623.9	629.2	-0.8	6.2	5.7	0.5
Economic Regions						
Southeast	58.1	56.0	3.8	5.7	5.6	0.1
South Central and North Central	53.0	55.7	-4.8	3.6	3.1	0.5
Southwest	53.3	57.0	-6.5	6.3	3.6	2.7
Winnipeg	380.4	380.1	0.1	6.5	6.4	0.1
Interlake	44.5	44.5	0.0	7.7	4.9	2.8
Parklands and Northern	34.7	35.9	-3.3	4.7	6.3	-1.6

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0122



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 Conference Board of Canada, Provincial Outlook Economic Forecast: Winter 2016

² Talia Ricci. (September 25, 2015). First outlet mall arrives in Manitoba. Global News. <http://globalnews.ca/news/2242267/first-outlet-mall-arrives-to-manitoba/>