



Labour Market Bulletin

Manitoba

July 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 was virtually unchanged (+200) for the second consecutive month in July. Nonetheless, this small increase runs counter to the national picture where overall employment contracted 0.2%. July's gains resulted in the highest employment numbers for Manitoba to-date in 2016. On a yearly basis, employment in Manitoba is up 4,200, or 0.7%.

Monthly gains were entirely in full-time employment (+3,900) in July. Meanwhile, the number of individuals employed part-time decreased by 3,700. On an annual basis, full-time employment is up 6,300, while part-time employment has declined (-1,700).

The private sector accounted for nearly all employment gains this month (+800) while public sector employment was virtually unchanged (+100). A decrease in the number of self-employed individuals (-800) in the province offset gains in other sectors. On a year-over-year basis, only the public sector avoided employment losses.

Unemployment

The number of unemployed persons in Manitoba increased in July (+400) and the province's unemployment rate edged up to 6.2%, the highest rate for the province in nearly twenty years. Nonetheless, Manitoba currently claims the second lowest unemployment rate in Canada, behind only British Columbia. Looking ahead, the Conference Board of Canada expects the province's unemployment rate to drop to an average of 5.7% in 2016 and 5.4% next year.¹

Youth unemployment remained high this month, with the unemployment rate for those aged 15 to 24 averaging 13.5%, nearly triple the rate for those aged 25 and older (4.7%). Compared to this time last year, the youth

unemployment rate is up nearly two full percentage points, while the rate for those 25 years and older is essentially unchanged.

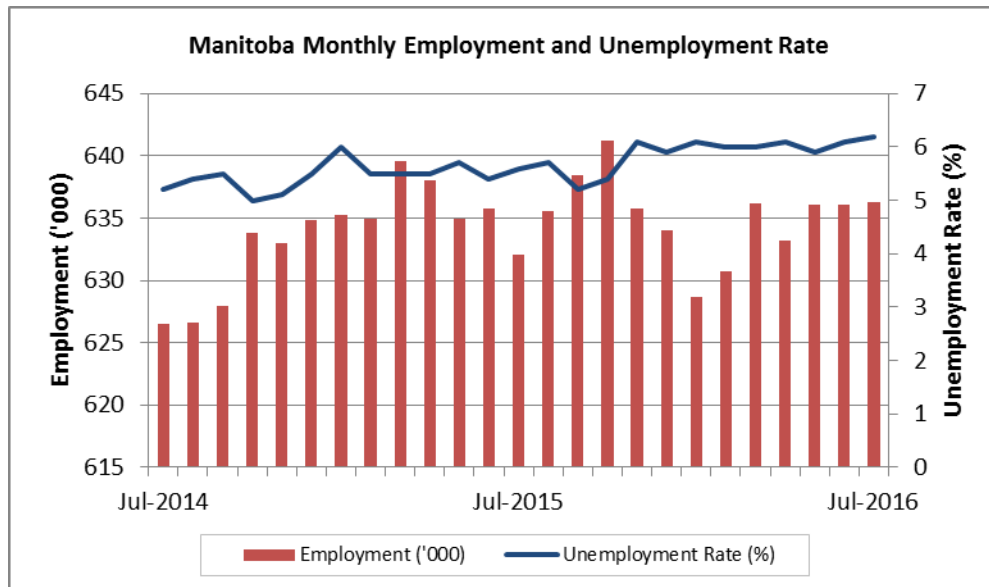
Looking at trends by gender and age, the unemployment rate remains the highest among young men (15 to 25 years of age) at 16.2%. Unemployment among young women is also high (10.7%), even after falling from 12.4% in July 2015. By contrast, women 25 years and over have an unemployment rate of just 3.9%.

Manitoba Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	July 2016	June 2016	July 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	1,000.1	998.5	987.6	1.6	0.2	12.5	1.3
Labour Force ('000)	678.0	677.5	669.9	0.5	0.1	8.1	1.2
Employment ('000)	636.3	636.1	632.1	0.2	0.0	4.2	0.7
Full-Time ('000)	515.2	511.3	508.9	3.9	0.8	6.3	1.2
Part-Time ('000)	121.1	124.8	123.2	-3.7	-3.0	-2.1	-1.7
Unemployment ('000)	41.7	41.3	37.8	0.4	1.0	3.9	10.3
Unemployment Rate (%)	6.2	6.1	5.6	0.1	-	0.6	-
Participation Rate (%)	67.8	67.9	67.8	-0.1	-	0.0	-
Employment Rate (%)	63.6	63.7	64.0	-0.1	-	-0.4	-

Note: Totals may not add due to rounding

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



Manitoba Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	July 2016	June 2016	July 2015	Monthly Variation	Yearly Variation
	(%)	(%)	(%)	(% points)	(% points)
Total	6.2	6.1	5.6	0.1	0.6
25 years and over	4.7	4.7	4.6	0.0	0.1
Men - 25 years and over	5.5	4.9	4.2	0.6	1.3
Women - 25 years and over	3.9	4.4	5.0	-0.5	-1.1
15 to 24 years	13.5	13.6	11.2	-0.1	2.3
Men - 15 to 24 years	16.2	14.7	10.1	1.5	6.1
Women - 15 to 24 years	10.7	12.4	12.4	-1.7	-1.7

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

EMPLOYMENT BY INDUSTRY

Employment gains in Manitoba's goods-producing sector were modest in July, with 1,000 more people employed compared to the previous month. The sector has held on to strong employment gains made in late 2015, with employment up 3,400 compared to last July. The sector's performance in July was held back by losses in the construction industry (-1,500). However, the near-term outlook for construction employment is positive, as a number of major hydro projects are scheduled for this year and numerous large-scale projects are in development for downtown Winnipeg.

Agricultural employment jumped sharply in July (+1,400). Farmers avoided major flooding this year and industry experts are predicting a bumper crop similar in size to one that created a shipping backlog in 2013. Slightly more people were employed in agriculture in July (+600) compared to the same time last year.

Meanwhile, employment prospects are bright for several key segments of Manitoba's manufacturing industry, which grew by 1,100 in July. Thanks in part to a recovery in the U.S. economy and a weak Canadian dollar, bus manufacturing and aerospace manufacturing are both likely to see large increases in export sales in the near-term. Motor vehicle exports from Manitoba are expected to expand by 22% in 2016, as New Flyer fills orders from a number of U.S. cities in the process of replacing aging bus fleets.² This increased activity should have a positive impact on employment in the industry, which is currently down 1,900 over the year.

Finally, the forestry, fishing, mining, quarrying, and gas industry saw no change in employment in July, while employment in the utilities industry was also essentially unchanged. Employment in both industries is up substantially compared to the same time last year though, +21.6% and +25.3% respectively.

Turning to the services-producing sector, employment decreased sharply in a number of industries, ending two months of overall growth in the sector. Nevertheless, the sector has mostly recovered from a poor start to 2016 and employment is up slightly (+800) over the same time last year.

Employment in Manitoba's trade industry dropped (-1,100) for a second consecutive month in July. The industry now employs fewer people than it did the same time last year (-600). This drop in employment is likely temporary though. The trade industry is poised to capitalize on an expected uptick in spending by Manitobans

brought on by sustained employment growth in the province. Moreover, retail sales expanded by 6.2% in Manitoba between May 2015 and May 2016, nearly double the national rate (+3.6%) during the same period³.

The transportation and warehousing industry added 300 positions in July, marking a third straight month of employment gains. Although minimal, these employment increases signal the potential reversal of a long-term downward trend in the industry. The shipping demands of a strong provincial manufacturing sector, as well as the launch of low-cost airline NewLeaf Travel in Winnipeg, should positively influence employment in transportation and warehousing going forward. Year-over-year, industry employment is down 2,700 (-6.9%).

Turning to the three public sector industries, employment was down in healthcare and social services on monthly basis, while employment in public administration increased by 600 individuals and educational services expanded by 2,800. Employment is up in all three industries on a year-over-year basis.

Finally, the professional, insurance, real estate and leasing industry saw the largest monthly decrease among service industries in July (-1,200). However, the industry held on to some of the employment gains it made earlier in 2016 and still employs 600 more people compared to last July.

Manitoba Monthly Labour Force Statistics, by Industry

Seasonally Adjusted Data ('000)	July 2016	June 2016	July 2015	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	636.3	636.1	632.1	0.2	0.0	4.2	0.7
Goods-producing sector	150.7	149.7	147.3	1.0	0.7	3.4	2.3
Agriculture	24.7	23.3	24.1	1.4	6.0	0.6	2.5
Forestry, fishing, mining, quarrying, oil and gas	6.2	6.2	5.1	0.0	0.0	1.1	21.6
Utilities	9.9	9.8	7.9	0.1	1.0	2.0	25.3
Construction	47.4	48.9	45.8	-1.5	-3.1	1.6	3.5
Manufacturing	62.5	61.4	64.4	1.1	1.8	-1.9	-3.0
Services-producing sector	485.6	486.5	484.8	-0.9	-0.2	0.8	0.2
Trade	89.5	90.6	90.1	-1.1	-1.2	-0.6	-0.7
Transportation and warehousing	36.2	35.9	38.9	0.3	0.8	-2.7	-6.9
Finance, insurance, real estate and leasing	33.9	34.4	31.7	-0.5	-1.5	2.2	6.9
Professional, scientific and technical services	27.2	28.4	26.6	-1.2	-4.2	0.6	2.3
Business, building and other support services	17.8	18.1	18.9	-0.3	-1.7	-1.1	-5.8
Educational services	53.3	50.5	51.3	2.8	5.5	2.0	3.9
Health care and social assistance	101.4	102.3	100.7	-0.9	-0.9	0.7	0.7
Information, culture and recreation	22.9	22.8	22.7	0.1	0.4	0.2	0.9
Accommodation and food services	42.6	43.0	41.7	-0.4	-0.9	0.9	2.2
Other services	28.3	28.5	29.9	-0.2	-0.7	-1.6	-5.4
Public administration	32.5	31.9	32.4	0.6	1.9	0.1	0.3

Note: Totals may not add due to rounding

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

REGIONAL ANALYSIS

Southeast region employment was up 10.9% on an annual basis in July. The region's unemployment rate also fell during the past year and now sits well below the provincial average. The majority of Southeast region's employment growth was in the services-producing sector, with the largest gain in professional, scientific and technical services. Manufacturing was responsible for the majority of employment growth within the goods-producing sector.

Parklands and Northern region saw employment grow 4.2% over the year, while its unemployment rate dropped from 6.9% to 4.7%, representing the largest decrease in Manitoba. July's positive performance may be short-lived though after the future of a critical piece of northern infrastructure became uncertain. OmniTrax Canada suspended grain shipments during peak operating months to the Port of Churchill and cut in half the number of weekly trips to the port on the accompanying Hudson Bay Rail line. Layoffs in Churchill will have damaging effects and a potential closure of the rail line would make the isolated northern area even more challenging to access. No official statements have been made to-date by OmniTrax or federal and provincial governments about the future of the northern port and rail line.

Employment in Winnipeg region is down 0.6% year-over-year, due mostly to a sharp drop in employment in the transportation and warehousing industry. Unemployment reached 6.7% in Winnipeg, surpassing the provincial rate. The region's construction industry led employment growth over the year and will likely continue to see high levels of activity going forward. The number of residential units planned or in development for Winnipeg's downtown is nearly double the total built over the past decade.⁴ The units are part of \$1.26-billion worth of building intentions in the downtown area; the core-area building boom will keep demand high for construction labour in the near-term.

The largest percentage drop in employment was in Southwest region, where employment is down 5.8% compared to July 2015. All labour market indicators point to negative results for the region. Employment is down both in the goods- and services-producing sectors, with the steepest drop occurring in the construction industry. Not surprisingly, the region's unemployment rate jumped 2.1 percentage points to 5.4% during the past year.

Manitoba Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	July 2016 ('000)	July 2015 ('000)	Yearly Variation (%)	July 2016 (%)	July 2015 (%)	Yearly Variation (% points)
Manitoba	643.5	640.8	0.4	6.1	5.7	0.4
Economic Regions						
Southeast	62.2	56.1	10.9	4.8	5.2	-0.4
South Central and North Central	55.1	54.9	0.4	4.7	4.5	0.2
Southwest	54.8	58.2	-5.8	5.4	3.3	2.1
Winnipeg	387.7	390.1	-0.6	6.7	6.2	0.5
Interlake	46.9	46.2	1.5	6.7	4.9	1.8
Parklands and Northern	36.8	35.3	4.2	4.7	6.9	-2.2

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.

Prepared by: Labour Market Information (LMI) Directorate, Service Canada, Manitoba

For further information, please contact the LMI team at: NC-LMI-IMT-GD@hrsdc-rhdcc.gc.ca

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 Economic Development Canada, Growth: Its own worst enemy?, Global Export Forecast Spring 2016

³ Statistics Canada CANSIM Table 080-0020 - Retail trade, sales by the North American Industry Classification System (NAICS), monthly (dollars), CANSIM (database). (accessed: May 6, 2016)

⁴ Downtown Winnipeg BIZ, [Downtown Trends](#)