

Economic Development Winnipeg

WEEKLY ECONOMIC DIGEST



MANITOBA'S LABOUR MARKET IS IN GOOD SHAPE; BUT CHALLENGES REMAIN ON THE HORIZON

ENCOURAGING HIGH VACCINATION RATES AND SUPPORTING PEOPLE'S MENTAL HEALTH WILL UNDERPIN THE RECOVERY.

Chris Ferris, Senior Economist

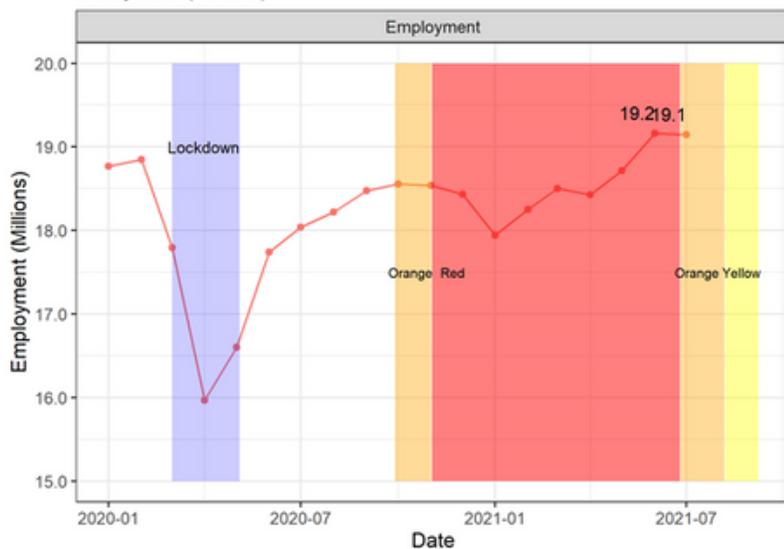
Bottom Line

Manitoba's commendably high COVID-19 vaccination rates have enabled the easing of COVID-19 restrictions in July 2021. This was supportive of Manitoba's July 2021 labour force survey (LFS) results. There remain challenges for some industries, along with challenges for women and young people. Another issue that needs a closer look is getting the long-term unemployed back to work. This tends to more of a challenge for older workers (those 55+). Further easing of restrictions in August 2021 is expected to result in stronger labour market results in next month's LFS.

Addressing burnout and mental health generally will be important for underpinning the labour market and economic recovery. This will be important for staff, middle management, and senior leaders. The desire for work from home, and burnout/stress related to the pandemic are expected to be two important factors in the labour force over the coming months.

ANALYSIS OF LABOUR FORCE SURVEY

Canada's Employment Level
Unadjusted (Millions)



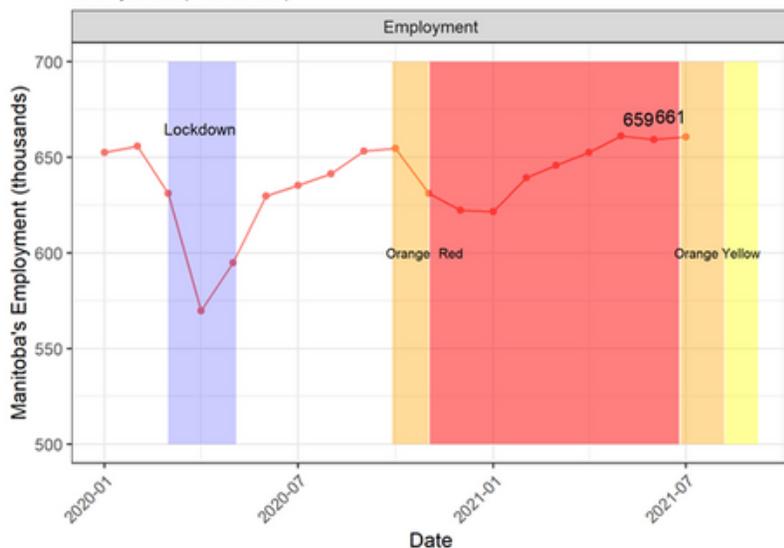
Source: Statistics Canada, LFC, Monthly, Unadjusted, Tables 14-10-0022-01

Canada and Manitoba Employment Levels

Statistics Canada released the July 2021 Labour Force Survey on August 6, 2021.

Canada's unadjusted employment levels slipped to 19.1 million, down from 19.2 million in June 2021, down ½ a per cent on the month.

Manitoba's Employment Level
Unadjusted (thousands)



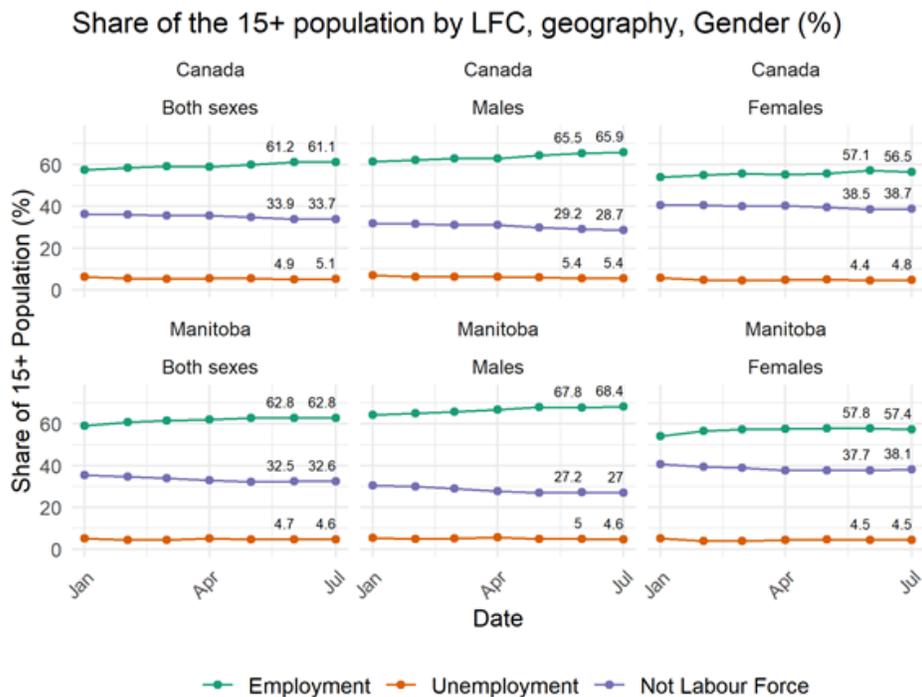
Source: Statistics Canada, LFC, Monthly, Unadjusted, Tables 14-10-0022-01

Manitoba's unadjusted employment levels rose by 2 thousand to 661 thousand, up 1/3 of a per cent on the month.

We expect to see Manitoba job numbers to be supported by easing of COVID-19 restrictions for the August 2021 LFS results.

Source: Statistics Canada, Table 14-10-0022-01, Labour force characteristics by industry, monthly, unadjusted for seasonality.

ANALYSIS OF LABOUR FORCE SURVEY



Source: Statistics Canada, LFC, Monthly, unadjusted, Tables 14-10-0287-01, LFC = labour force characteristics, Chart by Chris Ferris

Those aged 15+ who are in - and not in - the labour force \1

A comparison of July to June 2021 reveals a difference between the employment status men and women. The employment share for men aged 15+ rose 0.4 points for Canada, and 0.6 points in Manitoba. This was due to men rejoining the labour force in both cases. The Manitoba numbers indicate that more unemployed men also found employment.

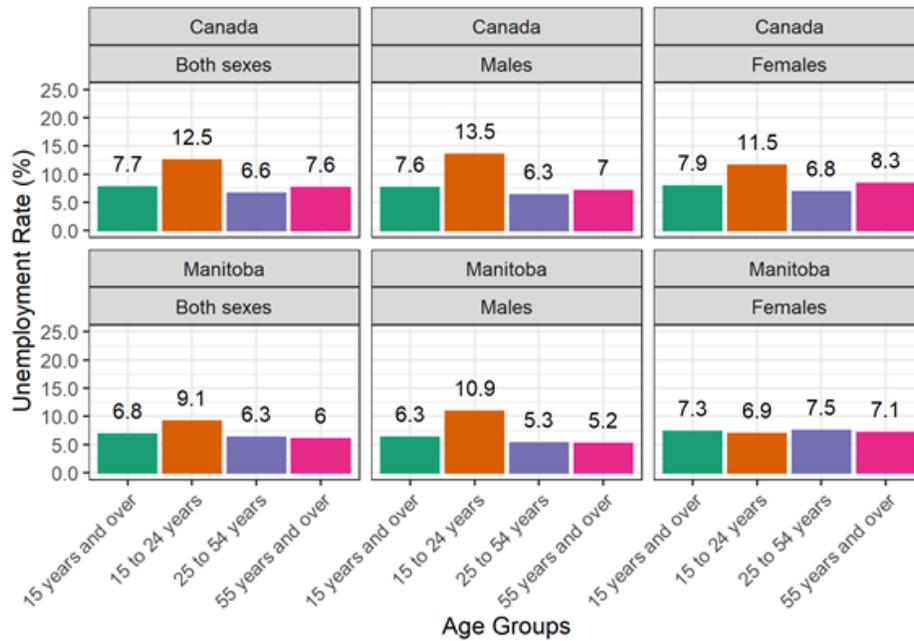
The employment share for women aged 15+ fell 0.6 points in Canada, and 0.4 points in Manitoba. This was due to more women exiting the labour force in both cases, however for Canada, more women became unemployed.

Source: Statistics Canada, Table 14-10-0287-01, Labour force characteristics, monthly, unadjusted for seasonality.

\1 Due to COVID-19's significant disruptions to labour markets it is important to monitor the share of the population that is not in the labour force (NLF), along with those in the labour force (LF) = employed (E) + unemployed (U). The unemployment rate is calculated on U/LF.

ANALYSIS OF LABOUR FORCE SURVEY

2021-07 Unemployment Rate (%)
by Geography, Sex and Age Group; Unadjusted (%)



Source: Statistics Canada, LFC, Monthly, Unadjusted, Tables 14-10-0022-01

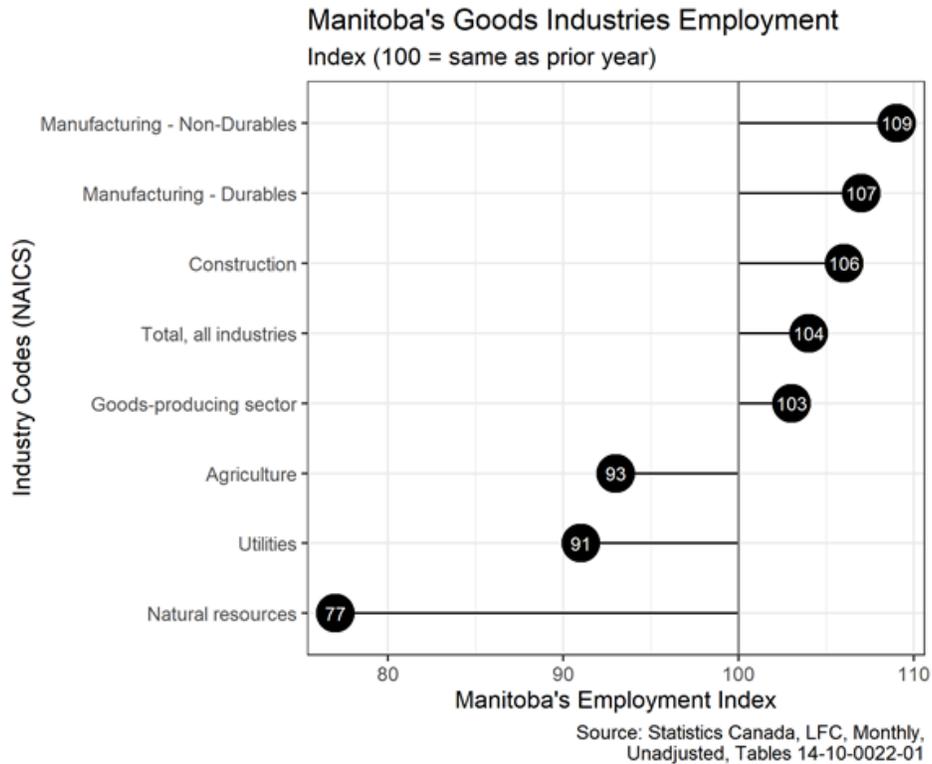
2021-07 Unemployment Rates

Manitoba's unemployment rate fell from 7% in June to 6.8% in July 2021. Canada's unemployment rate rose from 7.4% in June to 7.7% in July 2021.

When we compare Canada and Manitoba's unemployment rate in July by gender and age group, we see that Manitoba generally has a lower unemployment rate than Canada. The one exception is in the category of women 25 to 54, where the unemployment rate for Canada is 6.8 per cent, and in Manitoba it is 7.5 per cent.

Source: Statistics Canada, Table 14-10-0022-01, Labour force characteristics by industry, monthly, unadjusted for seasonality.

ANALYSIS OF LABOUR FORCE SURVEY



Manitoba's Goods Industries Employment (Y/Y):

On a year-over-year basis, total employment is up 4 per cent, while goods production is up 3 per cent y/y.

The top two contributors for goods producing industries are:

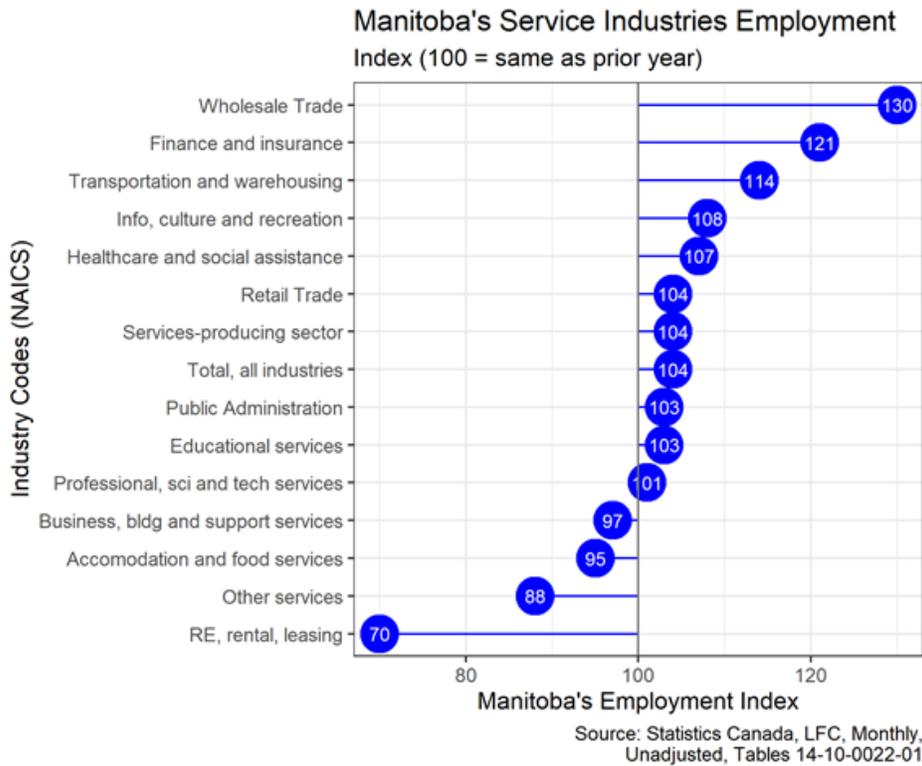
- **Non-durable goods manufacturing** up 9 per cent, and
- **Durable goods manufacturing**, up 7 per cent.

The two goods-producing sectors declining the most on the year are:

- **Utilities**, down 9 per cent, and
- **Natural resources**, down 23 per cent.

Source: Statistics Canada, Table 14-10-0022-01, Labour force characteristics by industry, monthly, unadjusted for seasonality.

ANALYSIS OF LABOUR FORCE SURVEY



Manitoba's Services Industries Employment (Y/Y):

On a year-over-year basis, total employment and services production are both up 4 per cent y/y.

The top two contributors for services producing industries are:

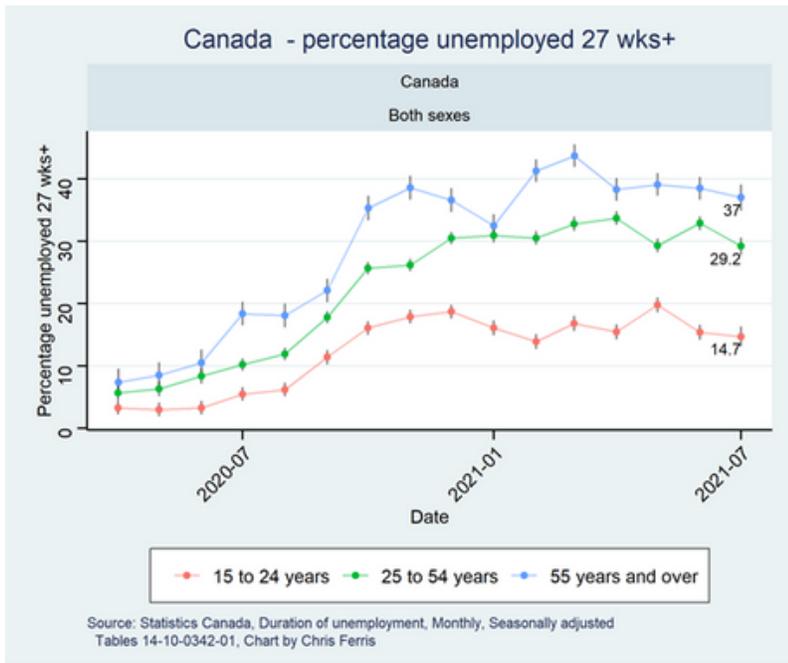
- **Wholesale Trade** up 30 per cent, and
- **Finance and Insurance**, up 21 per cent.

The two services-producing sectors declining the most on the year are:

- **Accommodation and food services**, down 5 per cent, and
- **Real estate, rental, and leasing**, down 30 per cent.

Source: Statistics Canada, Table 14-10-0022-01, Labour force characteristics by industry, monthly, unadjusted for seasonality.

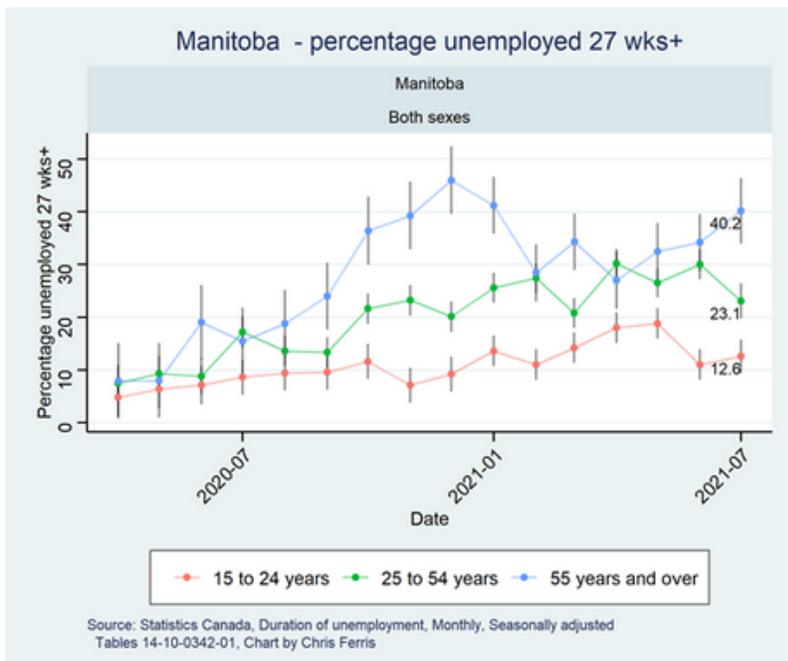
ANALYSIS OF LABOUR FORCE SURVEY



Long-term unemployed (27 wks+)

Those Canadians unemployed 27 weeks or more remains elevated in July 2021.

Those Manitobans unemployed 27 weeks or more remains elevated in July 2021, rising for those aged 55+.

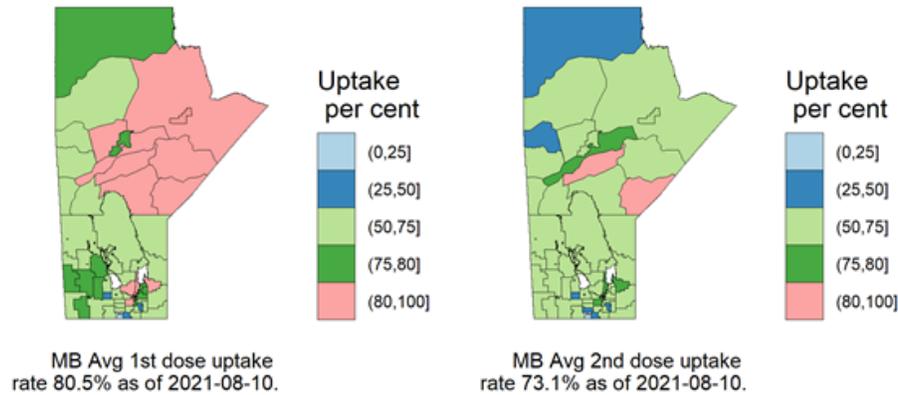


Encouraging the re-hiring of those unemployed for longer periods will likely be required as part of restarting the economy, and restoring a higher labour force participation rate.

Source: Statistics Canada, Table 14-10-0342-01, Duration of unemployment, Monthly, Seasonally adjusted.

FORWARD LOOKING IMPACTS ON THE LABOUR MARKET

COVID-19 Vaccine Uptake % among those aged 12+
Vac Target: Jul 1: 75/25; Aug 2: 75/50; Sep 6: 80/75.



Source: Manitoba Government, Chart by Chris Ferris, Economic Development Winnipeg

Vaccination Uptake

As of August 10, 2021, those Manitoban's aged 12+, 80.5 per cent have their first dose of a COVID-19 vaccine, and 73.1 per cent have their second dose of a COVID-19 vaccine. This is just shy of the third vaccine target uptake rate of 80/75 that the provincial government set. Reaching these targets by Sep 6th is eminently achievable.

Considering COVID-19 variants, containment of the virus spread will continue to be a crucial factor for keeping the labour market and economy on track. Of the unvaccinated who are eligible (aged 12+), pollster Bruce Anderson noted in an [August 11, 2021](#) MacLean's article that there are two main groups: the **vaccine hesitant**, and **vaccine refusers**. **Vaccine refusers** are seen as less likely to get vaccinated unless being unvaccinated becomes too inconvenient or costly.

FORWARD LOOKING IMPACTS ON THE LABOUR MARKET

Anderson notes that the **vaccine hesitant** are more likely to get vaccinated if they hear the right messaging from people or organizations they trust, and/or will respond to incentives that are important for them, requiring a menu of options. But "*... the diligent work being done by public health agencies and vaccine outreach teams like This is Our Shot or 19 to Zero is making a difference. Even if the pace seems slow to everyone else, the work is essential, and working.*"

The higher the vaccination rate we achieve, the easier it will be to keep case levels low and be able to resume more normal work and leisure activities. High vaccination rates amongst those who are eligible for vaccines will help protect those who are aged 0 to 11 ([CBC article Aug 13, 2021](#)), and those who cannot get vaccinated for medical reasons.

At the same time, more normal working and leisure conditions will help ease the stress on the mental health of our kids, students in school, workers, managers, and senior leaders. A recent [Deloitte/LifeWorks study](#) of senior leaders shows that this group has also been suffering. Finding ways to rebalance life and work will be important for both staff and leadership in companies in the post-pandemic world. Burnout and the desire to work from home are among the reasons being cited for a general desire to change jobs, according to sources such as an [Alistair Cox LinkedIn article](#), and recent [Angus Reid poll](#). Addressing mental health/burnout will be an important underpinning of the labour market and economic recovery going forward.

INQUIRIES AND CONTACTS

If you require help accessing government programs, contact our YES! Winnipeg team through the [Help us help you form](#).

General inquires: wpginfo@edwinnipeg.com

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