

Manitoba Employment Growth Slows in October. Support for local business continues across the Province

[Chris Ferris](#), Senior Economist
November 13, 2020

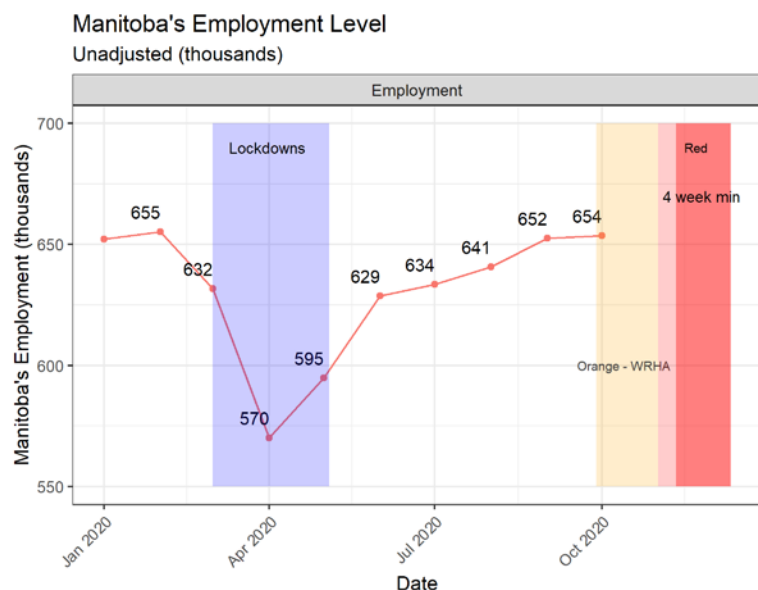
Bottom Line

Statistics Canada released the Labour Force Survey for October 2020 on November 6, 2020. Employment growth has stalled for both Canada and Manitoba in October. **With the tightening of COVID-19 restrictions, jobs growth has slowed, and is expected to slow in November/December until we get our COVID-19 case counts back under control.**

Small businesses in Manitoba will have further support from government, helping them to keep afloat during this latest code red lockdown. The faster we can flatten this current curve, the better. In the meantime, there are ways that we can support our local small businesses. While shopping, see if local businesses have other options than just in-person service. **Curbside pick-up, delivery** are local options. Some also have **e-commerce options** via their own website, or via third-party enabled platforms such as **Shopify**, with tools to enhance a Shopify account from local firm **Bold Commerce**.

Analysis

Figure 1: Manitoba Employment by Month (000's)



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

The application of the various restrictions by Manitoba are expected to have an effect on Manitoba's economy. During the period of October and early November, we are experiencing code orange and now code red as announced for the Winnipeg Metropolitan Region (WMR) by the province. We are also showing the code red that began to apply to all of Manitoba on November 12, 2020. ¹

Manitoba's unadjusted employment in October 2020

¹ The WMR code orange began September 28, 2020 and ended November 1, 2020. The initial WMR Code red started on November 2, 2020. The current Code red for Manitoba, including the WMR began on November 12, 2020. Two incubation periods of 14 days each would see December 10, 2020 as the earliest possible end date for the code red condition.

reached 654 thousand, just shy of its February 2020 level of 655 thousand (**Figure 1**). Job growth was almost unchanged month-over-month.

Figure 2: 2020-10 Unemployment Rate (%)

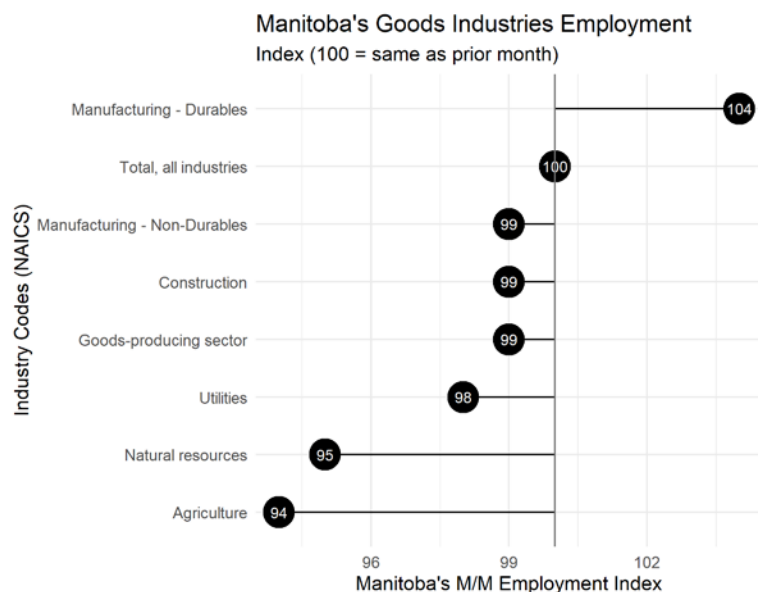


Source: Statistics Canada, LFC, Monthly, Unadjusted, Tables 14-10-0022-01

Canada's unadjusted employment numbers for October 2020 (18.64 million) showed only minor increases month-over/month. October's jobs are only 1.5 per cent below February 2020's (18.92 million).

When we look at Manitoba vs Canada's unemployment rate in October 2020, Manitoba has a lower rate regardless of gender and age grouping (**Figure 2**). Young people have the highest unemployment rate.

Industries Employment Index (100 = same as last month)



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

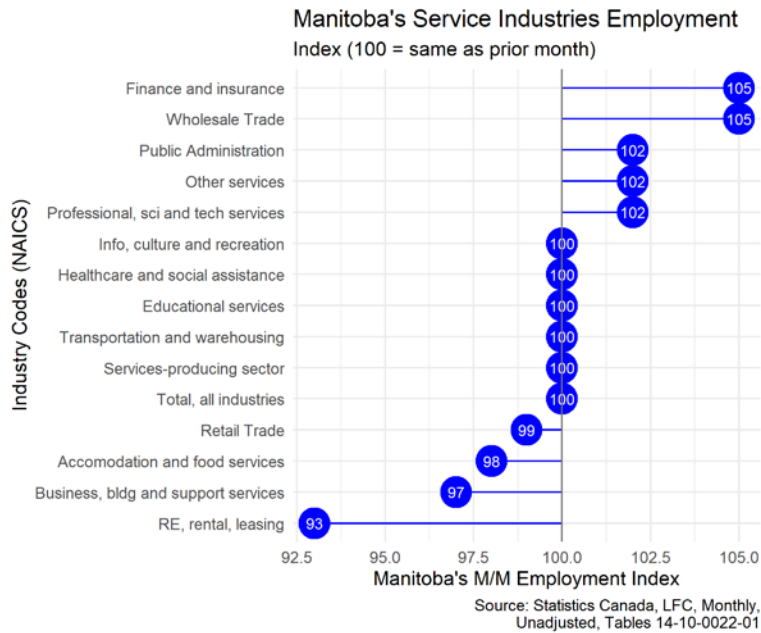
Figure 3: Month-over-Month: MB's Goods

When we consider the month-over-month changes in employment, we can see that **durable manufacturing** employment was up 4 per cent over September (**Figure 3**). **Natural resources** and **agriculture** saw employment drop month-over-month, but this is likely related to seasonal effects.

When we consider month-over-month changes in employment in the services sector, we can see that **finance and insurance**, and the **wholesale trade** both were up 5 per cent

since September (**Figure 4**). **Real Estate, rental and leasing** saw a month-over-month decline of 7 per cent.

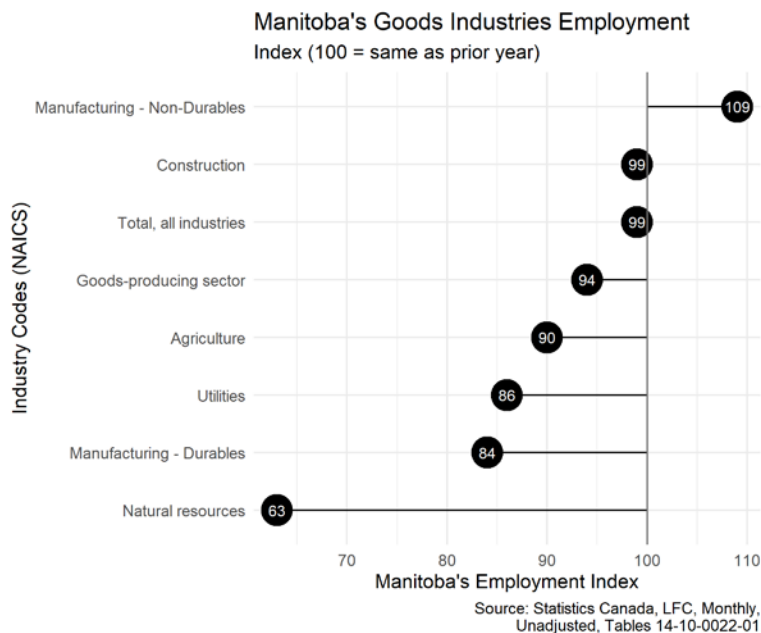
Figure 4: Month-over-Month: MB's **Services** Industries Employment Index (100 = same as last month)



When we look at the year-over-year (YoY) change for employment in the goods sector (Figure 5), we can see that **non-durable manufacturing** is up 9 per cent over October 2019 (Index = 109). The Goods sector's employment was down 6 per cent. The three sectors whose employment was down the most YoY are:

- **Utilities** (Index of 86),
- **Manufacturing – Durables** (Index of 84), and
- **Natural resources** (Index of 63).

Figure 5: Year-over-Year: MB's **Goods** Industries Employment Index (100 = same as last year)

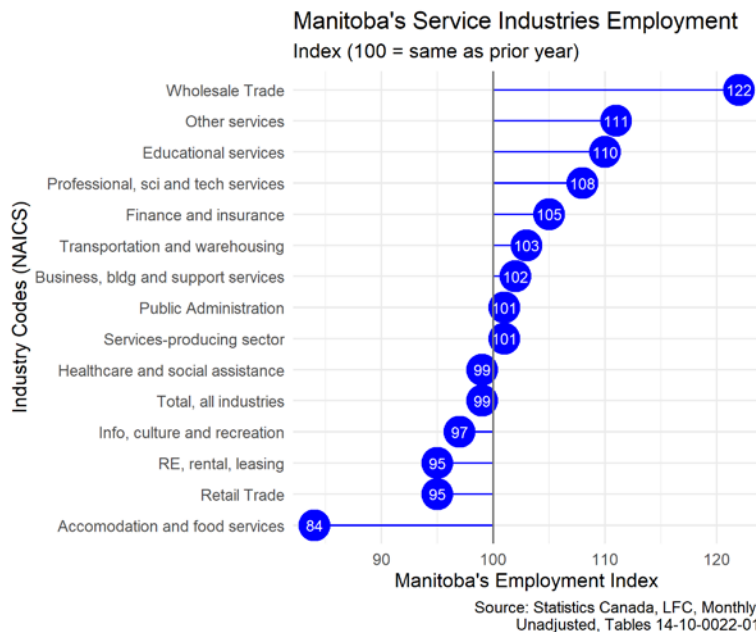


On a YoY basis, the change for employment in the services sector (Figure 6) we can see there several sectors have gained in employment:

- **Wholesale trade's** employment is up 22 per cent,
- **Educational services** are also up 10 per cent, along with
- **Professional, scientific and technical services** being up 8 per cent.

Accommodation and food services is down 16 per cent.

Figure 6: Year-over-Year: MB's **Services** Industries Employment Index (100 = same as last year)



With Manitoba's code red being implemented in the WMR beginning on November 1, 2020, and a deeper code red being applied to the WMR and all of Manitoba as of November 12, 2020 **we expect to see pressure on employment to continue in November and December.**

The faster we can flatten the curve by reducing new cases, the better for all residents. We expect seeing the COVID-19 case counts dipping by November 26, 2020 as current

restrictions will limit the virus's transmission channels if successful. We will keep an eye on [Manitoba's case counts](#).

The Manitoba government announced lifelines that particularly [target small businesses](#) with the announced code red for November 12, 2020. This is particularly timely, given the latest data from Statistics [Canada's Canadian Survey on Business Conditions](#):

- "Close to one-third (30.4%) of businesses did not know how long they could continue to operate at their current level of revenue and expenditures before considering further staffing actions, closure or bankruptcy, while nearly one-fifth (17.5%) reported they could continue for less than six months."

If the current code red has the intended effect, then government, and the triad of employers, employees and customers will all benefit. The best support for the economy is having COVID-19 under control.

EDW Contacts for Assistance or Inquiries:

- **For Winnipeg businesses looking for help accessing government programs, please reach out to our Yes! Winnipeg Team** through our [Help us help you form](#) if you are not sure who to contact on the Y!W team.
- For general inquires please email wpginfo@edwinnipeg.com.
- For Marketing & Communications Inquiries, please email marketingandbranding@edwinnipeg.com.