

Economic Development Winnipeg

WEEKLY ECONOMIC DIGEST



ANALYSIS OF MANITOBA'S LABOUR MARKET

SKILLS MISMATCHES FUEL LABOUR SHORTAGES

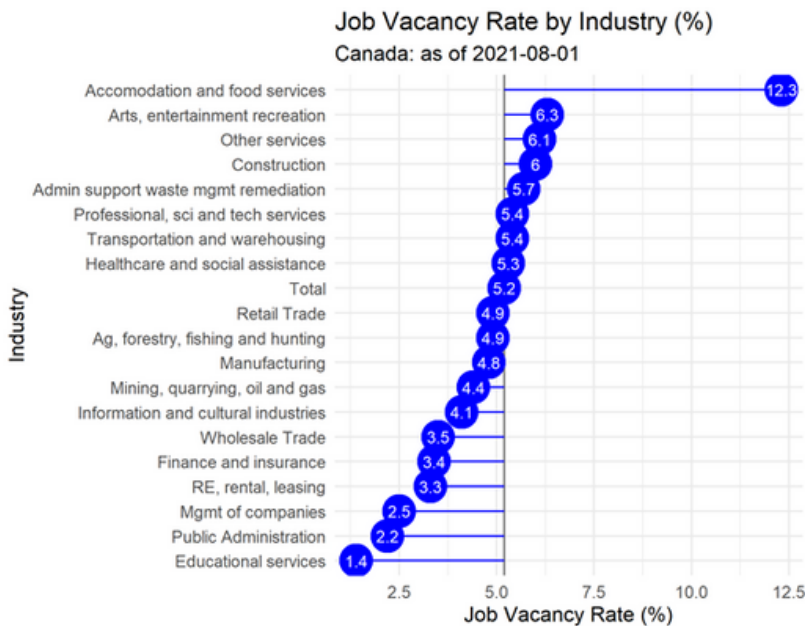
Chris Ferris, Senior Economist

Bottom Line

The Bank of Canada's Monetary Policy report for [October 2021](#), noted two short-term effects on monthly inflation. We covered global supply chain disruptions last issue.

In this issue we cover **labour force skills mismatches** and **rising long-term unemployment – particularly among those 55+**. Different industry sectors have been affected differently and the pandemic has added to the unevenness of the effect.

ANALYSIS



Source: Statistics Canada, Job vacancies, payroll employees and job vacancy rates
Tables 14-10-0372-01 Chart by Chris Ferris

Analysis - the Survey of Employment Payrolls and Hours (SEPH)

The [August 2021 Surveys of Employment, Payrolls and hours, and job vacancies](#) was released on October 28, 2021. At a national level, **accommodation and food services** added 56,700 staff in August 2021. This sector has the highest number of vacant jobs, with an estimated 156,800 vacant positions open in August. This sector's job vacancy rate was 12.3% (nearly double the next highest sector – **arts, entertainment, and recreation** at 6.3%).

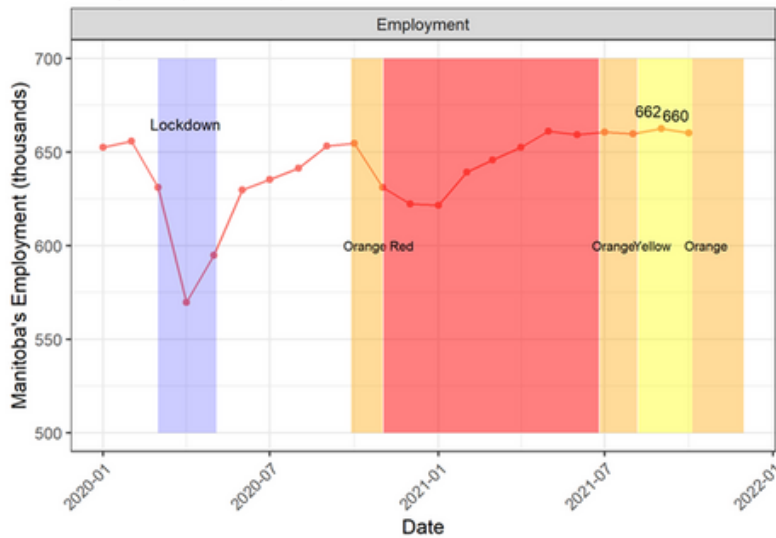
*If no more positions were listed and hiring remained at the same pace, it would take nearly three months to clear this backlog of listed positions; Sep – Nov 2021. **Therefore we expect to see the job vacancy rate for accommodation and food services to remain elevated through December 2021, but at a declining rate each month.***

A variety of hiring techniques will be necessary to close the hiring gap. As noted in the [October 2021 Labour Force Survey](#) report, this has not resulted in widespread wage increased in the sector, although there have been [reports](#) of signing bonuses, benefits and other perks to attract people to these occupations. There continue to be [reports](#) of people rethinking their relationship to work, particularly in sectors most affected by COVID-19.

The Manitoba job vacancy rate in August 2021 rose to 3.9%, while rising to 5.2% for Canada.

ANALYSIS

Manitoba's Employment Level
Unadjusted (thousands)



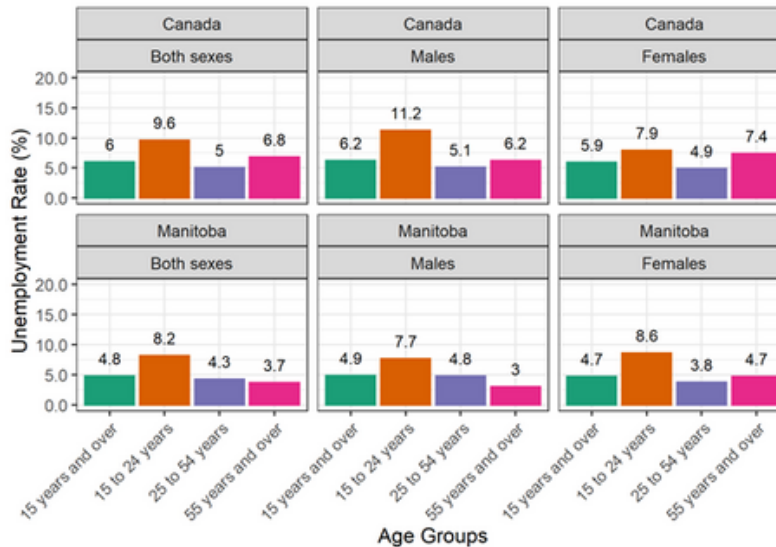
Source: Statistics Canada, LFC, Monthly, Unadjusted, Tables 14-10-0022-01

Labour Force Survey - October 2021

The [October 2021 Labour Force Survey \(LFS\)](#) was released November 5. Manitoba's seasonally unadjusted employment rate dipped slightly to 660 thousand (from 662 thousand). Canada's employment level rose slightly to 19.2 million.

Manitoba's unemployment by gender and age group is lower than Canada in every category.

2021-10 Unemployment Rate (%)
by Geography, Sex and Age Group; Unadjusted (%)



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

Seasonally adjusted unemployment among **visible minority Canadians** (8.1%) [in the LFS October 2021](#) has been falling, but remains above that of the average unemployment rate (6.7%).

Study: Labour market impacts of COVID-19 on Indigenous people: Mar'20 to Aug'21

The following labour market statistics for off-reserve Indigenous Canadians, for the three months ending August 2021:

- **Employment** has reached 57.7%, higher than it was pre-pandemic (56.2%).
- **Unemployment** was 11.6%, still above the pre-pandemic level of 10.3%.
- **Labour force participation rate** was 65.3%, above its pre-pandemic level (62.6%).

See the [study](#) for more details, released November 16, 2021.

ANALYSIS

Manitoba's Goods Industries Employment Index (100 = same as Feb 2020)



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

LFS by Industry

For goods-producing industries only **construction** employment is above its February 2020 level.

Utilities and **natural resources** employment remain down, but these sectors' employment declines are driven by longer-term structural or cyclical reasons.

Manitoba's Service Industries Employment Index (100 = same as Feb 2020)

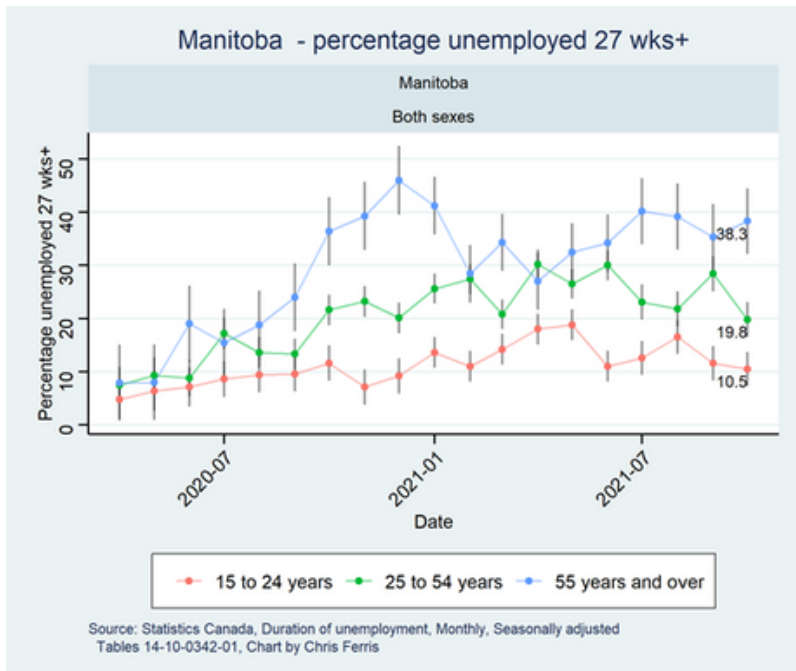


Source: Statistics Canada, LFC, Monthly, Unadjusted, Tables 14-10-0022-01

The **wholesale trade, finance and insurance, information, culture and recreation, and public administration** are all 15%+ above their Feb 2020 level.

Real estate, rental and leasing along with **accommodation and foods services** employment remain down more than 10% from their February 2020 level (these are primarily driven by COVID-19 and will take time to recover).

ANALYSIS

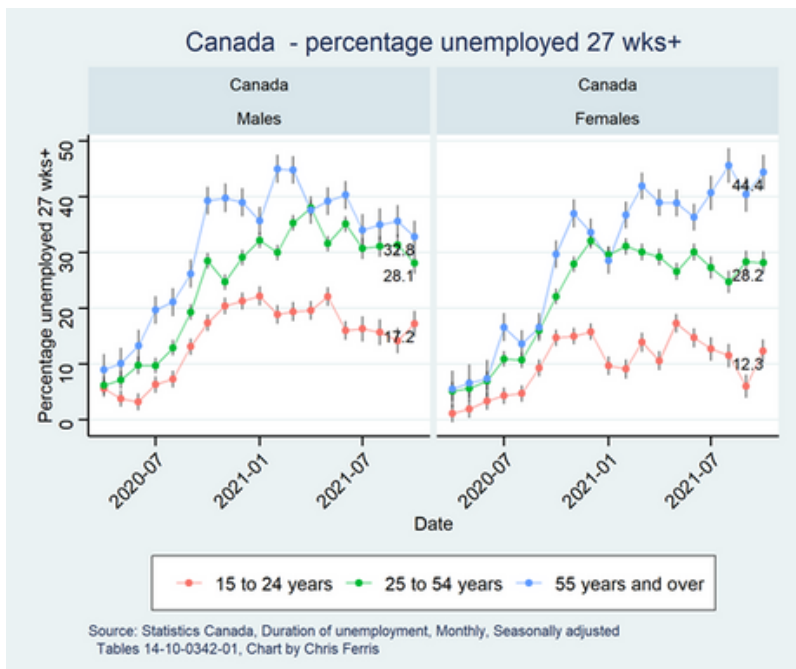


Long-term unemployed

Long term unemployment in Manitoba remains particularly elevated for those aged 55+. /1 With tight labour markets, helping get these older workers back into the labour force will be part of the solution. While there are [reports](#) of elevated exits from the labour force for those 55+, the long-term unemployed are people aged 55+ trying to get rehired.

Several efforts are likely to help enable this group to get rehired and avoid dropping out of the workforce, including:

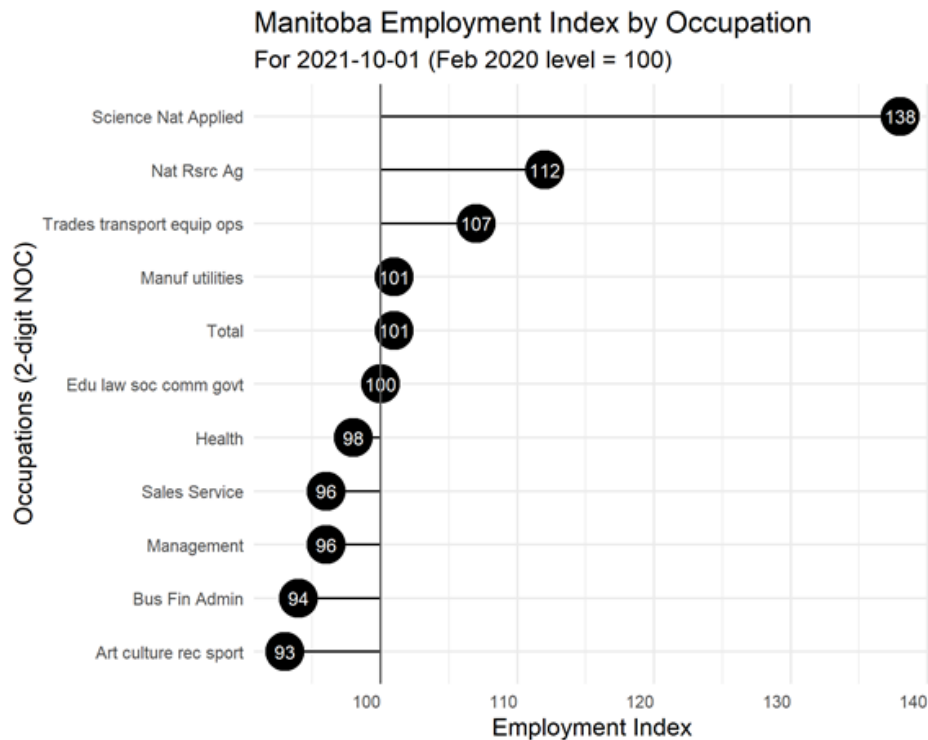
- Ensuring workplaces are viewed as COVID-19 safe,
- Ensuring this cohort's grandchildren have sufficient childcare to reduce the need to take early retirement,
- offering retraining where needed to help people adapt to different requirements in their previous career track, or in adapting to a different career track.



Efforts like [Retrain Manitoba](#) will be helpful for staff of all ages to pick-up necessary skills.

/1 At a Canadian level, this is broken out by gender. The share of those unemployed for 27 weeks+ or more out of all those who are unemployed is 38.1% for both genders. The share those unemployed for 27 weeks+ out of all unemployed for males 55+ is 32.8%, which is falling, while for women 55+ this share is rising (44.4%).

ANALYSIS



Source: Statistics Canada, LFC by Occupation, Monthly, Not Seasonally adjusted, Table 14-10-0296-01

Employment by Occupations

Occupations in the **Sciences** continue to surge in Manitoba, 38% above their Feb 2020 level. While **Natural Resources and Agriculture** is above its Feb'20, this is a highly seasonal industry. **Trades transport equipment and ops** is bouncing back from its pandemic decline. **Health occupations** have a long-term upward trend.

INQUIRIES AND CONTACTS

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