

Employment Levels dipped with tighter COVID-19 restrictions; Strong support for MB's local businesses continues

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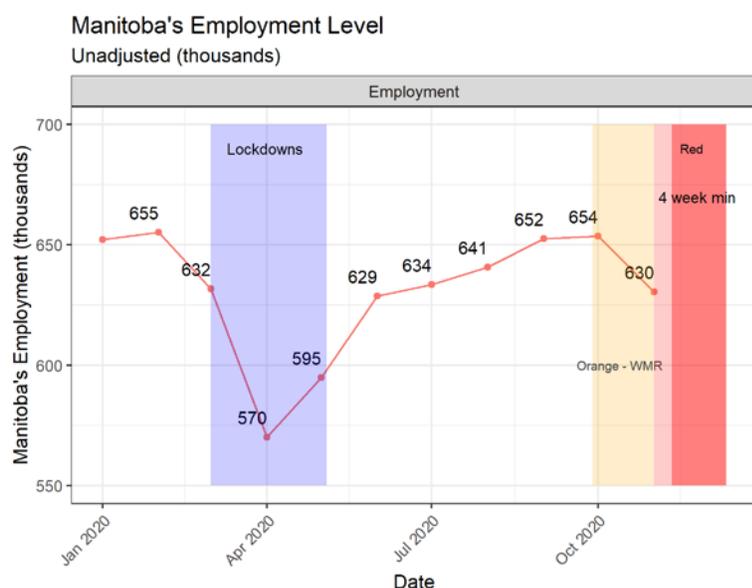
Bottom Line

Statistics Canada released the November 2020 Labour Force Survey on Friday December 4, 2020. Because of tightening of COVID-19 restrictions, employment levels dropped in both Manitoba and Canada. We expect to see weakness continuing in December 2020. The key to reversing this trend is getting our COVID-19 case counts back under control. Despite limited vaccines soon being available in Canada, the heavy lifting will continue to be done by following public health guidelines for some months to come.

Small businesses in Manitoba have further supports from governments, helping them to keep afloat during the 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**. Another local option to consider is goodlocal.ca.

Analysis

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

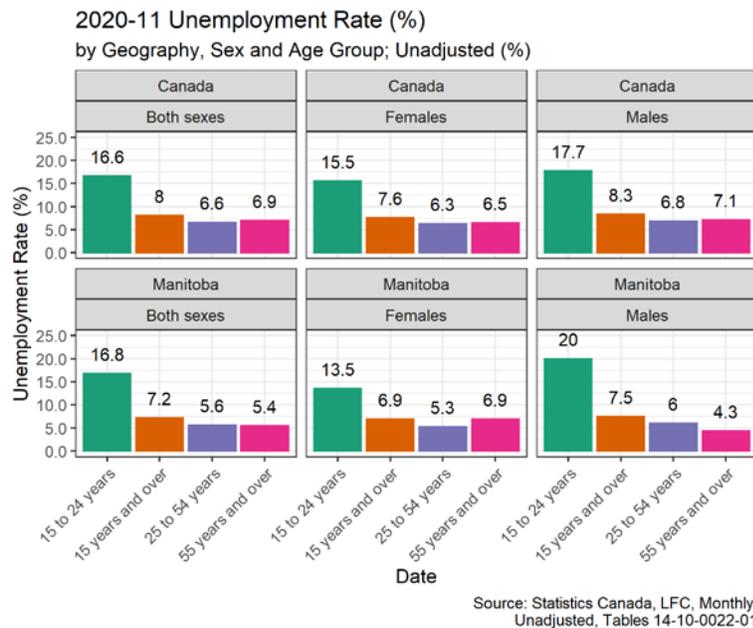


Manitoba's unadjusted employment figured as of November 2020 were 630 thousand, falling 24 thousand from October 2020 (**Figure 1**). As we had expected in [WED #40](#), Manitoba's employment levels dropped month-over-month due to enhanced COVID-19 restrictions.

Canada's unadjusted employment numbers in November 2020 (18.62 million) dropped from 18.64 million in October 2020. Most other

provinces have been experiencing a second-wave, as can be seen from the [Canadian COVID-19 dashboard](#).

Figure 2: 2020-11 Unemployment Rate (%)

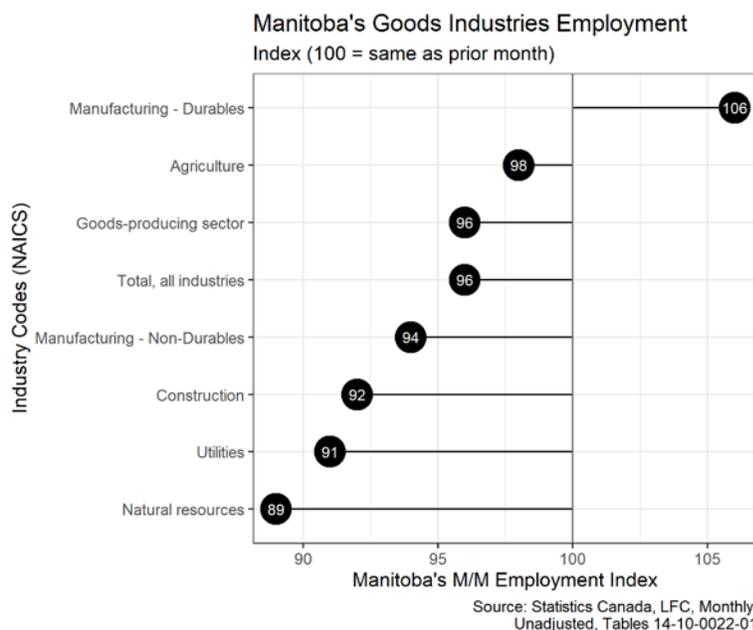


When we consider Manitoba vs Canada's unemployment rate in November 2020, we see that Manitoba's unemployment rate is near the National average or slightly below in the majority of age groups shown in (Figure 2).

- Males 15 to 24 years old in Manitoba (20%) have a higher unemployment rate than the overall Canadian average for males 15 to 24 years old (17.7%).
- Females 55+ years old in Manitoba (6.9%) also have a higher unemployment rate than the overall Canadian average

for females 55+ years old (6.5%).

Figure 3: Month-over-month: MB's Goods Industries Employment Index (100 = same as last month)



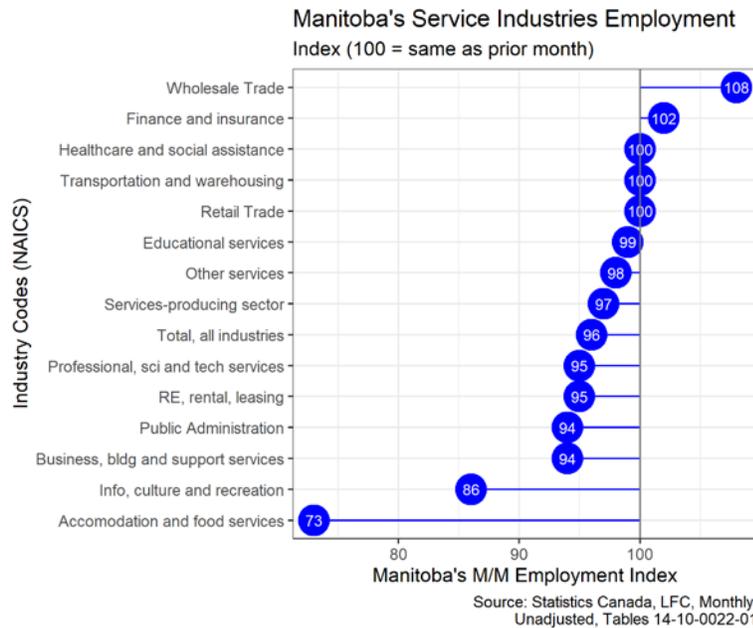
When we consider the month-over-month (m/m) changes in Manitoba employment, we can see that **Durable Manufacturing** employment increased 6 per cent over October (Figure 3). **Natural resources, utilities, construction and non-durable manufacturing** all saw greater than average declines in employment. Some of this will have a seasonal component.

When we consider the m/m changes in services sector employment, we see continuing

strength in **finance and insurance** (+8 per cent), and the **wholesale trade** up 2 per cent (Figure 4). Given the tightened COVID-19 restrictions from code orange to code red, we are not surprised to see to see weakness in **info, culture and recreation**

(Index 86 or down 14 per cent m/m), and **accommodation and food services** (Index 73, or down 27 per cent m/m).

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



When we look at the year-over-year (y/y) change for employment in the goods sector (Figure 5), we see that **non-durable manufacturing** is up 6 per cent over Nov 2019 (Index = 106). The goods sector overall declined 6 per cent. The greatest decline y/y occurred in two sectors:

- **Utilities** (Index of 78),
- **Natural resources** (index of 62).

Goods Industries employment index (100 = same as last year)

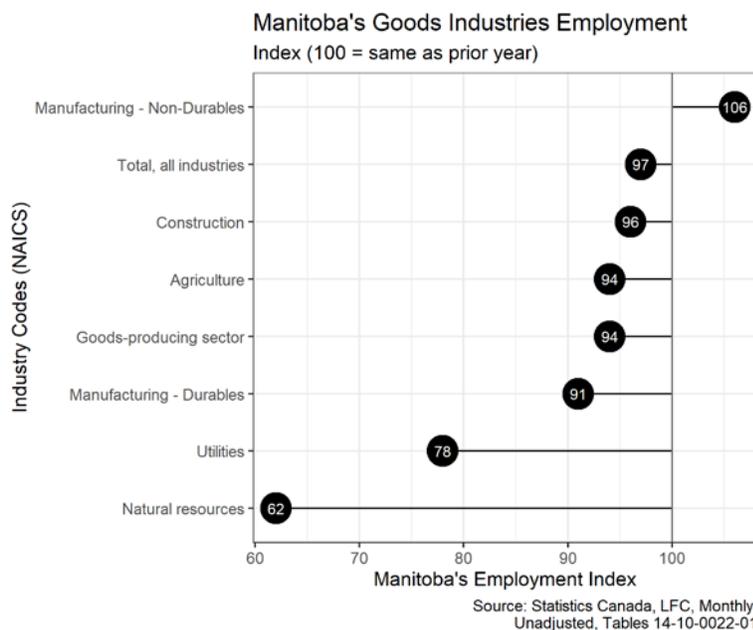


Figure 5: Year-over-year: Manitoba's

On a y/y basis, the change for employment in the services sector (Figure 6) we see the top two employment gains were made in:

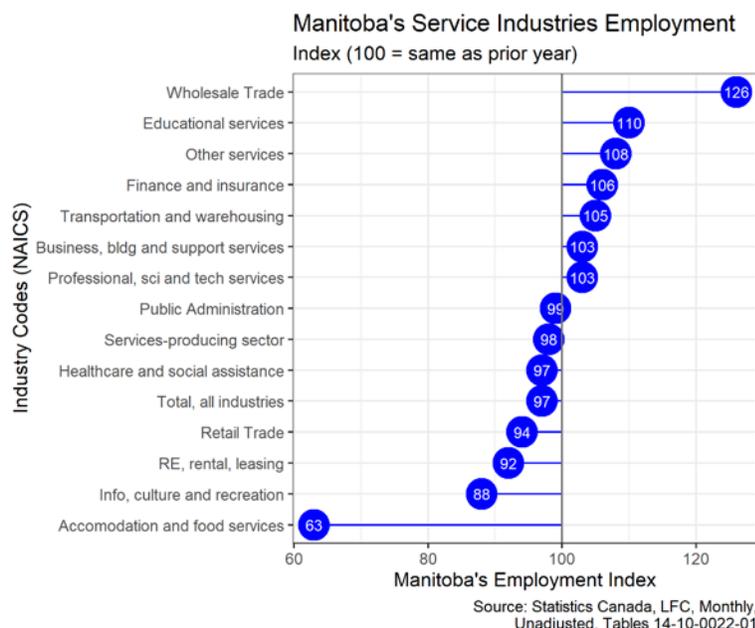
- **Wholesale trade** is up 26 per cent on the year,
- **Education services** are up 10 per cent y/y.

The two sectors down the most y/y are:

- **Info, culture and recreation** (index of 88), and
- **Accommodations and food services** (index of 63).

The necessary COVID-19 restrictions have had a negative influence on these two sectors in particular.

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



The code orange and code red restrictions necessarily implemented in the Winnipeg Metropolitan Region (WMR) to control the spread of COVID-19 during this second wave was the main reason for Manitoba's employment rate decline, with a seasonal component for some industries.

We expect the broadening and deepening of the code red for all of Manitoba will keep downward pressure on jobs in industries classified as non-essential in December 2020.

The typical boost observed with Christmas shopping is likely to be muted this year due to the COVID-19 pandemic, so we may see a continued slide from the November 2020 and December 2020 employment numbers.

The key to strengthening economic activity is bringing the COVID-19 outbreak under control. [Lab confirmed cases in Manitoba](#) have slowed in the last few weeks, but remain high, with a test positivity rate stubbornly in the low teens. The Federal Government has announced that vaccines will become available to Manitobans, but only in small amounts based on the per capita distribution plan. In the meantime, we will need to continue to follow the public health guidelines.

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.