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The Labour Market Bulletin is produced monthly by economists and labour market analysts employed by Service Canada in the Western Canada and Territories Region.

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Province-wide

Mixed forecast for Manitoba: The Conference Board of Canada anticipates mixed results for Manitoba's economy over the next two years. Agricultural output will continue to suffer due to flood damage, while mining will lead all industries, with 8.4% growth expected in 2011. Demand for labour is still expected to remain high, leading to wage growth and continued low unemployment rates. Key Source: The Conference Board of Canada, Provincial Outlook Executive Summary, Summer 2011.

Industry recovery expected to be slower in Manitoba: While the province's manufacturers were not as affected by the global economic recession as those in other provinces, Manitoba's manufacturing industry has not experienced the quick and profound recovery seen elsewhere. The expectation is that spiraling US deficit and the high Canadian dollar will continue to have negative impacts on local manufacturing. Key Source: Winnipeg Free Press, July 16, 2011.

Heat and lack of rain affecting crops: Despite widespread flooding throughout Manitoba this spring, many crops are now threatened by a lack of rain. The problem stems from poor planting conditions. Crops that were planted late and in saturated soil have shallow roots that require rain until they are able to burrow deeper for moisture. Some crops such as corn, soybeans and sunflowers will benefit from high temperatures. However, heat is preventing pod formation in vulnerable crops like canola, which may affect yields in the long term. Key Source: Winnipeg Free Press, July 19, 2011.

Winnipeg

Canad Inns to construct new hotel: Canad Inns is building a 17 storey, 200 room hotel adjacent to the McPhillips Street Station Casino in Winnipeg. The hotel project is estimated to cost about \$50 million, with construction beginning early next year. Economic benefits during the construction phase include 1,120 person-years of employment and about \$8.9 million in tax revenue. Once operational, annual benefits are expected to be 160 person-years of employment and \$2.9 million in tax revenue. Key Source: Winnipeg Free Press, July 5, 2011.

Composites Innovation Centre new facility: Composites Innovation Centre (CIC) is moving to a new 21,000 square-foot facility at the Tuxedo Business Park in southwest Winnipeg by the end of 2011. Growing interest in bio-materials and traditional composites for the aerospace industry has kept the centre busy with a growing number of projects. The CIC is primarily funded by the provincial and federal governments through the Western Economic Partnership Agreement (WEPA). The centre is expected to hire eight more staff by the beginning of 2013. Key Source: Winnipeg Free Press, July 5, 2011.

CG Power investing \$20 million in manufacturing plant: CG Power, a Winnipeg-based company that supplies North America's hydro-generating businesses, is investing \$20 million into its Winnipeg manufacturing facility. The plant is one of the only three facilities in North America capable of building large, 500 kilovolt transformers. The company, which has a current workforce of about 330 people, is expected to hire 100 new employees over the next five years. Key Source: Winnipeg Free Press, July 6, 2011.

Local trucking company in receivership: Paramount Truck Lines has been placed into receivership, resulting in the loss of 105 jobs. According to court documents, Paramount was caught with too much debt at a time when revenues per mile were decreasing and fuel expenses were increasing. The recent

economic downturn also had a negative impact on the company's bottom line. Key Source: Winnipeg Free Press, July 13, 2011.

Winnipeg Convention Centre expansion: Construction tenders have been issued for an estimated \$180 million expansion to the Winnipeg Convention Centre. The 250,000 square foot expansion project will begin this fall and is expected to be completed by 2015. The changes will help the centre remain competitive across the country and prevent the potential loss of hotel and convention business. Key Source: Winnipeg Free Press, July 16, 2011.

Winnipeg's economy ranked high in national survey: Winnipeg ranked third among 25 Canadian metropolitan areas in CIBC's latest Metropolitan Economic Activity Index Report. The positive ranking stems from a number of factors including relatively strong population growth, above-average employment gains and the lowest unemployment rate among all major urban centres. Winnipeg also benefits from very low consumer and business bankruptcy rates and a strong housing market. Finally, the return of NHL hockey to the city will also create a positive economic impact, particularly in the tourism and service sector industries. Key Source: Winnipeg Free Press, July 18, 2011; CIBC World Market Reports, July 18, 2011.

University of Winnipeg to build athletic field house: Plans for a new \$31.5 million mixed-use wellness and athletics complex, located on the University of Winnipeg campus, have been unveiled. The new facility will include a regulation-size indoor soccer field, a 10,000 square foot Wellness Centre, classrooms for athletics and kinesiology students, as well as a parkade. Groundbreaking for the new field house is targeted for spring 2012, which is likely to increase demand for construction trades workers. Key Source: Winnipeg Free Press, July 23, 2011.

Construction projects at university: Construction activity in Winnipeg is robust, with several infrastructure projects slated for completion at the University of Manitoba over the course of the next three years. Projects include: renovations to Pembina Hall, a new music complex, renovations to a biology science lab, a new event centre at Smartpark, a visual arts centre, an Active Living Centre and the new Blue Bomber stadium. These projects will increase demand for trades workers in a market that is already overheated with several large-scale developments underway. Key Source: Winnipeg Free Press, July 29, 2011.

Expansion at Stony Mountain: The first phase of a \$45 million expansion of Stony Mountain prison and nearby Rockwood Institution is about to begin. Last November, the federal government announced plans to increase capacity by nearly 100 units at the 456-bed medium security Stony Mountain Institution and to add 50 beds to the minimum security Rockwood annex. Attracting tenders for this project could prove to be difficult, as there are a significant number of construction projects already underway in and around Winnipeg. Key Source: Winnipeg Free Press, August 3, 2011.

Northern Manitoba

Snow Lake - \$1 billion in new development: Upcoming developments in Snow Lake will draw close to \$1 billion worth of investment. The town expects its population to grow significantly due to the development of the nearby Lalor Gold Mine and the potential reopening of the New Britannia gold mine. In addition, construction of a \$7 million waste water treatment plant, slated to begin this year, should draw additional trades workers to the community. Over the years, the population of Snow Lake has fluctuated

with the fortunes of the mining industry. The population was 1,207 in 2001 and fell to 837 in 2006. Key Source: Flin Flon Reminder, July 4, 2011.

Snow Lake – New Concentrator for Snow Lake: HudBay Minerals is building a new concentrator alongside its Lalor gold mine at Snow Lake. This will increase their overall capital expenditure investment on the project by \$144 million to a total of \$704 million. The addition of the concentrator to the project will result in a building workforce of 1,000, up from 700 or 800. Once complete, the gold mine will employ 400 people. Initial production at the mine is expected to start next year and the concentrator should be complete in 2014. Key Source: Winnipeg Free Press, July 6, 2011.

Lake St. Martin – Construction of emergency channel: The Province of Manitoba has begun work on a \$100 million emergency channel designed to lower water levels in Lake Manitoba. The 25 foot deep channel will extend eight kilometres between Lake St. Martin and Big Buffalo Lake, where it will flow naturally into the Dauphin River and then Lake Winnipeg. Government officials are concerned that if the high water levels are not reduced before next spring, residents could experience more flooding in 2012. The project, which is employing 150 workers, is planned for completion by November 1, 2011. Key Source: Winnipeg Free Press, July 27, 2011; Province of Manitoba News Release, July 27, 2011.

Development at the Port of Churchill: Nunavut Connections, a joint venture between Omnitrac Canada and some Inuit partners, has been established. The venture's goal is to better position Churchill to compete with northern supply-chain services that currently operate out of Montreal. The enterprise will employ 12 people and will initially offer stevedoring services in Churchill for freight headed to the Kivalliq region of eastern Nunavut. Churchill is the main northern terminus of a mid-continent trade corridor for goods moving further north into Nunavut, and this joint venture is an important element of the overall business strategy of CentrePort Canada in Winnipeg. Key Source: Winnipeg Free Press, August 3, 2011.

Southern Manitoba

McKenzie Seeds building redevelopment project: Resland Development Group, with the support of the provincial government and the City of Brandon, will undertake the redevelopment of the historic McKenzie Seeds Building at a cost of \$17 million. The building will be redeveloped as a mixed use residential condominium complex with some commercial space. Work on the project is set to begin this year, creating employment opportunities in the construction sector. Key Source: Brandon Sun, June 30, 2011.

New Cancer Centre officially opens in Brandon: The new \$24 million Western Manitoba Cancer Centre has officially opened in Brandon. The facility, a partnership between Brandon Regional Health Authority and CancerCare Manitoba, will provide residents of Brandon and the surrounding area with cancer treatment and related services. The Centre will create 32 new positions including nurses, radiation therapists, a pharmacist, a dietician, a social worker and a psychologist. Key Source: Brandon Sun, June 30, 2011.

Assiniboine Community College expands its Dauphin campus: The refurbished Parkland campus officially opened on June 29, 2011. The \$3.5 million expansion created trades jobs, while adding a 7,200 square foot housing addition, an enhanced daycare, classrooms and a nursing laboratory. The expansion also included 4,000 square feet of renovations to existing space. Key Source: The Dauphin Herald, July 5, 2011.

Souris River flooding: Flooding of the Souris River has forced the closure of six businesses in Melita, as well as the closure of several access roads to the community. In addition, flood waters collapsed the

bridge between the communities of Coulter and Waskada on July 4, creating a 250 kilometre detour to get from one side of the river to the other. This detour has negatively impacted workers employed in Manitoba's oil industry at Waskada. There are still close to 3,000 Manitobans evacuated from their homes due to ongoing flooding in the province. Key Source: Melita New Era, July 8, 2011; ctvwinnipeg.ca, Josh Crabb, July 7, 2011.

Neepawa – Expansion plans for local hog processing plant: Hylife Foods in Neepawa will undergo a \$10 million upgrade as part of the Slaughter Improvement Program. Improvements to the facility are expected to increase productivity by 50%, greatly benefiting the local labour market. Furthermore, Hylife will be hiring an additional 250 employees once the upgrade is underway, bringing total employment to nearly 900. Key Source: Brandon Sun, July 14, 2011.

New plant in Altona: Bunge Ltd., a global agribusiness and food company, is spending more than \$100 million to expand its canola seed crushing plant in Altona. The company estimates five to 10 employees will be added to the plant's 80 member workforce to handle increased production. Bunge plans to spend millions more on other facilities as it positions itself in anticipation of the Canadian Wheat Board's (CWB) demise. The company wants to start buying wheat and barley from western Canadian grain farmers if the CWB's marketing monopoly is removed next year. Key Source: Winnipeg Free Press, July 22, 2011.

Selkirk Area

Selkirk Interlake Area - \$78 million for highway construction: The Government of Manitoba has announced plans to spend \$78 million for the renewal of Highway 6 and an additional \$33 million for Highways 7, 8 and 9. The work will take place from 2011 to 2015, creating jobs for truck drivers, heavy equipment operators and construction labourers. Key Source: Stonewall Argus, June 23, 2011.