

EMBARGOED until October 23, 2009

Manitoba's work environment remains buoyant during turbulent year

WINNIPEG – The overall work environment in Manitoba saw improvement across the board in 2008 according to the *MB Check-Up 2009*, the eighth annual economic analysis of the province as a place to live, work and invest by the Chartered Accountants of Manitoba.

“The only other jurisdiction reviewed to manage improvements across all five work indicators last year was Alberta,” said Gary Hannaford, CEO of the Institute of Chartered Accountants of Manitoba. “Manitoba has experienced stability and consistent growth over the last decade and this stability, due primarily to the highly diversified economy, has been a key asset in buffering the effects of recession on Manitobans,” he added.

In Manitoba real wages increased at a moderate 0.7 per cent in 2008, ahead of only Ontario (0.3 per cent). Due to this low wage growth, Manitoba continues to have the lowest real wage rate (\$21.87) in the comparison jurisdictions.

“One reason wages remain low in Manitoba is the low cost of living. However, the trend over the past five years is a narrowing of the wage gap between Manitoba and the national average,” Hannaford said.

Since 2003, Manitoba's real wages have grown 6.9 per cent and the hourly wage gap with the Canadian average has shrunk from \$1.83 per hour in 2003 to \$1.65 per hour in 2008.

Manitoba saw the largest increase in labour force educational attainment (1.4 percentage points) in 2008, double the growth rate of the national average during the same period. However, at 57.0 per cent this is the lowest level among the comparison jurisdictions.

“A higher level of labour force educational attainment is required to enhance labour productivity and improve competitiveness,” Hannaford said.

Between 2003 and 2008, educational attainment in Manitoba's labour force grew 2.2 percentage points, the second slowest gain of all jurisdictions. Only Saskatchewan lagged with an improvement of 1.5 percentage points.

“With the exception of Saskatchewan, the other provinces have higher levels of educational attainment and have also been improving at a faster rate,” Hannaford said.

The *MB Check-Up* shows that the province added 10,200 jobs to its economy last year, an increase of 1.7 per cent, above the national growth rate of 1.5 per cent. Manitoba's employment growth has not been higher than the Canadian average since 1993.

“It was the loss of almost 50,000 manufacturing jobs in Ontario that contributed to a lower national average,” Hannaford explained.

Manitoba's rate of job creation over the last five years was the lowest of all the jurisdictions at 6.4 per cent.

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“This slow but very steady growth rate reflects the nature of Manitoba’s highly diversified economy in which no one sector dominates for good or bad. No booms but no busts, either. And that’s been demonstrated during the past year of economic upheaval, as the diversification has insulated the province from any drastic job losses in a critical industry, such as manufacturing in Ontario or forest products in BC,” Hannaford said.

The Work section of *MB Check-Up* also shows that the unemployment rate fell from 4.4 per cent to a record low of 4.2 per cent last year. In contrast, all other jurisdictions (except Saskatchewan who decreased by 0.1 percentage points to 4.1 per cent) saw their unemployment rates increase over the past year.

Manitoba continued to lead the pack in pay equality with a female to male earnings ratio of 0.882.

MB Check-Up is published annually by the Chartered Accountants of Manitoba and provides an independent factual comparison of the four Western provinces, together with Ontario and the Canadian average using 15 key indicators to create a profile of each as a place to live, a place to work and a place to invest.

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