

MEDIA Release



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Manitoba continues to lose workers to Alberta and BC

WINNIPEG – The *MB Check-Up*, an annual study by the Chartered Accountants of Manitoba, shows that the province lost 3,832 residents to inter-provincial out-migration in 2005.

“Manitoba had a net population gain of just over 2,500 residents last year, however, that gain was entirely due to a net international migration of about 6,300 people,” said Gary Hannaford, CEO of the Institute of Chartered Accountants of Manitoba (ICAM).

The *MB Check-Up* states that Manitoba will continue to face stiff labour market competition from both Alberta and British Columbia, where job and economic growth are much stronger.

“Manitoba’s GDP growth is forecast to improve this year but is still expected to fall short of the other western provinces and our job growth is forecast to be behind Alberta and BC,” Hannaford said. “The challenge for Manitoba is to reduce or stabilize inter-provincial population loss. Certainly the government’s Provincial Nominee Program has helped to boost international immigration and off-set out-migration to other provinces for the past few years.”

Overall Manitoba added 3,700 net new jobs to its economy in 2005, a growth of 0.6 per cent, but this was the lowest rate of job growth across the six regions reviewed. The services sector drove Manitoba’s job growth adding 3,800 new jobs while the goods-producing industries lost 100 workers in total.

“The finance and insurance business in Manitoba grew by 17.4 per cent last year, faster than elsewhere in the country, adding 3,700 new jobs and accounting for nearly 30 per cent of all new jobs created in the province,” Hannaford said.

The *MB Check-Up* shows that while some service sectors saw strong job growth in 2005 other services experienced significant losses, representing 75 per cent of the total jobs lost in the province. Health care & social assistance (-2,300) and public administration (-1,900) represented almost 50 per cent of the downward pull. Employment in the goods-producing sector remained flat in 2005.

“If enough jobs aren’t created here people will go elsewhere to find work. When looking at Manitoba as a place to work every indicator we considered is inter-related. For example, wage rates also factor into an individual’s decision to stay in or leave the province, as well as our ability to attract new people,” Hannaford said.

The *MB Check-Up* shows that real wage rates decreased by 0.4 per cent to \$19.34 per hour in 2005, moving Manitoba to last place among the six regions reviewed. The province's high rate of inflation contributed to the net decrease in real wages.

"We may have the lowest wage rates but we shouldn't overlook the fact that Manitoba was the only province whose real wages were higher in 2005 than they were in 2000," Hannaford said. He noted that the gap between Manitoba's real wages and the highest wage region has shrunk from \$3.32 per hour in 2000 to \$2.63 per hour in 2005.

According to the *MB Check-Up* study, Manitoba had the second largest increase (2.6 per cent) in the percentage of the labour force between ages 25-64 with post-secondary accreditation last year. However, the province continues to have the lowest level of educational attainment in all of the six regions reviewed at 55.7 per cent.

"As the Canadian economy becomes more knowledge based – whether in traditional industries such as construction or new areas such as information technology – having an appropriately educated and skilled work force is increasingly important," Hannaford said.

Manitoba led the pack in pay equality (0.899) and had the second lowest unemployment rate (4.8 per cent). The unemployment rate decreased slightly (-0.5 percentage points) but this was more a function of low labour force growth due to out-migration than to high job growth.

MB Check-Up is published annually by ICAM 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. The third instalment of the report which deals with Manitoba as a place to invest will be released next week.

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