

## Economic Profile Series: Brandon, Manitoba

Winter 2020

This series looks at communities across Canada and highlights key labour market statistics and the role that immigration has played or could play to help these communities flourish. It is important to note that predicting labour market demand can be challenging, as economies are always evolving. This profile uses current population and labour market trends to give a profile of how immigration might play a role in this community.

### Ensuring Manitoba's second largest urban centre remains strong: the role of immigration

#### The looming workforce challenge

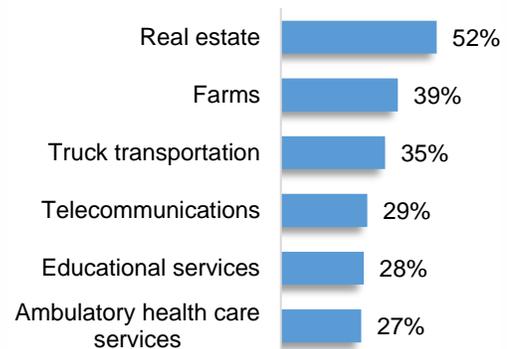
Compared to many other urban centres in Canada, Brandon, Manitoba, has a relatively young workforce. Less than 20% of the workforce in Manitoba's second largest urban centre is over the age of 55 (as of the 2016 Census). This is below average when compared to other small and medium-sized urban centres across Canada. In addition, Brandon's population has been growing strongly in recent years, which has helped boost the size of the local labour force.

However, notwithstanding Brandon's higher than average number of younger workers, its aging workforce is starting to impact the community. Nearly 2 out of every 5 workers in the farming sector are over the age of 55 (Figure 1). More than 1 out of every 4 workers in education and ambulatory health care services, and 35% of workers in truck transportation are over 55. Further, strategically important industries such as food processing are struggling to find workers.

#### Brandon plays an important economic role in Manitoba

Brandon<sup>1</sup> (population 61,500) is located about 200 kilometres by road west of Winnipeg. It is an important regional services centre with a foundation of strong agriculture, food processing and transportation industries. There is also a large Canadian Forces base just east of the city.

**Figure 1: Share of the Brandon workforce over the age of 55—selected industries\***



Source: Statistics Canada, 2016 Census.

<sup>1</sup> The data in this report is based on the Brandon census agglomeration area, which includes the City of Brandon, the municipality of Oakland-Wawanesa and the rural municipalities of Cornwallis, Elton and Whitehead.

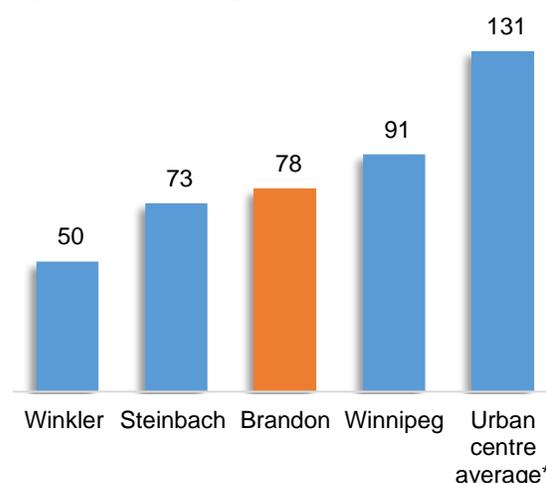
Brandon is benefitting from the demographic perk brought on by efforts to attract young immigrants to Manitoba that started more than a decade ago. Manitoba is one of only 2 provinces that are getting younger—that is, the median age in 2018 is lower than it was in 2006. At the time of the 2016 Census, more than 15% of the Brandon population was an immigrant or non-permanent resident.

As shown in Figure 2, the ratio of young people living in the community relative to those aged 60 and older is very strong compared to the average for urban centres across Canada. There are only 78 people over the age of 60 for every 100 under the age of 20. By contrast, in the average urban centre across Canada, there are 131 people over the age of 60 for every 100 under the age of 20.

### The tightening workforce: Still a risk for the economy

Despite the relatively younger workforce, many industries in Brandon are facing difficulties recruiting workers. The unemployment rate in 2018 was only 4.5% and the employment rate, which is the share of the population 15 and older with a job, has risen strongly in recent years (Table 1). At 67.9%, it is now the third highest among small and medium-sized urban centres in Canada, behind only Wood Buffalo and Red Deer, Alberta.

**Figure 2: Number of people over the age of 60 for every 100 under the age of 20 (2018)**



\*non-weighted average across Canada  
Source: Statistics Canada, Table 17-10-0135-01.

**Table 1: Summary labour market indicators, Brandon**

	2014	2018	# change
Labour force	30,500	33,600	+3,100
Employment	29,000	32,100	+3,100
Employment rate	64.3%	67.9%	
Unemployment rate	4.6%	4.5%	

Source: Statistics Canada, Table: 14-10-0102-01.

### If there are not enough workers to meet the demand, what could be the impact on the economy?

Predicting labour market demand is not easy but the community clearly understands the need to continue its recent population growth. At the time of this profile’s publishing, local media reports have highlighted worker shortages in the [nursing](#) and [food processing](#) sectors. The Brandon Chamber of Commerce has made workforce development one of its [top policy priorities](#) and in 2019, local media reports have highlighted that “immigrants are a critical source of workers and entrepreneurs for our economy.”

But what industries are at risk if labour market needs can’t be addressed? Table 2 reveals the industries for which Brandon has a much higher concentration of workers compared to the rest of the country. The farming sector has 52% more workers compared to Canada overall, relative to the size of the workforce. There are 5 times as many people working in the food manufacturing sector, 75% more in nursing and residential care facilities, and 60% more in accommodation services.

If the region’s workforce continues to tighten, many of these strategically important industries could struggle and some of this economic activity could move to other communities with a stronger talent pipeline.

**Table 2: Brandon’s dominant industries: employment share compared to the national economy\***

 Farms—52% more	 Federal government—2.1 times as many
 Food manufacturing—5 times as many	 Hospitals—52% more
 Chemicals—2.8 times as many	 Nursing and residential care facilities—75% more
 General merchandise stores—31% more	 Accommodation services—60% more

\*For example, adjusted for size, Brandon has 31% more people employed in general merchandise stores compared to the national economy. Source: Statistics Canada, 2016 Census.

### Brandon’s aging entrepreneurs

The community’s entrepreneurs and small business owners are getting closer to retirement, which is an additional challenge for the local economy. There are nearly 1,000 self-employed people in Brandon over the age of 55, or 40% of the total. The community could benefit from the attraction of a new generation of entrepreneurs to replace those who retire and to help drive growth in important industries such as trade, professional services and tourism.

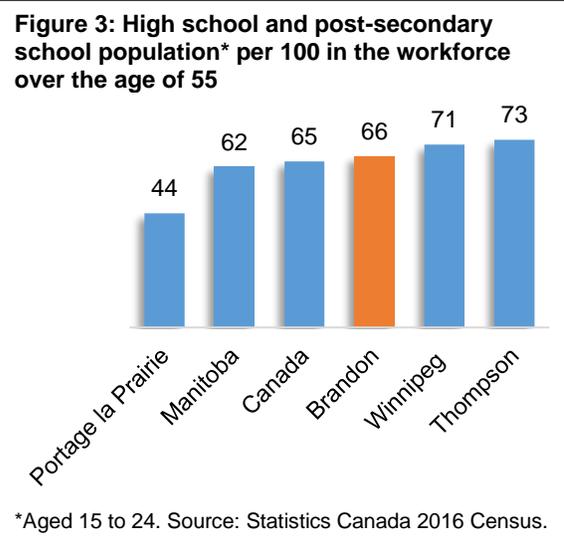
### Critical to sustained economic growth: ensuring there is a talent pipeline

There are a number of ways in which the community can ensure there are enough workers to meet the demands of industry in the years ahead:

- **Attract more students to the region**

In 2016, there were 66 young people aged 15 to 24 in school for every 100 people in the workforce over the age of 55 (Figure 3). This was a student-to-workforce-over-55 ratio similar to the Canadian average, but slightly below Winnipeg. The community is home to a number of important post-secondary educational institutions, including Brandon University, Assiniboine Community College and Robertson College.

If Brandon is able to attract more Canadian and international students, it will help to build a larger local talent pipeline to address workforce needs in the years ahead.



- **Encourage more people to join the workforce**

The tightening labour market creates employment opportunities for people who previously struggled to participate in the labour market, such as women re-entering the workforce or those with disabilities. The indigenous population is also important in Brandon. In 2016, Brandon was comprised of 14%

Indigenous people, of which 4% were First Nations and 39% were Métis. This group provides an additional potential source of talent for the workforce. Persons aged 55 and older who are not in the labour market could also be enticed back in by being offered flexible work and other benefits.

- **Attract people from outside the region**

One of the biggest opportunities involves the attraction of young people and families to Brandon. Since 2013, across Canada, all net growth in the labour market has come from immigrants<sup>2</sup>. There is a direct correlation between immigrant attraction and workforce growth. The urban centres with the highest immigration rates have, by far, the fastest labour market growth. A focused effort to attract more immigrants and retain them in the community may serve to ensure economic growth in the years ahead.

### Immigration: boosting the Brandon talent pipeline

Brandon has benefitted from a targeted effort to attract immigrants for more than a decade. At the time of the 2016 Census there were 827 immigrants and non-permanent residents added to the local population. This compares well to the average urban centre across Canada, but is below the level found elsewhere in Manitoba (Figure 4).

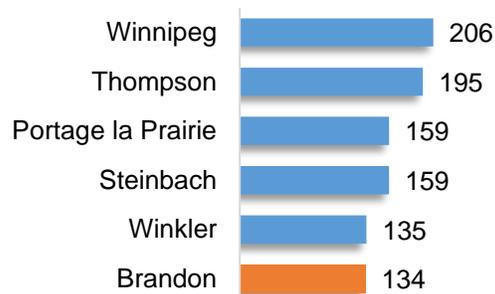
At the time of the 2016 Census, there were 5,890 immigrants and non-permanent residents active in the Brandon workforce. This represented 17% of all workers in the community.

However, within certain sectors, the share of the workforce not born in Canada is much higher. As shown in Figure 5, 73% of all workers in the food manufacturing sector are immigrants. There are more than 1,600 immigrants working in this strategically important industry.

Other sectors such as ground passenger transportation, accommodation services, restaurants, general merchandise stores and banking all have a relatively high share of immigrants in the workforce.

Along with other efforts to boost the workforce, increasing the number of immigrants settling in Brandon would be a strategic move to ensure that the talent pipeline is large and strong enough to meet local industry demands and provide a source of new entrepreneurs. These immigrants could come as students, workers and business owners, filling important roles in the economy and boosting demand for local goods and

**Figure 4: Immigrants and net non-permanent residents arriving in 2018 per 10,000 population\***



\*New immigrants and non-permanent residents in 2018.  
Source: Statistics Canada, Tables 17-10-0135-01 and 17-10-0136-01.

<sup>2</sup> The number of Canadian-born workers exiting the workforce is greater than the number of Canadian-born workers joining the workforce each year.

services. Brandon is part of the new [Rural and Northern Immigration Pilot](#) established to help smaller rural and northern communities attract and retain foreign skilled workers to meet their economic development and labour market needs.

### Helping to grow the local economy

Attracting more immigrants in the coming years would create new demand for local products and services. Every 100 new immigrant families with an average household income directly generate over \$8 million worth of new household expenditures—much of this spending in the local community<sup>3</sup>.

Statistics show that these 100 immigrant families would spend:

- \$1.6 million per year on housing costs such as mortgage payments, electricity, and property taxes,
- \$1.3 million each year on transportation costs such as vehicle purchases and maintenance, and
- \$830,000 on food expenditures at local grocery stores and restaurants.

These 100 new families would also generate some \$2.2 million worth of taxes per year for local, provincial and federal governments.

### Other positive effects

Attracting more immigrants to Brandon would help support a vibrant economic and social life in many other ways. Civic and business groups would have a growing pool from which to draw members. Youth sports clubs and leagues around the region would benefit from an increasing population of young residents.

### Retaining and integrating newcomers

Retention will be critical to long-term population growth. The local population in the region doesn't have much recent history with immigration. Around 73% of Brandon residents are at least third-generation Canadians, meaning that they were born in Canada, as were their parents and grandparents. In order to ensure the successful integration and retention of immigrants to Brandon, it is important that newcomers are welcomed into social life and quickly develop a strong sense of Canadian identity and social cohesion.

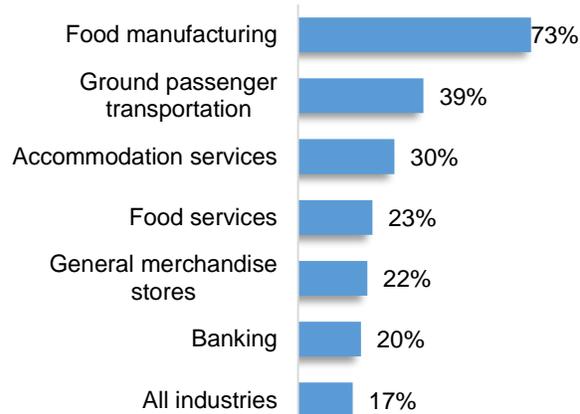
### Helping to sustain high quality public services

There is a direct relationship between economic growth and provincial and local government capacity to provide high quality public services and public infrastructure such as roads, schools and hospitals. A growing economy and population in Brandon could lead to a greater public investment in services and infrastructure.

### Older residents play an important role in the community

Residents of all ages contribute to the well-being of their communities and their province by working, paying taxes and giving back through volunteer and charitable activities. As residents of Brandon retire and move into a new stage in their lives, it creates new economic opportunities in health care, personal services and recreation industries.

**Figure 5: Immigrants and non-permanent residents as a share of the total Brandon workforce, by sector\***



Source: Statistics Canada 2016 Census.

<sup>3</sup> Assumes the new household spending conforms to the current spending pattern in Manitoba.

But these industries should not be considered a replacement for Brandon's important export-oriented industries such as agriculture, manufacturing and tourism. In the years ahead, the community can benefit from the economic opportunities arising from more retirees and from attracting and growing the younger workforce.

### **Brandon in 2035**

What will Brandon look like in 2035? Will it continue to be a growing regional urban hub in western Manitoba?

In the years ahead, Brandon faces great opportunities to grow its local economy and build on its existing successes in agriculture, manufacturing, transportation and tourism industries. Increasing immigration may be a critical piece that will help to secure a strong and vibrant economy in the region—and drive innovation and growth for years to come.

For more information on how immigration matters across Canada, visit [Canada.ca/Immigration-Matters](https://Canada.ca/Immigration-Matters).