Study of Market Cost Differentials between Northern and Southern Manitoba

MPI / MMDA / ATA
December 2022

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Executive Summary

MPI, in conjunction with the Manitoba Motor Dealers Association (MMDA) and the Automotive Trades Association of Manitoba (ATA), engaged MNP to conduct a study on the reasonableness of MPI's northern compensation rates and to identify market differentials between northern and southern Manitoba. MPI's northern Manitoba region consists of six (6) accredited repair shops in Thompson, The Pas, and Flin Flon.

The objectives of this study are to determine the income required to recruit and retain qualified technicians in the north, an acceptable range of profitability to maintain a viable industry in the north, the cost drivers in the north that would impact MPI's compensation rate, and aspects of the northern market that would be considered MPI's obligation to address.

MPI has a four-year compensation rate schedule in effect from March 2021 to June 2025. The current schedule provides a northern premium of 20% on all types of autobody and mechanical labour. The northern premium for materials varies based on the material type, ranging from a 10% premium on toxic waste to a 41% premium on shop materials and tempered glass shop materials.

Representatives from five of the six northern shops were consulted for their opinions on cost pressures in the north, compensation rates, recruitment and retention and other challenges. Shop representatives unanimously listed the cost and availability of labour as the most defining difference between the north and south. Shops have tried novel recruiting and retention methods to attract skilled employees, including the recruitment of foreign workers, granting exceptional wage increases, and offering new benefits. Representatives also identified technician training and travel costs, freight costs on parts, construction costs, and fuel and propane costs as being higher in the north.

A comparative economic analysis of northern and southern Manitoba indicated the following:

- The median employment income for full-time workers in 2020 was on average 24% higher in the north.
- The median housing value in the north in 2021 was on average 53% lower than in Winnipeg.
- Labour participation rates and unemployment rates are relatively consistent between the north and south

A cost-of-living analysis was conducted to compare the prices of consumer goods and services between the north and south. Most consumer cost categories have a slightly higher cost in the north, with the cost of transportation having the greatest cost differential between the two regions. However, shelter costs and homeowner's replacement costs are significantly *less* expensive, which cause the overall cost of living comparison to be relatively equal between both regions. That is, an individual's total annual purchasing power does not significantly differ whether they live in Thompson, The Pas, Flin Flon, or Winnipeg, but the cost of goods they purchase within certain consumer categories may differ. The result of this finding indicates that, on balance, cost of living is not a significant factor that would influence a northern rate premium.

Table 1 summarizes the results of the differential cost of living analysis.

Table 1: Net Cost of Living Differentials by Region

	Annual Weighted Cost Differential	
	Thompson to Winnipeg	The Pas/Flin Flon to Winnipeg
Excluding homeowner's replacement cost	1.93%	1.41%
Including homeowner's replacement cost	0.40%	(0.44%)

Shop owners in the north indicated that higher wages are needed to attract and retain skilled labour in the north. MNP analyzed reported northern autobody wages to postings indicating southern autobody wages. Wages for multiple skill and qualification levels were collected from the northern shops and compared to job postings for the same skill levels in the south. The average wage in the north was compared to the midpoint of the wage ranges provided in southern market job listings. The findings listed in Table 2 found that on average Red Seal technicians in the north are earning 7.7% less than the midpoint of job postings for Red Seal technicians in the south. Apprentices are the only category that earn consistently higher wages in the north across all wage ranges. This is reflective of the efforts to recruit apprentices to enable succession of established journeymen.

Table 2: North to South Autobody Wage Differentials by Skill Level

Position	Low	Average/Mid	High
Red Seal	111.5%	92.3%	85.3%
Apprentices	170.9%	136.9%	117.2%
Shop Assistants	93.3%	112.6%	138.9%

Shops also identified pressure from resource industry wage rates in the north as a factor in what is expected to attract skilled labour. Table 3 compares the wages paid to autobody workers in the north to other major employers in the northern market, including Vale, HudBay, Manitoba Hydro, and The City of Thompson. Wages for these employers were collected from collective agreements. Comparisons to autobody skill levels were based on the assumed relative rank in the union wage schedules. The comparative results show that the autobody shops are paying lower wages in nearly every rank, with only I-CAR designated staff earning on-par with mid-rank unionized employees. The results show that skilled Red Seal autobody technicians and apprentices earn on average 9% to 17% less than they could in comparable roles with other major northern employers. The wage differentials for non-designated staff and shop assistants are consistent with the northern shop representatives' comments about low-experienced workers being able to start a higher paying job with the major employers rather than starting a career in autobody.

Table 3: Northern Autobody to Other Northern Industries Wage Differentials

	Low	Average	High
Red Seal	87%	84%	89%
I-CAR Designated	103%	101%	103%
Apprentices	91%	84%	83%
Non-designated	92%	85%	84%
Shop Assistants	68%	77%	95%

Postings for the autobody repair positions in the south indicated that employee benefits are being offered to help attract employees. These included share purchase plans, signing bonuses, fitness subsidies, part-time study programs, and flexible work schedules among standard health benefits. Major employers in the north offer a range of extended health, drug, dental, and leave benefits. Of note, several employers in the north offer a travel benefit that provides additional time off for employees to cover the additional travel time needed to reach a major city centre from the north.

The second most significant labour market barrier identified for northern shops is sending staff and apprentices to Winnipeg for training. Northern shops pay for travel costs for staff to travel south for mandatory I-CAR training courses which are not available in the north. For apprentices, in-class training can range from four to ten weeks per year during the four-year autobody apprenticeship. Some shops support apprentices through paying course fees and travel costs. Apprentices may delay their training progression if they cannot afford to travel south for training, which further limits the number of new journeypersons in the north.

A higher rate of profit is reasonably necessary to attract a buyer for a shop in the north due to the relatively higher market risk profile, and quality of life differences compared to owning a shop in the south. Autobody industry profitability metrics were examined to provide a benchmark for an appropriate range for northern shop profitability. The average net profit margin for shops in Manitoba in 2019 was 7.1%, with purchases and materials accounting for 44.2% of sales and wages and benefits accounting for 29.1% of sales. However, shop profitability is highly correlated with shop size and complicates the use of the average as a benchmark for the northern shops. The margin within the labour rate is also increased by any premium for northern market differential and is estimated to provide an equivalent improvement in profitability as the labour premium and further measures should not be required.

This review has indicated that cost of living differences between the north and the south, on balance, are not significant. The market differential between northern and southern autobody shops appears primarily related to the wage premium necessary to attract employees to the north. Competitive wage rates for the north are strongly influenced by other northern employers and the impact on the labour market can be reasonably approximated by the difference in median income between the markets.

Introduction

Background

MPI establishes standard compensation rates for autobody repairs that are applicable to all of Manitoba. MPI provides a northern premium on labour rates and some material categories to autobody repair shops in the north. However, advocates for the industry in the north have stated that the existing northern premiums are insufficient and have requested that the insurer provide more support to the north to account for the prevailing market differences between the north and south.

MPI, in conjunction with the Manitoba Motor Dealers Association (MMDA) and the Automotive Trades Association of Manitoba (ATA), engaged MNP to conduct a study on the reasonableness of existing compensation rates for northern Manitoba autobody repair shops, and to identify market differentials between the northern and southern Manitoba markets. This includes identifying the income required to recruit and retain qualified technicians, and what impacts the ability to recruit and retain skilled, qualified technicians. MNP is to identify the differences between northern and southern Manitoba and the cost drivers and pressures in the north and associated outcomes that would impact rates paid by MPI.

The Northern Market

MPI has separated Manitoba into two regions for determining vehicle repair compensation: northern Manitoba and southern Manitoba. The northern Manitoba region consists of all vehicle repair shops north of and including The Pas. There are currently 6 accredited autobody repair shops in the northern region:

- 3 in Thompson
- 2 in The Pas
- 1 in Flin Flon.

The labour market in the north is significantly different from the south, with a handful of large employers in the north recruiting from a smaller pool of qualified labour. Competitors for labour in the north include the resource industry, Manitoba Hydro, the public sector, and other related agencies with collective agreements. Many job training programs are not offered north of Winnipeg, requiring northern employers to incur high costs for travel for staff to attend training.

Certain elements of the cost of living tend to be higher in northern Manitoba than in southern Manitoba due to additional freight, less economies of scale, and lower selection variety. This study performs a comparative cost of living index between Winnipeg and the three northern towns with accredited repair shops to estimate the cost differential associated with living in northern Manitoba.

Methodology

Objectives

The specific objectives of this study include:

i. To determine what income is required to recruit and retain qualified technicians in the north, and have a viable industry in the north;

ii. To determine the market differences between northern and southern Manitoba and their current and future state;

iii. To determine the cost drivers in the north and associated outcomes that would impact shop compensation rates paid by MPI;

iv. To provide assumptions regarding the range of acceptable profitability to operate an autobody shop in the north;

v. To identify and assess factors impacting a shop's ability to recruit and retain skilled and qualified technicians;

vi. To provide examples of how other industries have come up with solutions for recruitment and retention in the north or similar regions; and

vii. To identify what aspects would be considered MPI's obligation to address, and what role MPI may have for broader market considerations.

It was determined upon consultation with the northern shops that a high level of labour market competitiveness in the north is the primary issue affecting shops. An additional objective was added to conduct a quantitative analysis of wages in other industries in the north for a north-to-north labour cost comparison in addition to the original north-to-south labour cost comparison.

Approach

The following analysis has been undertaken to satisfy the study objectives:

- **Current State Analysis:** An objective review of the existing compensation rates paid by MPI to develop an understanding of the current northern premium and the differential between autobody and mechanic compensation rates. The current state analysis also includes consultation with northern shops and MPI management to develop an understanding of their specific points of view on the situation.
- **Economic Analysis**: Research to understand the economic differences between the north and south, including:
    - An analysis of current and historical income, housing, and population statistics.
    - The development of a custom cost of living index comparing Winnipeg with Thompson, The

Pas, and Flin Flon.

- Research surrounding the level of competitiveness in the north and south labour markets.

- **Northern Shop Costs**: Data collection and analysis of the costs associated with operating an MPI accredited autobody shop in the north, including:
  - Business occupancy costs, including lease, maintenance, utilities, etc.
  - Labour costs by skill level
- **Market Differential Index**: All findings from the economic analysis and northern shop costs will be combined to determine an appropriate market differential between the north and south.
- **Recommendations:** A recommended approach to determining a fair northern premium will be provided.

Data Collection

The following sources were used to gather data to support this study:

- **MPI Vehicle Repair Compensation Schedules:** MPI provided current shop compensation rates, and their underlying assumptions and drivers
- **Autobody Repair Shop Interviews:** Interviews were conducted with representatives from all six[1] of the autobody repair shops. The goal of these interviews was to identify the cost pressures in the northern environment, and other data indicators of the cost pressures that may exist (either market or private data).
- **MPI Interview:** An interview was held with three managers at MPI. This interview helped to explain the claims process and the current policies, procedures, and practices in place. MPI was able to share their perspective on cost drivers and current issues in the industry.
- **Northern Shop Business Costs:** MPI identified business occupancy costs and labour costs as two key cost drivers to be included in the analysis. Business costs have been collected from four of the six northern shops.
- **Northern Shop Labour Data:** Northern shops were asked to provide the compensation rates and skill levels of their current employees. Four of the six shops provided their labour data.
- **Statistics Canada Data:** Where possible, the most recent data was gathered for each market from Statistics Canada. Data was collected for the three northern cities (Thompson, The Pas, Flin Flon), as well as Winnipeg to use as a baseline comparator. Other various online sources were used when needed, such as job search sites, collective agreements online, and general market research.
- **Public Job Postings**: A sample of job postings for the autobody industry in Winnipeg with listed compensation ranges were used for comparative purposes.

[1] There are six shops in the study, with five different representatives (i.e., one individual is responsible for two of the shops).

- **Other Online Research:** Other research related to labour market competitiveness, major employers, and union agreements has been pulled from online sources. Where applicable, these sources are noted in the footnotes.

Current State Analysis

Current Compensation Rates

Shop compensation rates for labour and materials are supplied by MPI. Current rates are in force for a four-year period, as follows:

- Year 1: March 16, 2021 – June 13, 2022
- Year 2: June 14, 2022 – June 13, 2023
- Year 3: June 14, 2023 – June 13, 2024
- Year 4: June 14, 2024 – June 13, 2025

The compensation schedule was developed to start March 16, 2021, and to be in effect for four years. On August 22, 2022, an adjusted compensation schedule was released by MPI stating that they recognized the current challenges the repair industry was facing, including the recent price increase for materials. Increased rates for various materials[2] and a new compensation rate (the windshield shop material rate) was introduced to be effective as of July 1, 2022. An additional compensation rate, the mechanical specialty rate, was created to take effect September 1, 2022. This specialty rate is higher than the mechanical rate, and covers specific engine, transmission, transfer case, differential, and trans-axle repairs.

Table 4 outlines the current compensation rates for labour and materials in effect for Year 2, June 14, 2022, to June 13, 2023. Shops in northern Manitoba receive a higher rate for most labour and materials categories, known as the "northern premium". The table shows the northern premium to be 20% across all hourly labour rates and a variable rate ranging between 0% to 41% in the materials categories. A breakdown of the full 4-year compensation rate schedule is provided in Appendix A. Annual rate increases are scheduled in both the north and south, but the northern premium is scheduled to remain consistent in each category from years 2 to 4.

[2] Paint material rate, physical damage shop material rate, tempered glass shop material rate and physical damage and glass urethane allowance rate.

Table 4: Comparison of North and South Compensation Rates, Schedule Year 2

	Units	South	North	Northern Premium ($)	Northern Premium (%)
Labour					
Body / Refinish / Glass	Per Hour	$78.50	$94.20	$15.70	20%
Frame	Per Hour	$87.00	$104.40	$17.40	20%
Mechanical	Per Hour	$92.00	$110.40	$18.40	20%
Mechanical Specialty	Per Hour	$125.00	$150.00	$25.00	20%
Materials					
Paint Material	Per Hour	$51.70	$62.04	$10.34	20%
Shop Material	Per Hour	$7.05	$9.91	$2.86	41%
Toxic Waste	Per Paint Estimate	$4.97	$5.46	$0.49	10%
Windshield Glass Shop Material	Per Hour	$4.00	$4.80	$0.80	20%
Tempered Glass Shop Material	Per Hour	$7.05	$9.91	$2.86	41%
Glass Urethane Allowance	Per Item	$33.60	$33.60	$0.00	0%
National Auto Glass Standards (NAGS) Discount	N/A	25%	0%	N/A	N/A

Consultation

MNP interviewed four representatives from 5 of the 6 identified shops in the north (one individual representing two shops). This section outlines what was heard and includes the unverified perceptions of interviewees. Statements made by the interviewees were used to guide MNP's objective research and analysis throughout this study. Interview results have been grouped into the following categories: cost pressures in the north, compensation rates, recruitment and retention, other challenges, and welcome improvements.

Cost Pressures in the North

- **Labour** - The interviewees unanimously identified elements associated with the labour market as one of the defining cost differences between the north and south. A dearth of skilled and qualified technicians in the northern labour market has led to shops trying different methods to fill positions, including:

- **The recruitment of foreign workers.** Several interviewees stated that they actively recruit through the foreign worker program or assist in the immigration process for qualified technicians from other countries, going as far as paying the legal and administrative costs associated with immigration.
- **Granting exceptional wage increases.** Interviewees stated that they have been approving more frequent raises at higher rates than historically, partly due to the recent inflationary landscape, but primarily due to qualified technicians in the north having greater individual bargaining power within the local industry. Shops have approved wage increases in recent years to keep employees happy, because management knows they could not fill the role if the employee were to leave.
- **Increases in other benefits provided to employees or recruits**. Due to the lack of a local supply of qualified labour, shops have had to extend other benefits to experienced technicians to keep them or return them to the north. For example, paying for a technician's moving costs to move from the south, and paying for a technician's rent costs to live in Thompson during weekdays so that they can travel south to their family on the weekend.
- **Labour costs for other positions.** Shops in the north must pay higher rates to non-technical roles such as Customer Service Representatives to stay competitive in the northern labour market.

Labour was a significant point of discussion in all interviews and is further summarized in the recruitment and retention subsection.

- **Parts Sourcing** – The effect of the COVID pandemic on the global supply chain has hindered parts availability in the north. Generally, it requires an extra day to get a part delivered to the north than it would in Winnipeg. The delay can hinder a shop's process flow and requires additional planning to ensure other jobs can be completed while waiting for parts.

  Shops are responsible for paying the freight on aftermarket and recycled parts, which has been increasing in recent months. In some cases, MPI will not reimburse freight on OEM price matches. For example, if Honda price matches their OEM part to an aftermarket part, MPI will not pay the freight because the aftermarket with freight included may be a better deal even if it's not as economical for the repair. The same policy is applicable to shops in the south, but the northern shops are paying more for freight, reducing relative northern shop profitability. Shops were asked to produce examples of this occurring, but no job documents or receipts were provided for the study, thus the north-south freight differential could not be determined.
- **Shop Operating Costs** – Shop operating costs that were identified as being higher in the north include:
  - **Freight** – Shops expressed frustration with the additional fuel surcharges that have been increasingly applied without notice by shipping companies in recent months. With no regulation on fuel surcharges, shipping companies may apply fuel surcharges in multiple places on an invoice which can confuse shop staff as well as MPI. Multiple interviewees expressed being at the mercy of Gardewine in particular, which is a primary ground transportation provider to the north. Gardewine may delay delivery of auto parts to make room for more

profitable and in demand products, such as food.

- **Repairs & Maintenance (or Capital Renovations)** – The cost of construction and renovation is higher in the north.
- **Fuel & Propane** – Costs are believed to be higher in the north.

- **Capital Machinery Costs** – The proliferation of electric vehicles and electronics in vehicles has added a layer of complexity to the industry. There is an increasing need for specific equipment for calibration that shops in the north might not have the capital to invest in. Northern shops are lacking in new 3D scanning technology and other calibration equipment required for certain brands. The investment required to keep up with equipment improvements can be a barrier for shops, although some interviewees noted that this is not likely specific to the north, aside from having higher shipping and installation costs on the equipment.
- **Technician Training Costs** – Interviewees generally agreed that the certification requirements are fair and necessary to maintain high quality in the industry. However, interviewees unanimously identified difficulties with the high cost of sending staff to Winnipeg to complete ICAR courses. Shops in the north must send technicians to Winnipeg for days at a time to complete courses which require the business to pay for flights or mileage, accommodations, and other travel expenses in addition to the course registration cost. There is also an increased risk that a shop may invest tens of thousands in getting a new technician trained and certified who will then quit to migrate south.

  It was identified that ICAR used to send trainers to the north, but the issue now is there's not much demand, and it would require having multiple people trained on the same course at the same time to make it economical for ICAR. A potential solution offered could be to have multiple courses offered in a single week based on training needs in the north to get them all done at once.
- **Cost of Living** – Several interviewees identified a higher cost of living in the north contributing to increased shop operating costs and labour costs. In particular, the cost of travelling south for goods and services is not being factored into existing cost of living statistics in the north. Travelling south to Winnipeg for goods and services is a fact of life for most people living in northern Manitoba. For example, a lack of doctors in the north means certain healthcare procedures require a trip to Winnipeg or another city centre for specialist appointments. A true cost comparison of the north to the south must account for the time and expense related to travelling to other cities to access these specialized services.

Compensation Rates

- **Labour Compensation Rates** – Most interviewees noted the significant gap between the labour compensation rate for autobody technicians versus mechanical. Several interviewees noted that this is a nation and industry wide issue, but it is still a major factor in the shops' difficulties with labour costs and recruitment. It was stated that pushing the autobody rate to the mechanical level could help improve the labour shortage. It was also noted that comparing the north to Saskatchewan, as has been done in the past, will not provide a reliable measure since cities in northern Saskatchewan are larger, closer together, and have more diversified labour markets. A more comparable market would be northern Alberta, where it was mentioned that some shops charge $200 per hour near Fort McMurray.

- **Administration Fee** – The compensation of an $18 administration fee on completed repairs was identified as being insufficient for the volume of administrative labour required on MPI claims. An interviewee stated they used to be paid $80 per estimate for administration but MPI changed this rate. Having an in shop trained estimator could help reduce the administrative cost on the shop, but this is not realistic given the current lack of available labour in the north. Shops expressed frustration with the minutiae required on MPI claims, noting that warranty claims for manufacturers require a fraction of the administration that MPI requires. Interviewees stated that there could be more streamlining of claims with MPI for frequent repairs.
- **Missing Northern Compensation Rates on Claims** – Several interviewees stated that MPI does not seem to automatically apply all the eligible amounts to northern claims. Shops are finding on claim review that they will typically add an additional $100 - $400 in eligible amounts that are not being automatically added by MPI. This may include newer items such as the $60 utility rate for northern refinishing, which estimators in Winnipeg who are unfamiliar with the northern rates may miss in error. Reviewing claims to catch these errors creates additional administrative work for shops in the north.
- **Labour Rate Profitability** – Shops aim to generate approximately 2/3 of the hourly labour rate as operating margin, with technicians earning 1/3 of the stated hourly rate. With recent labour market changes forcing shops to increase wages, northern technicians are making more than the targeted 1/3 which is uncomfortable for the shops. Recent rate increases from MPI have primarily gone to technicians to keep them employed and engaged. There is a general belief amongst multiple shops that that MPI would like 100% of the labour rate to go to staff which would be unsustainable for the industry.

Recruitment and Retention

All interviewees indicated a belief that other industries in the north present a unique competitive challenge that southern counterparts do not contend with. Winnipeg is a large city with a diversified labour market. In northern Manitoba, there are several major employers that dominate the labour landscape. These include Vale (mining), Manitoba Hydro (energy), and the northern Regional Health Authority (NRHA). Further analysis of these companies and their impact on the northern labour market is provided in the Labour Market Competitiveness section.

Interviewees stated that these major employers pay significantly higher wages than other service-oriented businesses in the north, causing shops to continuously raise wages to try to compete and keep existing staff engaged and motivated. Several interviewees identified this as the most pervasive issue in their business, going as far as stating that comparing the north to the south is a flawed premise for this study as the labour market in each region is not comparable.

Additional issues identified related to recruitment and retention in the north include:

- The COVID-19 pandemic exacerbated the labour issue as shops had to lay off staff to stay viable in the early months of the pandemic when business slowed. Volume has increased now that Manitobans are driving more, and the shops have been unable to upstaff to pre-pandemic levels, as many employees found employment in other industries or moved south.
- Advertising online does not generate any interest, and shops have generally given up on spending

hundreds of dollars on online job postings and recruiters as they were not receiving any applications.

- Experienced technicians are aging and there is a lack of young people entering the industry. Shops are trying to hire young people out of high school, but they aren't journeypersons and require significant supervision to meet MPI's quality control needs.
- MPI's administrative requirements and the rate of change in administrative procedures are creating burnout among older technicians. Some would prefer to just retire early than deal with the hassle of learning new claims processes.
- Most shops have hired or attempted to hire foreign workers. However, the process generally takes at least a year to get a foreign worker on the shop floor, and it's a gamble in terms of the quality and level of experience of the worker being received. There are also risks with the process including applications being delayed or denied, or that foreign workers will use the opportunity to establish residency in Canada and then move away from northern Manitoba.
- The downturn in the nickel industry and recent rise in crime in the north was specifically mentioned by multiple interviewees as being a factor in some employees' decisions to move south.
- Multiple interviewees stated that the staffing issues discussed are resulting in them turning customers away or booking repairs two to three months in advance because they don't have the staff available to process jobs in a timely basis.

Potential solutions offered by interviewees to help solve the labour shortage in the north included:

- Have MPI assist with recruiting and advertising. It was noted that while this may not be directly within MPI's mandate, if the industry dissolves in the north, then it will significantly increase costs for automobile owners living in the north.
- Have Apprenticeship Manitoba put a greater focus on promoting the autobody industry. It was mentioned that Apprenticeship Manitoba currently puts a significant amount of effort into promoting certain trades while other trades are being left behind.
- Have The University College of the north (UCN) more involved in attracting students from the north into the industry.
- Encourage the local high schools to offer an autobody course.

Other Challenges

Several other challenges with operating in the north were identified by interviewees that do not fall within the scope of this cost analysis study but have been documented here as potentially relevant information for all parties:

- **MPI Estimation Process** – Feedback was divided on MPI's northern estimator, with some interviewees stating that they were satisfied with the service and others stating that the service is hindering their business. It seemed that a shop's satisfaction with estimation services was highly dependant on their relationship with the estimator rather than receiving a consistent, objective service from MPI. Specific issues identified with the estimation process that may be increasing shop costs include:

  - There is only one estimator in Thompson which creates consistency and timeliness issues. Appointments are being booked several weeks out when there is an influx of claims. An interviewee stated a preference to return to the global system of checking estimates where an estimator in Winnipeg receives claims based on a queue so that there is always someone available.
  - The number of pictures required for claims sent to Winnipeg can be overwhelming, especially for older staff who are not as technologically inclined. It was stated technicians now need to "have a camera in one hand and a hammer in the other".
- **Succession Planning** – Independent shops are at risk of extinction in the north as there is no interest from the younger generations in becoming owner operators in the northern environment. Several interviewees made comments about trying to sell their shop, but they cannot get any interest from private buyers or consolidators. It is possible that shops may just close when the owners retire, which could exacerbate the existing poor service delivery to northern customers.

Welcome Improvements

Interviewees also had some positive feedback for recent changes in MPI policies and processes, including:

- The paint materials rate increase was unexpected and helpful to counteract the recent rise in paint prices.
- The northern utility rate premium was welcome and helps offset the higher cost of hydro and propane required for paint jobs.
- The Shop Relationship Advisor (SRA) position has helped improve communication between MPI and the northern shops.

Economic Analysis

To compare the economic differences between the north and south, various metrics were gathered from Statistics Canada's Census Profiles for the three northern municipalities and Winnipeg. Data reported from 2019 to 2021 is from the Statistics Canada's Census Profile 2021 Census of Population[3]. Data reported in 2015 and 2016 is from the Census Profile 2016 Census[4]. Where available, data from the 2011 Census has been used to compile a longer historical trend.

Population

Table 5 outlines the population in the four assessed markets between 2011 to 2021. Winnipeg saw the largest percentage increase in population in the last decade, with an increase of 13% over the period (1.3% annualized). In the same period, the population in the northern Manitoba markets was stagnant or declined. The population of Flin Flon decreased by 9%; the largest decrease of the reviewed municipalities. Both Thompson and The Pas had relatively consistent populations, with Thompson decreasing 1% over the 10-year period, and The Pas increasing by 2%.

Table 5: Population Counts from 2011 to 2021

	Thompson	The Pas	Flin Flon	Winnipeg
Population in 2011	13,123	5,513	5,405	663,617
Population in 2016	13,678	5,369	4,991	705,244
Population in 2021	13,035	5,639	4,940	749,607
% change from 2011 to 2021	*-0.7%*	*2.3%*	*-8.6%*	*13.0%*

The 2021 population by age breakdown in Table 6 shows all four municipalities are relatively comparable in the 15-to-64-year age group, or the labour age range, with each municipality falling between 63.9% to 66.7%. Thompson and The Pas had more young people in their population, with 26% and 21% of their population being 14 years or younger. Flin Flon and Winnipeg both had very similar rates of younger and older (65 years or older) population.

[3] Statistics Canada. 2022. (table). Census Profile. 2021 Census of Population. Statistics Canada Catalogue no. 98-316-X2021001. Ottawa. Released September 21, 2022. https://www12.statcan.gc.ca/census-recensement/2021/dp-pd/prof/index.cfm?Lang=E (accessed October 6, 2022).

[4] Statistics Canada. 2017. Census Profile. 2016 Census. Statistics Canada Catalogue no. 98-316-X2016001. Ottawa. Released November 29, 2017. http://www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/index.cfm?Lang=E

Table 6: Distribution of the Population by Age Group, 2021

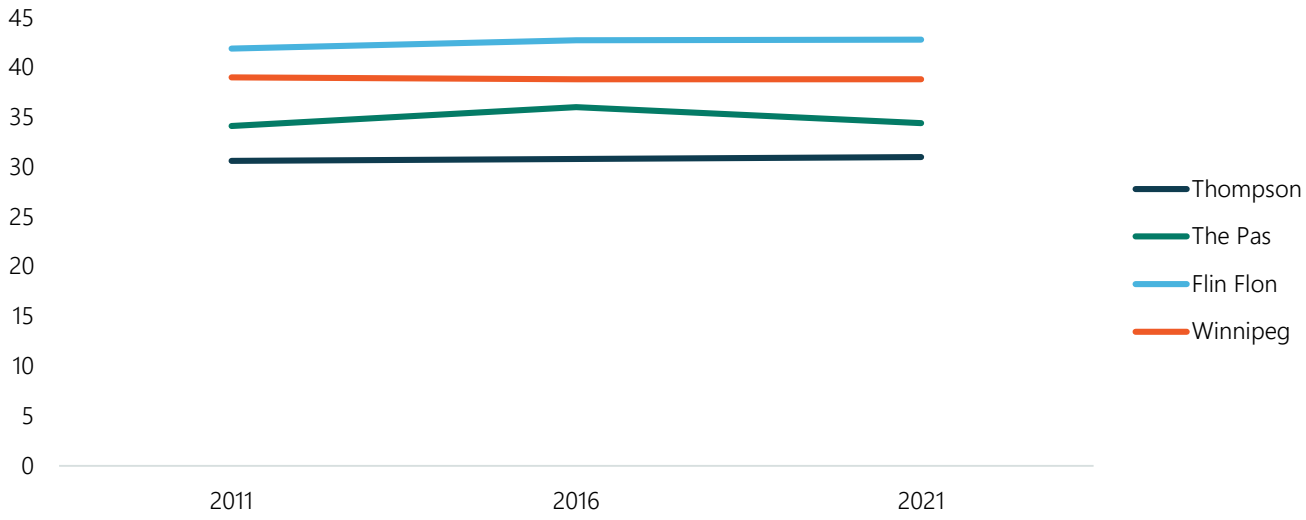
	Thompson	The Pas	Flin Flon	Northern Average	Winnipeg	North Average to South Variance
0 to 14 years	25.8	20.9	17.4	21.4	16.6	29%
15 to 64 years	66.7	65.5	63.9	65.4	66.4	-2%
65 years and over	7.4	13.7	18.8	13.3	17.0	-22%

The median ages in 2021 ranged from 31 years in Thompson, to 43 in Flin Flon. The median age has stayed relatively consistent over the last 10 years. Overall, the population in the north is on average 7% younger than in Winnipeg.

Table 7: Median Age of Population, 2021

Thompson	The Pas	Flin Flon	Northern Average	Winnipeg	North Average to South Variance
31.0	34.4	42.8	36.1	38.8	-7%

Figure 1: Median Age of Population, 2011 - 2021



Income

Winnipeg has recorded a lower median income than all three of the northern cities in the last decade, with Flin Flon reporting the highest median income in 2019, and Flin Flon and Thompson both showing the highest median income in 2020. The average north to south Variance in the three years analyzed was 18% and ranges from 11% in The Pas to 23% in Thompson and Flin Flon.

Table 8: Median Employment Income among Recipients, 2019 ($)

	Thompson	The Pas	Flin Flon	Northern Average	Winnipeg	North Average to South Variance
2015	45,063	37,555	44,885	42,501	34,795	22%
2019	42,800	38,400	43,200	41,467	36,800	13%
2020	44,800	40,400	44,800	43,333	36,400	19%

Median employment income for full time workers in 2020 ranged from $58,000 in Winnipeg to $76,000 in Flin Flon. The northern average for median full-time employment income was $72,137, a 24% premium over full-time workers in Winnipeg.

Table 9: Median Employment Income for Full-Year, Full-Time Workers, 2020 ($)

Thompson	The Pas	Flin Flon	Northern Average	Winnipeg	North Average to South Variance
73,000	67,500	76,000	72,167	58,000	24%

The census profile income comparison provides evidence to the claim that prevailing wages in the north overall are higher. The difference ranges from 16.4% in The Pas to 25.9% in Thompson and 31% in Flin Flon.

Employment

In 2021 the average participation rate in the north was the same as the participation rate in Winnipeg (65.7%). The employment rates across the four comparator cities were also similar, ranging from 57.4% (Flin Flon) and 62.2% (Thompson). Flin Flon also saw the lowest unemployment rate of 6.7%, while The Pas had the highest unemployment rate of 9.8%.

Table 10: Labour Force Status, 2021 (%)

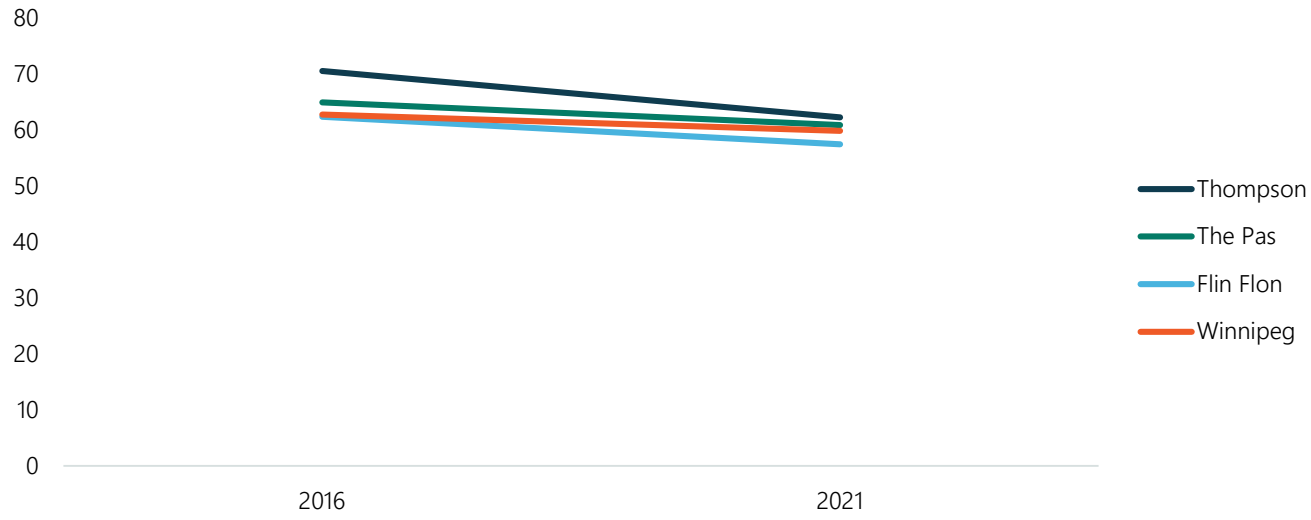
	Thompson	The Pas	Flin Flon	Northern Average	Winnipeg	North to South Variance
Participation rate	68.3	67.4	61.4	65.7	65.7	0%
Employment rate	62.2	60.8	57.4	60.1	59.8	1%
Unemployment rate	8.9	9.8	6.7	8.5	8.9	-5%

While The Pas and Winnipeg had relatively consistent participation rates between 2016 and 2021, both Thompson and Flin Flon saw a notable decrease in their participation rates in 2021 compared to 2016. The employment rates followed a similar pattern to participation rates. While all four cities saw a decrease in their

employment rates, Thompson saw the largest decrease of 8.3%.

The decreases in participation rates have been seen all throughout the country and are largely attributed to the aging population as baby boomers are retiring at a higher rate than the working-age population is growing. A recent update by Statistics Canada showed between September 2019 and 2022, the number of Canadians 65 years and older has increased by 11.6%, while the working-age population only grew by 3.5%[5].

Figure 2: Employment Rates in 2016 and 2021 (%)

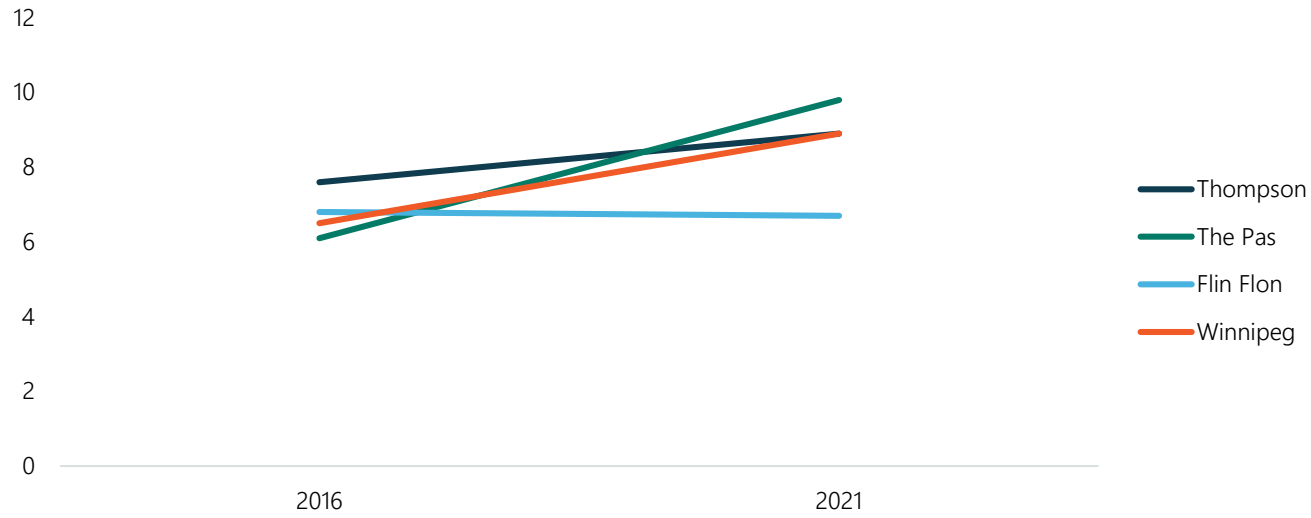


Unemployment rates increased in three of the four cities, with The Pas seeing the highest increase in their rate (3.7% in 2021 compared to 2016). Flin Flon stayed the most consistent over the five-year period, seeing only a 0.1% decrease in 2021. A significant reason for the increase in unemployment rates in 2021 across the province was due to the pandemic, as a large portion of the economy was impacted by continued lockdowns and other prevention measures throughout the year. However, reductions between 2016 to 2020 in northern mining operations also account for a portion of the increase in unemployment, such as Vale laying off 430 workers in 2018.[6]

[5] https://www150.statcan.gc.ca/n1/daily-quotidien/221007/dq221007a-eng.htm

[6] https://www.thompsoncitizen.net/local-news/vale-ends-2018-with-roughly-400-fewer-thompson-employees-than-a-year-ago-4291869#

Figure 3: Unemployment Rates in 2016 and 2021 (%)



Recent data from the Government of Canada job market bulletin[7] states that the unemployment rate in Manitoba fell to 4.4% in September 2022. Additional reports of labour shortages in the media[8] and from the interviewees in the consultation phase of this study would suggest that the current unemployment rate in each municipality is lower than the 2021 Census results.

Housing

Housing values are notably higher in Winnipeg, on average valued at double the northern average in 2021 per Table 11.

Table 11: Median Value of Dwellings in 2021

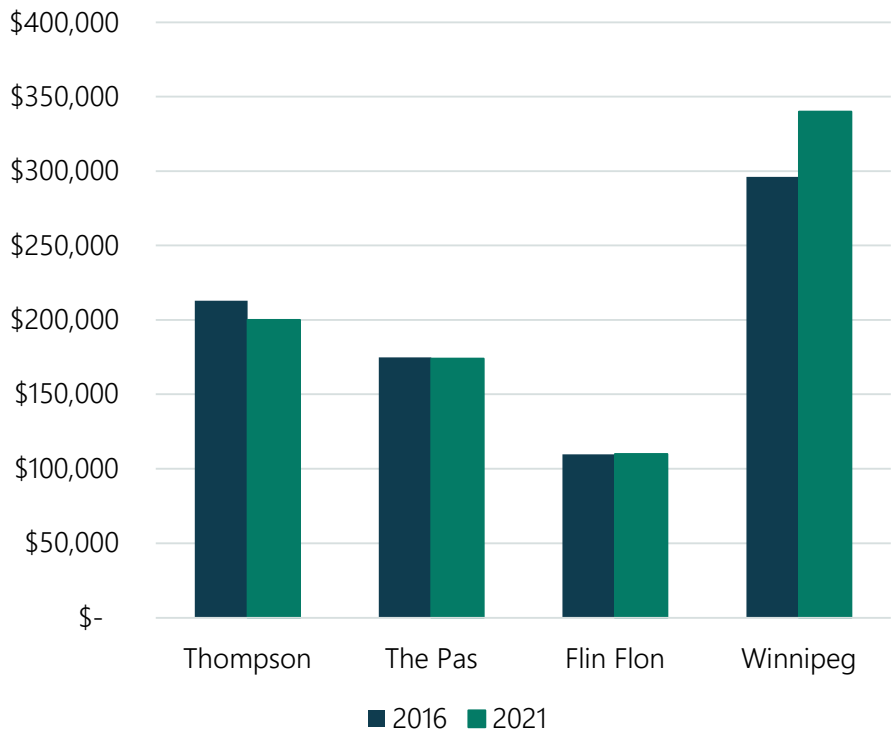
Thompson	The Pas	Flin Flon	Northern Average	Winnipeg	North Average to South Variance
$200,000	$174,000	$110,000	$161,333	$340,000	-53%

Winnipeg was the only market that experienced growth in housing values between 2016 to 2021 (Figure 4). Both The Pas and Flin Flon remained flat, and Thompson saw a 6% decrease in housing values over the 5-year period.

[7] https://www.jobbank.gc.ca/trend-analysis/job-market-reports/manitoba/bulletin

[8] https://www.thompsoncitizen.net/local-news/finding-workers-a-challenge-for-thompson-businesses-and-chamber-of-commerce-says-faster-immigration-could-help-5671545

Figure 4: Median Value of Dwellings in 2016 and 2021 ($)



Most people in all municipalities indicated that they owned their place of residence, opposed to renting, in 2021. Thompson showed the most renters, with 53% owning, and 47% renting. Flin Flon had the highest percent of ownership at 68%, and Winnipeg had the second highest at 63%.

Table 12: Private Households by Tenure, 2021

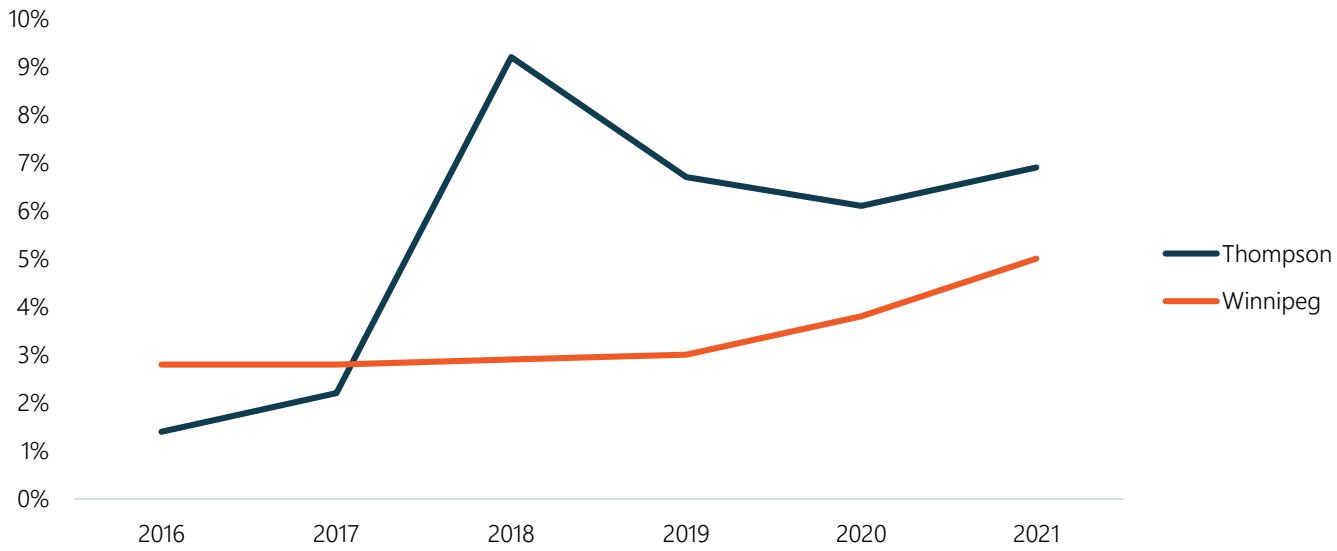
	Thompson	The Pas	Flin Flon	Northern Average	Winnipeg	North Average to South Variance
Owner	53.4%	59.3%	68.0%	60.2%	63.1%	-5%
Renter	46.6%	40.9%	31.8%	39.8%	36.9%	8%

Within the rental market, the percentage of vacant rental units[9] in Winnipeg has increased since 2016. Between 2016 and 2019 the rate was slowly increasing (0.1% per year), but 2020 and 2021 saw a more noticeable increase in vacant units (3.8% and 5.0%). Thompson also had a higher percentage of vacant rental units in 2021 compared to 2016. Between 2016 and 2018 there was a large increase in vacancy rates (1.4% in 2016 to 9.2% in 2018). Vacancy rates decreased until 2020, and then increased to 6.9% in 2021. Thompson's rental vacancy rate

[9] Includes bachelor, 1 bedroom, 2 bedroom and 3-bedroom apartments

peak in 2018 aligns with Vale laying off one-third of the staff in its Thompson operations in 2018. Thompson's relatively higher vacancy rate suggests there should be ample choice for rental units in the local market. No reliable market data was available for The Pas or Flin Flon[10]

Figure 5: Rental Vacancy Rates for Apartments



Looking at the monthly shelter costs in 2021 for owned dwellings, Flin Flon reported the lowest median costs at $760 a month. Thompson reported the highest monthly costs ($1,280), while Winnipeg was closely behind ($1,240). The average monthly shelter costs again were found in Flin Flon, at $905 a month. Winnipeg had the highest average monthly costs ($1,326) followed closely by Thompson ($1,302). These costs include mortgage payments, so the higher average cost in Winnipeg is consistent with higher valued property, and thus higher mortgage balances.

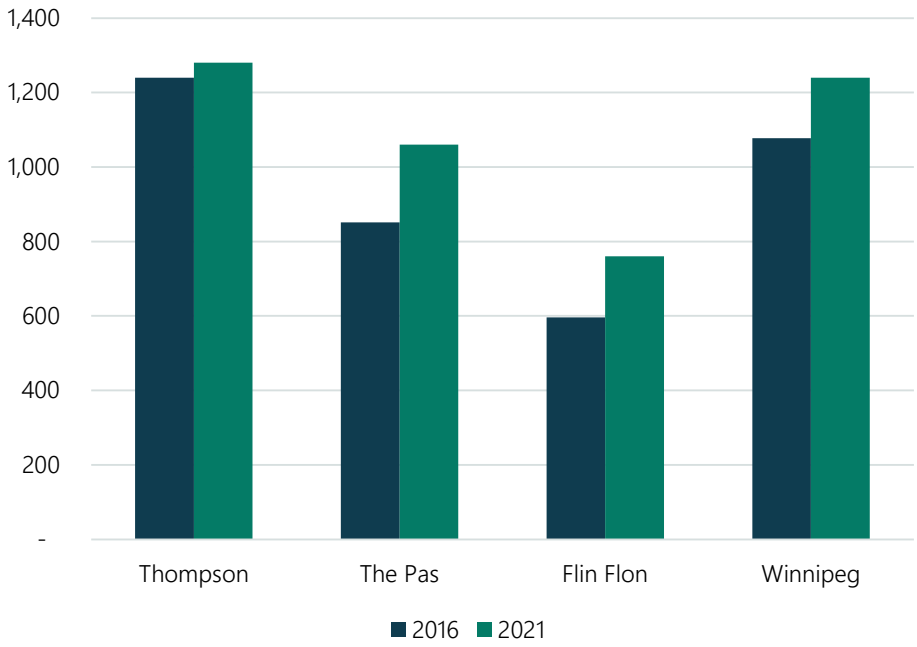
Table 13: Median Monthly Shelter Costs for Owned Dwellings, 2021

Thompson	The Pas	Flin Flon	Northern Average	Winnipeg	North Average to South Variance
$1,280	$1,060	$760	$1,033	$1,240	-17%

The monthly shelter costs for owned dwellings in Thompson were relatively consistent over the 5-year period. The Pas, Flin Flon and Winnipeg all saw notable increases for the owned dwelling costs.

Figure 6: Median Monthly Shelter Costs for Owned Dwellings in 2016 and 2021 ($)

[10] CMHC Rental Market Survey



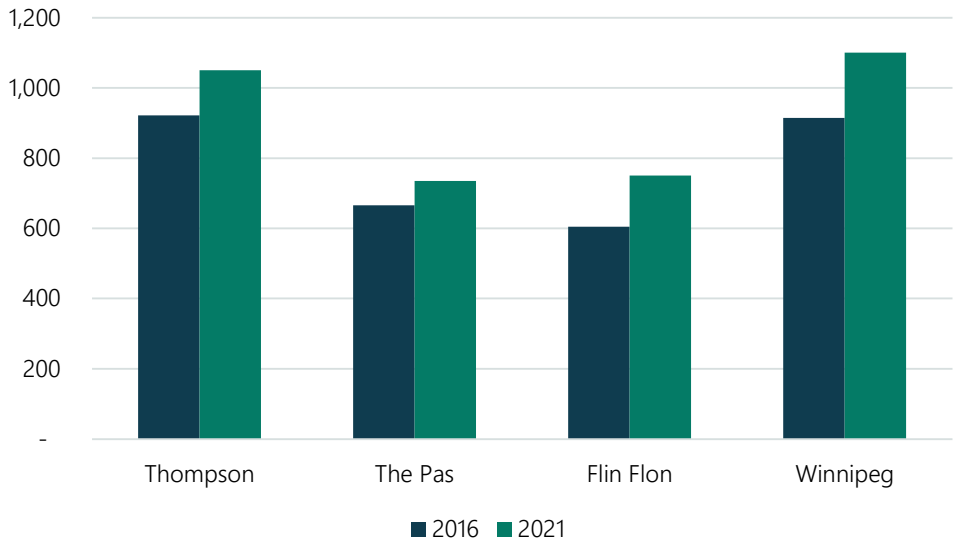
The monthly shelter costs for rented dwellings in 2021 followed a similar pattern to the owned dwellings. The lowest median monthly costs were seen in The Pas at $735 a month, followed by Flin Flon at $750 a month. The highest median monthly costs were seen in Winnipeg at $1,100, followed by Thompson at $1,050. The average monthly costs followed a similar pattern with Flin Flon and The Pas having the lowest average costs ($768 and $802) and Winnipeg and Thompson having the highest costs ($1,137 and $1,115).

Table 14: Median Monthly Shelter Costs for Rented Dwellings, 2021

Thompson	The Pas	Flin Flon	Northern Average	Winnipeg	North Average to South Variance
$1,050	$735	$750	$845	$1,100	-23%

All four of the cities saw increases in the monthly costs for rented dwellings over the 5 years. The costs in Thompson and Winnipeg stayed closely aligned, as did the costs in The Pas and Flin Flon.

Figure 7: Median Monthly Shelter Costs for Rented Dwellings in 2016 and 2021 ($)



Suitability of Housing

Three of the four cities reported over 90% of their houses were considered to have suitable living accommodations[11]. Thompson reported the lowest number of suitable houses at 88.9%.

Table 15: Housing Suitability, 2021

	Thompson	The Pas	Flin Flon	Northern Average	Winnipeg	North Average to South Variance
Suitable	88.9%	94.2%	95.2%	92.7%	92.0%	0.8%
Not suitable	11.1%	5.6%	4.8%	7.2%	8.0%	-10.7%

All four cities have at least 60% of their houses constructed in 1980 or earlier. The construction rates in Thompson and The Pas have been decreasing since then. Flin Flon has also seen a decrease in rates since 1981,

[11] Housing suitability refers to whether a private household is living in suitable accommodations according to the National Occupancy Standard (NOS); that is whether the dwelling has enough bedrooms for the size and composition of the household. A household is deemed to be living in suitable accommodations if its dwelling has enough bedrooms as calculated using the NOS.
'Housing suitability' assesses the required number of bedrooms for a household based on the age sex and relationships among household members.
Housing suitability and the National Occupancy Standard (NOS) on which it is based were developed by Canada Mortgage and Housing Corporation (CMHC) through consultations with provincial housing agencies.

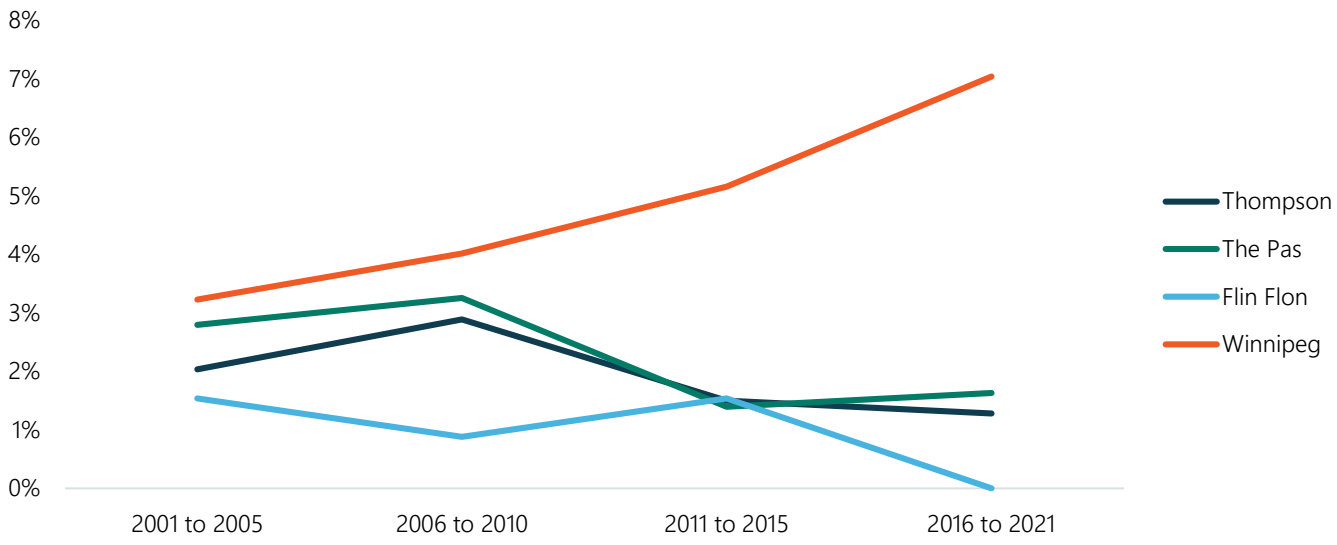
with a slight increase between 2001 and 2010. Winnipeg had a different trend that the northern cities, with construction rates steadily increasing since 1991.

Table 16: Occupied Private Dwellings by Period of Construction

	Thompson	The Pas	Flin Flon	Northern Average	Winnipeg	North Average to South Variance
1960 or before	11.1%	22.6%	57.0%	30.2%	31.3%	-3.4%
1961 to 1980	62.5%	45.8%	28.5%	45.6%	30.8%	48.2%
1981 to 1990	10.6%	16.5%	8.8%	12.0%	12.2%	-1.8%
1991 to 2000	8.3%	6.5%	1.8%	5.5%	6.3%	-12.6%
2001 to 2010	4.9%	6.0%	2.4%	4.5%	7.2%	-38.4%
2011 to 2021	2.8%	3.0%	1.5%	2.4%	12.2%	-79.9%

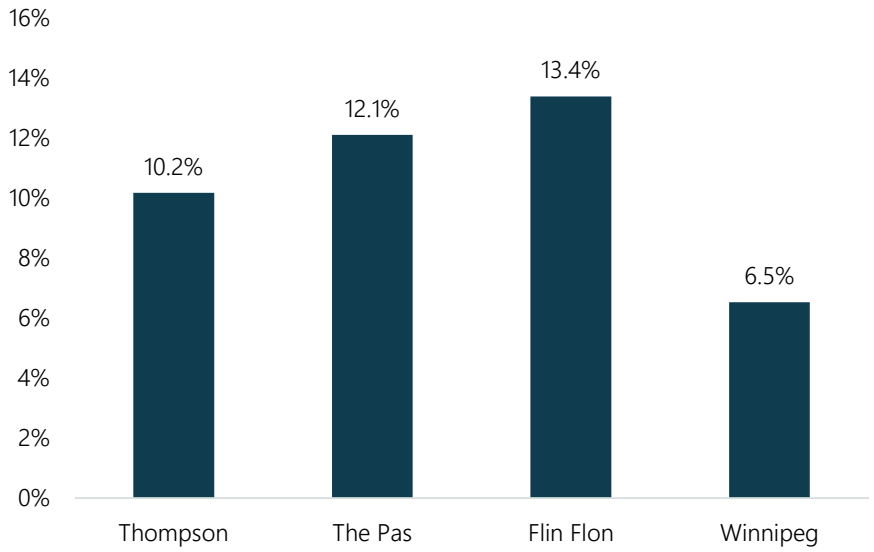
Thompson, The Pas and Flin Flon all reported less than 2% of their occupied dwellings were constructed between 2016 and 2021, whereas Winnipeg reported 7% constructed within the same period. Figure 8 shows the visible slow-down in new housing in the north over the last 20 years compared to the growing new home market in Winnipeg.

Figure 8: Occupied Private Dwellings by Period of Construction, 2001 - 2021



In 2021 Flin Flon had the highest proportion of houses requiring major repairs (13.4%). The Pas was closely behind with 12.1% of houses requiring major repairs. The higher rates of houses requiring major work may be attributed to the fact that the northern locations tended to have older homes. Winnipeg had the lowest proportion of houses requiring major repairs with only 6.5%.

Figure 9: Dwelling Condition: Major Repairs Needed



Statistical Data Conclusions

Higher relative northern pay, coupled with a relatively younger population, may support the shops' claims that workers in their prime labour years will temporarily relocate to the north to earn a higher income than they could in the south, before choosing to migrate to larger cities in the south for a higher quality of life.

The lack of new housing construction in the north combined with a shrinking population point to a stagnant housing market in the north. The rental vacancy rate is higher in Thompson than Winnipeg, which suggests that it is not difficult for workers to obtain shelter in Thompson. However, the suitability of housing is lower in Thompson, so while there are more vacant properties, they may not be of a high enough quality for workers to maintain the same quality of life that they would in the south.

Additional statistical data analyzed for this study is included in Appendix B.

Cost of Living Analysis

The Consumer Price Index (CPI) measures the changes in prices experienced by Canadian consumers over a fixed period. As the CPI does not separate results between northern and southern Manitoba, this study has developed an independent cost of living index to compare Winnipeg to Thompson, The Pas and Flin Flon[12] using the CPI's basket of goods methodology as a template. This resulted in nine primary categories in the basket of goods as per Table 17.

[12] A shared index was created for The Pas and Flin Flon

Table 17: Cost of Living Index Primary Categories and Weighting

Category	Weighting
Shelter	21.80%
Transportation	18.10%
Food	15.90%
Household operations, furnishings, and equipment	15.70%
Recreation, education and reading	10.10%
Alcoholic beverages, tobacco products and recreational cannabis	5.30%
Health and personal care	5.00%
Clothing and footwear	4.50%
Homeowner's replacement cost	3.70%
	100%

Within these 9 categories, a total of 128 items were identified to be included in the basket. While the CPI was used as a starting point, changes have been made based on data availability and to better reflect the purpose of the basket within this study.

Each individual item in the basket of goods was assigned a weight based on the percentage of total household spending the category represents. For example, Statistics Canada estimates the average Canadian consumer spends 16% of their budget on food and 19% on transportation, etc.[13]). The price of each individual item was then collected in Winnipeg, Thompson and either The Pas or Flin Flon. Pricing information for all categories could not found in both The Pas and Flin Flon, thus the two municipalities were combined into one region based on their relative geography. The differential between the northern regions and Winnipeg was calculated for each category using a weighted average.

Cost of Living Comparison – Winnipeg and Thompson

Table 18 provides the comparative cost of living analysis between Thompson and Winnipeg. Thompson's prices for most consumer goods were found to be only slightly higher than Winnipeg. The low price differential in consumer goods categories such as food, health and personal care, and clothing and footwear can be explained due to the presence of big box stores such as Walmart and Canadian Tire in Thompson. Major retailers generally have regional pricing strategies, and in this case most goods available at the big box stores in

[13] https://www.statcan.gc.ca/en/subjects-start/prices_and_price_indexes/consumer_price_indexes/faq

Thompson were listed for the same price as in Winnipeg.

The largest price differential was found in transportation, where consumers in Thompson pay on average 10.3% more than in Winnipeg. The transportation differential is primarily due to more expensive air transportation, more expensive vehicle purchase costs, and more kilometres travelled. Consultation with the northern shops revealed that most northerners will travel south at least once a year for goods and services. The comparative index includes the cost of one trip by car to Winnipeg from the respective northern town.

Shelter costs were based on the average dwelling costs from the 2021 Census. Owners and renters in Thompson on average pay just under 2% less than their Winnipeg counterparts.

Homeowner's replacement cost is significantly different due to the contrast between the residential real estate markets in Winnipeg and Thompson, with the average purchase price of a house in Thompson being 40% lower than in Winnipeg. Due to the material difference in a category that does not impact all consumers on an annual basis, the cost of living results have been split into two totals: a subtotal that only includes annual consumer expenditures, and a total that considers all categories, including homeowner's replacement cost. The subtotal may be considered a better measure of the difference in cost of living as it more accurately represents a consumer's spending habits in a typical year.

The weighted subtotal for annual expenditures shows a 1.93% difference between Winnipeg and Thompson. That is, the average consumer's cost of living in Thompson in a typical year is 1.93% higher than the average consumer living in Winnipeg. When including homeowner's replacement cost, the cost of living in Thompson is only 0.40% higher than in Winnipeg due to the less expensive housing market in Thompson.

Table 18: Comparing the Cost of Living from Thompson to Winnipeg

	Thompson to Winnipeg Variance	Weighting	Weighted Thompson to Winnipeg Variance
Shelter	-1.86%	21.83%	-0.41%
Transportation	10.26%	18.08%	1.85%
Food	0.73%	15.92%	0.12%
Household operations, furnishings and equipment	1.30%	15.69%	0.20%
Recreation, education and reading	0.81%	10.06%	0.08%
Alcoholic beverages, tobacco products and recreational cannabis	0.31%	5.28%	0.02%
Health and personal care	0.53%	4.96%	0.03%
Clothing and footwear	0.89%	4.48%	0.04%

	Thompson to Winnipeg Variance	Weighting	Weighted Thompson to Winnipeg Variance
Subtotal – Annual expenses			**1.93%**
Homeowner's replacement cost	-41.43%	3.70%	-1.53%
Total		100.00%	**0.40%**

Cost of Living Comparison – Winnipeg and The Pas/Flin Flon

Table 19 provides the comparative cost of living analysis between Winnipeg and the combined The Pas/Flin Flon region. Contrary to the finding with Thompson, many of the consumer goods categories are noticeably higher in The Pas and Flin Flon than in Winnipeg. This is due in part to the absence of major big box retailers. The Pas and Flin Flon have more mid-size retailers where prices vary by location, such as Family Foods and Co-Op.

The largest price differential was found in shelter costs where individuals living in The Pas and Flin Flon spend approximately 20% less than individuals living in Winnipeg. Shelter and homeowner's replacement cost are the only categories that are lower for The Pas and Flin Flon than Winnipeg.

On a weighted basis, the premium paid for the consumer goods categories is largely offset by the shelter costs, resulting in a weighted subtotal for annual expenditures of 1.41%. That is, the average consumer's cost of living in The Pas and Flin Flon in a typical year is 1.41% higher than the average consumer living in Winnipeg. When including homeowner's replacement cost, the cost of living in The Pas and Flin Flon is lower than Winnipeg at only -0.44% to the region's less expensive housing market.

Table 19: Comparing the Cost of Living from The Pas and Flin Flon to Winnipeg

	The Pas/Flin Flon to Winnipeg Variance	Weighting	Weighted The Pas/Flin Flon to Winnipeg Variance
Shelter	-19.94%	21.83%	-4.35%
Transportation	10.77%	18.08%	1.95%
Food	8.75%	15.92%	1.39%
Household operations, furnishings and equipment	4.37%	15.69%	0.69%
Recreation, education and reading	6.04%	10.06%	0.61%
Alcoholic beverages, tobacco products and recreational cannabis	0.31%	5.28%	0.02%

	The Pas/Flin Flon to Winnipeg Variance	Weighting	Weighted The Pas/Flin Flon to Winnipeg Variance
Health and personal care	15.26%	4.96%	0.76%
Clothing and footwear	7.69%	4.48%	0.34%
Subtotal			**1.41%**
Homeowner's replacement cost	-50.11%	3.70%	-1.85%
Total Variance		100.00%	**-0.44%**

Cost of Living Analysis Conclusions

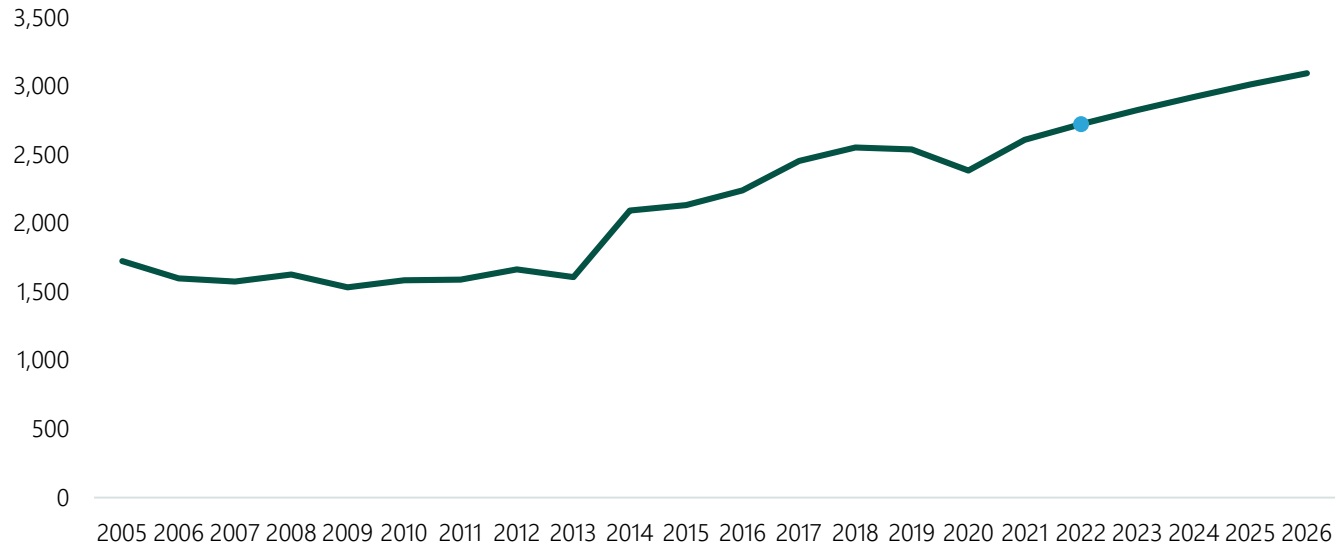
The results of the cost of living analysis appear to dispel the notion that it costs more to live in the three northern communities evaluated in this study. While most consumer categories are marginally more expensive in the north, individuals are paying less on average for their shelter and housing costs. Thompson, The Pas, and Flin Flon may be considered northern Manitoba for MPI's purposes, but each has a relatively typical North American consumer economy with sufficient road access for the transportation of a large variety of goods. As such, the cost of living characteristics of these municipalities is closer to those of Winnipeg in the south than that of Churchill in the north.

Labour Market Competitiveness

The labour market in northern Manitoba is impacted by multiple factors. This study reviews the impact on the market from education, competition from other northern industries, and competition from southern repair shops.

Figure 10 shows the historic count of individuals employed in the autobody industry in Manitoba, and the projections for the next four years[14]. There was a noticeable decrease of employees in the industry in 2020 due to the pandemic, but the number of employees has since increased above its 2019 level.

Figure 10: Number of Individuals Employed in the Autobody Shop Industry in Manitoba; Actuals 2005-2022, Projected 2023-2026



Education and Training Programs

Apprenticeship

Apprenticeship Manitoba offers a variety of programs to promote a career within the autobody industry. An apprenticeship is a work based post-secondary training program that results in a certificate of qualification in a specific trade. Most of the programs offered take somewhere between two to four years to complete, with a combination of paid on-the-job training (roughly 80% of the program) combined with technical training (20%). At the end of the program, students must pass a final exam to achieve their journeyperson status[15].

[14] Car Body Shops in Manitoba, Canada Industry Provincial Report MB81112CA, IBISWorld, September 2022

[15] https://www.gov.mb.ca/aesi/apprenticeship/discover/index.html

Apprenticeship Manitoba offers three programs related to this industry. The automotive painter is a designated trade, with a two-year apprenticeship of two levels[16] and both the motor vehicle body repairer and automotive service technician are four-year apprenticeships with four levels. For each of the three listed programs, a level consists of a minimum of 12 months and includes 1,800 hours of technical training and practical experience. The final examination is a written interprovincial (or Red Seal) exam[17][18]. Individuals who complete Red River College's Collision Repair and Refinishing Course (per the following section) can use the course as the first level of training for the apprenticeship program.

Education

Red River College (RRC) was identified to be the main education source for Automotive Collision Repair and Refinishing trades programs in Manitoba. Other post-secondary programs in Manitoba, such as UCN and MITT offer an Automotive Technician program but do not appear to offer autobody courses. Consultation with the northern shops indicated that these smaller programs have not made an impact on the autobody industry in the north.

The two main offerings from RRC are Automotive Technician (which can be completed as a certificate or a diploma), and Collision Repair and Refinishing. The Automotive Technician certificate is a one-year program, with an additional year to complete the diploma. The Collision Repair program is a one-year certificate.

Table 20: Graduate Satisfaction and Employment Survey Results

	2017-18	2018-19	2019-20
Number of Graduates			
Automotive Tech. - Cert.	21	14	24
Automotive Tech. - Diploma	121	138	131
Collision Repair and Refinishing	28	28	29
% of Employed Respondents			
Automotive Tech. - Cert.	100%	100%	100%
Automotive Tech. - Diploma	90%	86%	84%
Collision Repair and Refinishing	88%	100%	80%

[16] https://web2.gov.mb.ca/laws/regs/current/_pdf-regs.php?reg=170/2011
[17] https://web2.gov.mb.ca/laws/regs/current/_pdf-regs.php?reg=166/2011
[18] https://web2.gov.mb.ca/laws/regs/current/_pdf-regs.php?reg=6/2011

Based on the Graduate Satisfaction and Employment Report for 2019/2020 Graduates[19], each of the programs have had a relatively consistent number of graduates in the programs over the last 3 years. The Collision Repair and Refinishing program had 100% of its 2018-19 graduates find employment. The pandemic had an influence on the numbers dropping in 2019-20, as students would have been finishing their academic year while mandated lockdowns were in place.

I-CAR Training

The Inter-Industry Conference on Auto Collision Repair (I-CAR) is an international, not-for-profit organization dedicated to providing the information, knowledge and skills required to perform complete, safe, and quality repairs[20]. I-CAR has a professional development program (PDP), which includes training to allow individuals and collision repair centers to achieve Platinum and Gold Class recognition, welding training and certification, and career and technical school programs.

Platinum recognition is received when the individual completes all three levels of training offered by I-CAR, known as ProLevel 1, 2 and 3. There are annual training courses required to keep their recognition current. For a collision repair business to quality for the Gold Class Professionals designation, they are required to have a Platinum individual in each of the four roles: refinish technician, steel structural technician, non-structural technician, and estimator[21]. The welding training and certification consists of three in-shop courses, which are followed by a final test. This certification is valid for three years. The career and technical schools work to recruit new talent to the industry and provide training. This includes high schools, colleges and technical schools that provide collision repair programs.

The courses released by the PDP provide collision repair with a guide to build their knowledge and skills. The PDP also provides guidance to allow individuals to stay current with their knowledge and skills to produce proper repairs, improve business performance and reduce risks. Courses are delivered by a variety of methods, included live, online, virtual, and in-shop hands on.

In person I-CAR training programs are only offered in Winnipeg, which creates an additional cost for northern shops having to frequently send their technicians south for training.

Impact on Northern Labour Market

There is a smaller pool of apprentices looking for work in northern Manitoba. Some shops have shifted their focus to identifying young people in high school who may have an interest in the autobody repair trade and providing them with employment as a shop assistant until eventually entering the apprenticeship program. The barrier for northern shops comes from having to send apprentices to Winnipeg for training, which can range from 4 to 10 weeks per year for the duration of the apprenticeship program. Shops in Winnipeg do not need to

[19] https://www.rrc.ca/numbers/wp-content/uploads/sites/23/2022/08/Graduate-Satisfaction-Employment-Report-2019-2020-v2.pdf

[20] https://info.i-car.com/

[21] https://mpipartners.ca/LightVehicles/Training/ICARTraining.html

pay for travel costs and accommodation for their apprentices attending school in their town of principal residence. Northern shops trying to attract and retain apprentices may incur travel costs between $4,500 to $11,000 per year to send a single apprentice south for in-class training if travel is offered as a benefit to apprentices. It should be noted that some shops in the south not located in Winnipeg will encounter the same barrier, but travel and accommodation costs are generally less as many students will still be able to commute home daily or on weekends.

I-CAR training programs create a significant travel cost for northern shops. Overall travel and training costs in the last year averaged 6.8% of total labour costs for northern shops (see

Autobody Industry Profitability Drivers section), with shops paying up to $60,000 per year in combined travel and training costs, and travel costs consisting of approximately 64% of the total training and travel cost category.

Wage Analysis

This section details the wages paid to autobody workers in the north and compares them to autobody workers in the south and other industries in the north.

Variable Wages

Autobody shops commonly pay technicians on a flat rate, or an established amount per labour hour of the estimate. Generally, autobody shops with higher volumes can attract technicians with the increased potential for higher pay based on the technician's own productivity. Shops with lower volumes may not have enough jobs to enable a technician to fully recognize the benefit – i.e., if the job can be completed in less time, but there is not another job to do, the technician will not be able to earn more by completing the first job faster. Consultation with the northern shops indicated that there is a surplus of demand and months long waiting lists, so shops in the north would have a similar opportunity for technicians to increase their earnings as they would in high throughput shops in the south.

Northern Autobody Wages by Skill Level

Red Seal

The four shops reported a total of 12 individuals with a Red Seal certification. On average, employees with their Red Seal had an average of 9.2 years of experience in the industry. Total annual compensation for Red Seal staff (excluding owners) ranged from $87,021 to $115,005, with an average gross compensation of $97,593. Gross compensation includes salary, bonus, and benefits and is considered the total annual cost of the employee to the shop, excluding payroll taxes. The shop with the least Red Seal staff had the lowest average Red Seal compensation and did not identify any bonuses paid to shop staff.

Red Seal estimators may be paid on a commission basis. Excluding commission-based staff, the base hourly rate for Red Seal journeymen ranged from $34.00 - $41.00 per hour, with an average rate of $36.25 per hour. An individual's labour specialty does not appear to play a significant role in earnings, with Red Seal painters earning a $35.00 per hour base rate and Red Seal technicians earning $36.79 per hour on average.

ICAR Recognition

The four shops reported a total of 17 individuals with ICAR recognition including specific designations for Structural Technician, Non-Structural Technician, Refinish Technician, and Estimators. Some shops identified Platinum ICAR status but did not break down the specific designation types for all staff. All Red Seal journeymen also have ICAR recognition, but not all individuals with ICAR recognition are Red Seal journeymen.

Gross annual compensation for ICAR designated staff, excluding owners, managers, and estimators, ranged

from $70,827 to $115,005, with an average gross annual compensation of $96,198. The base hourly rate for an individual with ICAR recognition ranged from $30.75 to $41.00 per hour, with an average rate of $34.72. Excluding Red Seals, the high point for gross compensation falls to $109,938 with an average compensation of $91,082. The base hourly rate for individuals with only their ICAR certification ranged from $30.75 to $37.00 per hour, with an average rate of $33.92.

No Designation

Shops reported a total of 12 staff members working on the shop floor without a Red Seal or ICAR designation. These positions include shop assistants, non-designated helpers, and designated apprentices. The base wages for shop assistants ranged from $14 to $18 per hour, non-designated staff ranged from $19 to $22 per hour, and designated apprentices ranged from $27 to $30 per hour. Total compensation for these positions was more variable, with some shops paying bonuses to staff with more years of experience, ranging from $1,500 for shop assistants to $5,000 for apprentices.

Office Staff

Some shops shared wages paid to administrative and office staff. However, some shops share their administrative labour and costs with related enterprises (auto sales and mechanic shop), so there is an insufficient sample of office staff directly related to autobody shops. There is a larger variability in administrative compensation, with some shops paying efficiency bonuses or commission to their Office and Parts Managers. The average total compensation for an Office or Parts Manager is $86,165. Non-management office roles, including clerical support and parts support, averaged total compensation of $55,528.

Summary

Table 21 summarizes the base hourly wages for each level of experience in the four sampled northern shops.

Table 21: Northern Manitoba Autobody Base Hourly wages

Labour Type	Low	Average	High
Red Seal Certified	$34.00	$36.25	$41.00
ICAR Designated	$30.75	$33.92	$37.00
Apprentices	$27.00	$28.33	$30.00
Non-designated	$19.00	$20.50	$22.00
Shop Assistants	$14.00	$18.58	$25.00

Table 22 summarizes the range of gross annual compensation, which includes bonus and benefits.

Table 22: Northern Manitoba Autobody Gross Annual Compensation

Labour Type	Low	Average	High
Red Seal Certified	$87,021	$98,137	$115,005
ICAR Designated	$70,827	$91,082	$109,938
Apprentices	$63,830	$66,923	$73,100
Non-designated	$42,560	$48,670	$54,780
Shop Assistants	$31,920	$45,827	$60,840

Southern Labour Market

The listing of autobody related job postings reviewed for comparative purposes is included in Appendix C. A sample of 17 job postings with posted wages from southern Manitoba shops was used to determine the average wage range for multiple levels of experience. Wage ranges vary depending on the company as well as an individual's designations, level of experience, union status, and negotiating skill. Additionally, some larger shops pay technicians based on their efficiency. If a technician can do a job faster than the quoted labour time it may increase their total pay.

Determining an accurate compensation range for each experience and certification level received would require a broad survey of the southern autobody shops. In lieu of a survey, this study uses an aggregate of the wage ranges observed in the job postings in Appendix C. An average of the observed base hourly pay ranges for Red

Seal / Journeyman, Apprentice, and Shop Assistant positions is listed in Table 23. Note that upper and lower limits represent the average of all observed limits to provide a better picture of the overall southern market. For example, a Red Seal technician in Winnipeg may earn more than $48.08 per hour, but this is on average the high-end rate based on available local job postings.

Table 23: Average Observed Pay Scale for Autobody Jobs, Winnipeg

	Average Base Hourly Rate		
Labour Type	**Low**	**Mid**	**High**
Red Seal / Journeyman	$30.50	$39.29	$48.08
Apprentice	$15.80	$20.70	$25.60
Shop Assistant	$15.00	$16.50	$18.00

Table 24 provides the annualized base salary based on multiplying the base hourly rates from Table 23 by a standard full-time 2,080-hour work year.

Table 24: Annualized Base Salaries for Autobody Jobs, Winnipeg

	Average Annual Base Salary		
Labour Type	**Low**	**Mid**	**High**
Red Seal / Journeyman	$63,440	$81,723	$100,006
Apprentice	$32,864	$43,056	$53,248
Shop Assistant	$31,200	$34,320	$37,440

Autobody Wages in the North Compared to the South

For employees with a Red Seal certification, the north tended to have a higher starting wage. However, the midpoint of the posted wage ranges for a Red Seal employee was nearly 8% higher in the south than the average in the north, and the hourly wage for a more experienced employee was 15% higher in the south. It must be noted that the $36.25 average in the north represents the average of the actual base wage for the current Red Seal technicians in the north, whereas the $39.29 base wage for southern shops represents the midpoint between the low and high wage ranges from job postings. Determining the actual average for Red Seal technicians in the south would require a labour force survey of southern shops.

Table 25: Wages for Red Seal Certified Employees in the North and South

	Low	Average / Mid	High
Northern Shops	$34.00	$36.25	$41.00
Southern Shops	$30.50	$39.29	$48.08
Northern Variance	111.5%	92.3%	85.3%

Apprentices in the north had significantly higher starting wages compared to those in the south. And while the north consistently had higher wages for all experience levels, as the experience level increased, the difference between the north and south decreased. For the highest level of experience, the north had only a 17% premium compared to the south.

Table 26: Wages for Apprentices in the North and South

	Low	Average / Mid	High
Northern Shops	$27.00	$28.33	$30.00
Southern Shops	$15.80	$20.70	$25.60
North as % of South	170.9%	136.9%	117.2%

The starting wage for a shop assistant[22] was similar between jobs in the north and the south. As the experience level increased, so did the premium that was offered in the north.

Table 27: Wages for Shop Assistants in the North and South

	Low	Average / Mid	High
Northern Shops	$14.00	$18.58	$25.00
Southern Shops	$15.00	$16.50	$18.00
North as % of South	93.3%	12.6%	38.9%

Northern Labour Market

Labour Pool

Statistics from the Employment section have been used to estimate the gross labour pool (the number of employable workers) in each town in Table 28. This is a simplified estimate of the labour pool as it does not include consideration for non-local workers commuting in, or locals commuting out for work.

[22] In the north, this includes administrative assistant, parts and shop support, reception/office support, receptionist, shop assistant and wash bay

Table 28: Northern Labour Pool by Town, 2021

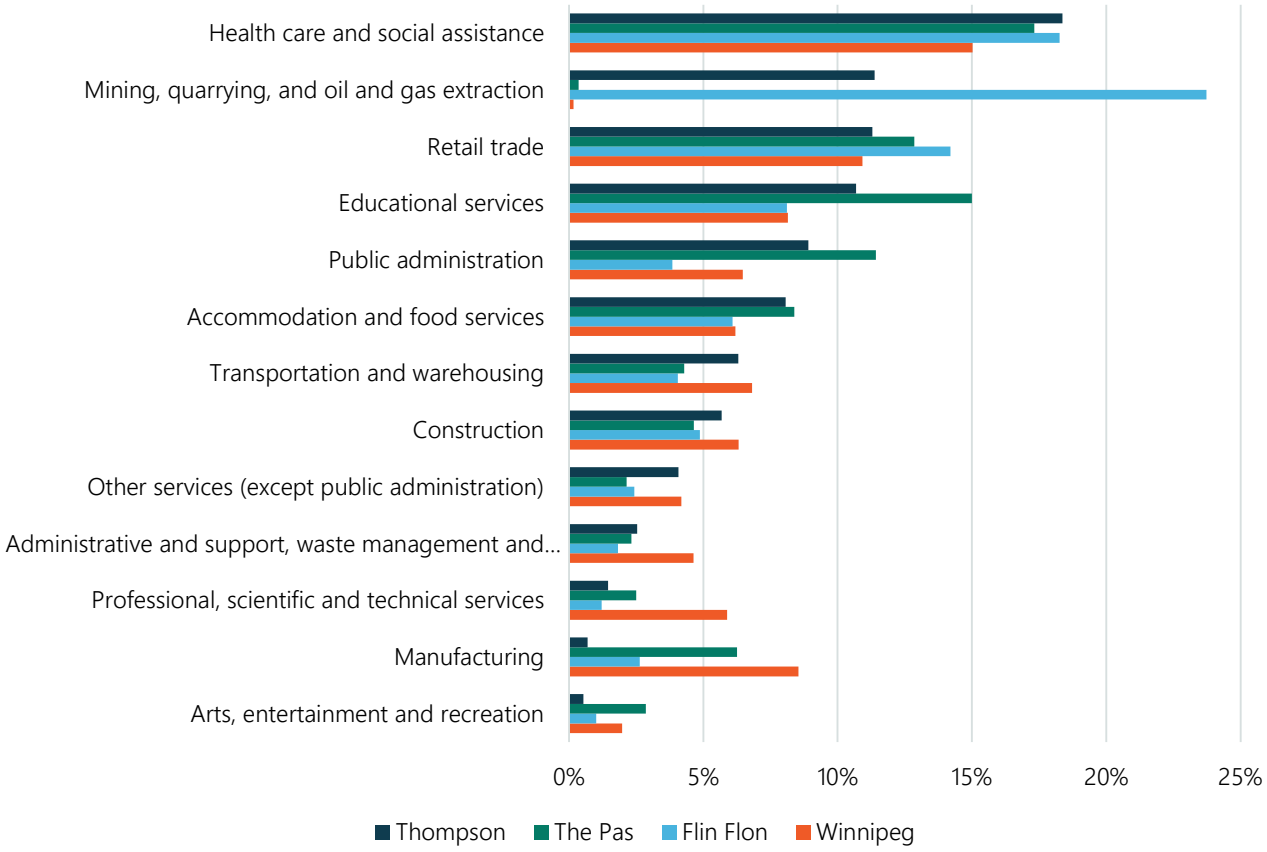
	Thompson	The Pas	Flin Flon
Population in 2021	13,035	5,639	4,940
Percent of population - 15 to 64 years	66.7%	65.5%	63.9%
Employable population	**8,694**	**3,694**	**3,157**
Labour participation rate	76.3%	69%	66.9%
Labour Pool	**6,634**	**2,549**	**2,112**

Results show a relatively small labour pool that employers must compete for from each town. These results also show the impact that a major employer can have on any of these towns. For example, Vale employs approximately 900 people in its Thompson operations, meaning it accounts for 13.6% of the local labour pool.

Figure 11 shows the main industries[23] in each of the four comparator cities. The main industry in Thompson, The Pas and Winnipeg was health care and social assistance. Flin Flon's most popular industry was mining, quarrying and oil and gas extraction – this was also the second most common industry in Thompson. Both Flin Flon and Thompson have a large mining employer in their cities, with Vale having a mine near Thompson, and HudBay having a mine near Flin Flon. The mining industry had less than 1% of the population in The Pas and Winnipeg. Autobody shops fall under the other services category, which ranked near the middle of the 20 categories (9th in Thompson, 10th in Flin Flon, 11th in Winnipeg and 12th in The Pas).

[23] There are 20 industries in total, with Figure 10 highlighting 13 of the most common

Figure 11: Labour Force Aged 15 years and over by Industry - North American Industry Classification System (NAICS), 2017



General Labour

A sample of non-autobody industry job postings was analyzed for comparative purposes (see Appendix D for the job listing and details). There was a variety of positions that the municipalities were hiring for, with a range of educational or experience requirements. Of the jobs sampled, the most common requirement was a grade 12 education coupled with an additional certification or some previous experience in the industry. However there were also multiple positions where the only requirement was a grade 12 education, with a wide offering of starting wages (see Table 29 on page 42).

Like the southern labour market, determining an accurate compensation range for each job opportunity and experience level would require extensively detailed information from a large variety of employers in all three cities. This study uses an aggregate of the wage ranges observed in the job postings in Appendix D. General labour positions, where job postings only require a grade 12 education. An average of the observed base hourly pay ranges for positions requiring only a grade 12 education is listed in Table 61.

Table 29: Average Observed Pay Scale for Non-Autobody Jobs requiring only a Grade 12 Education, Northern Manitoba

Average Base Hourly Rate		
Low	Mid	High
$14.77	$19.47	$25.75

Table 30 provides the annualized base salary based on multiplying the base hourly rates from Table 29 by a standard full-time 2,080-hour work year.

Table 30: Annualized Base Salaries for Non-Autobody Jobs requiring only a Grade 12 Education, Northern Manitoba

Average Annual Base Salary		
Low	Mid	High
$30,722	$40,498	$53,560

A relatively inexperienced or uneducated individual appears to have ample opportunity to earn above $40,000 per year in a starting level or general labour position. Multiple job postings indicated they would remain open until a suitable applicant is found or had the start date listed as "as soon as possible", which could imply difficulty finding suitable candidates and an eagerness to have the roles filled. The job postings did not provide much additional detail regarding additional compensation or benefits with the postings, but a benefits package was noted for most jobs.

Northern Manitoba Employers with Collective Agreements

This section highlights what some of the competitors with collective agreements are offering unionized employees in the north. Collective agreement information has been gathered from the following major employers to compare what other major employers are offering in terms of wages, benefits, and time off in comparison to the autobody industry.

- Vale
- Manitoba Hydro – CUPE
- Manitoba Hydro – Electric Workers
- City of Thompson
- City of Thompson Firefighters
- HudBay

Detailed collective agreement information for each employer is provided in Appendix E. A summary of wages paid at multiple seniority levels for each employer is listed in Table 31. The "full performance" wage range represents the wage an employee can obtain once they have completed all necessary training for their role and/or obtained the highest rate based on their level of seniority. For example, an employee starting at Vale at

the lowest ranked job would receive $22.32 per hour. Once they were fully trained at performing at the required level, they would be making $27.87 per hour. An employee coming in at the highest ranked position would have a starting wage of $40.38, and after fully developing in their role would receive $50.45. Note that the City of Thompson (Firefighters) and HudBay did not provide a range based on experience, and the number reported is the stated wage for the lowest ranked position and the highest ranked position.

Table 31: Summary of Hourly Wages for Select Collective Agreements in the North

	Entry		Midpoint		Full Performance	
	Lowest rank	**Highest rank**	**Lowest rank**	**Highest rank**	**Lowest rank**	**Highest rank**
Vale	$22.32	$40.38	$25.10	$45.42	$27.87	$50.45
Manitoba Hydro - CUPE	$15.52	$37.97	$18.42	$45.14	$21.31	$52.31
Manitoba Hydro - Electric Workers	$16.14	$47.98	$19.10	$50.67	$22.06	$53.36
City of Thompson (USW - Office & Technical)	$23.85	$33.12	$26.92	$36.20	$29.98	$39.27
City of Thompson (USW - Trades & Labour)	$25.50	$35.24	$28.39	$38.12	$31.27	$40.99
City of Thompson (Firefighters)			$27.16	$42.73		
HudBay			$26.86	$43.32		
Average	**$20.67**	**$38.94**	**$24.14**	**$42.91**	**$26.22**	**$45.88**

The average median employment income for full-time workers in the north was $72,167 as reported by Statistics Canada. Results from the analysis of collective agreements confirms this result within a reasonable range, as the average of the midpoint in Table 32 is $70,356. For those starting with a company in a higher ranked position, their starting salaries exceed the Statistics Canada of northern median.

Table 32: Summary of Annual Wages for Select Collective Agreements in the North

	Entry		Midpoint		Full Performance	
	Lowest rank	**Highest rank**	**Lowest rank**	**Highest rank**	**Lowest rank**	**Highest rank**
Vale	$46,426	$83,990	$52,208	$94,474	$57,970	$104,936
Manitoba Hydro - CUPE	$32,282	$78,978	$38,314	$93,891	$44,325	$108,805
Manitoba Hydro - Electric Workers	$33,571	$99,798	$39,728	$105,394	$45,885	$110,989
City of Thompson (USW - Office & Technical)	$49,608	$68,890	$55,994	$75,296	$62,358	$81,682

	Entry		Midpoint		Full Performance	
City of Thompson (USW - Trades & Labour)	$53,040	$73,299	$59,051	$79,290	$65,042	$85,259
City of Thompson (Firefighters)			$56,493	$88,878		
HudBay			$55,869	$90,106		
Average	**$42,985**	**$80,991**	**$51,094**	**$89,618**	**$55,116**	**$98,334**

Autobody Wages in the North Compared to Other Northern Industries

Table 33 provides a comparison of the wages for unionized employees in the north to autobody wages in the north. Jobs have been compared based on skill level to relative union rank; Red Seal technicians have been compared to a highest rank, ICAR designated technicians and apprentices have been compared to the midpoint of low and high ranks, and non-designated technicians and shop assistants have been compared to the lowest rank.

- Red Seal technicians on average earn between 11% to 16% less than the highest rank employees in unionized roles.
- ICAR designated technicians are near equal with their relatively comparable union counterparts, earning 1% to 3% more on average. However, this could also be due to under-ranking ICAR designated technicians. If compared to the highest union ranks, ICAR designated technicians would be earning approximately 20% less on average.
- Apprentices earn between 9% to 17% less than the middle-ranked union roles. Apprentices must complete their training and proceed to higher skill levels to surpass what a mid-level unionized employee with the major employers can earn in the north.
- Non-designated staff and shop assistants earn less than the entry level union employees in all categories, indicating that shops may need to raise their expected labour costs to attract entry level employees.

Table 33: Comparison of Union Wages in the North to Northern Autobody Wages

Labour Type	Low	Mid	High
Red Seal Certified	$34.00	$36.25	$41.00
Northern Union Average – Highest Rank	$38.94	$42.91	$45.88
Autobody as % of Union	87%	84%	89%
Labour Type	**Low**	**Mid**	**High**
ICAR Designated	$30.75	$33.92	$37.00
Northern Union Average – Midpoint of Highest and Lowest Rank	$29.81	$33.53	$36.05
Autobody as % of Union	103%	101%	103%
Labour Type	**Low**	**Mid**	**High**
Apprentices	$27.00	$28.33	$30.00
Northern Union Average – Midpoint of Highest and Lowest Rank	$29.81	$33.53	$36.05
Autobody as % of Union	91%	84%	83%
Labour Type	**Low**	**Mid**	**High**
Non-designated	$19.00	$20.50	$22.00
Northern Union Average – Lowest Rank	$20.67	$24.14	$26.22
Autobody as % of Union	92%	85%	84%
Labour Type	**Low**	**Mid**	**High**
Shop Assistants	$14.00	$18.58	$25.00
Northern Union Average - Entry	$20.67	$24.14	$26.22
Autobody as % of Union	68%	77%	95%

Wage Analysis Conclusions

Northern autobody shops pay relatively competitive wages when measured against one another, with a standard deviation of $5,573 in gross annual compensation. Shop representatives stated that they aim to pay 1/3 of the hourly labour rate to staff. Table 34 outlines the actual ratio that an average Red Seal technician working 2,080 hours per year earns in comparison to the current northern MPI labour rate. The ratio ranges from 45% to 50% depending on the job type.

Table 34: Red Seal Gross Hourly Rate as a Percentage of the MPI Northern Labour Rate

	MPI Year 2 Rate	Red Seal Gross Hourly Rate	Ratio
Body / Refinish / Glass	$94.20	$47.18	50.1%
Frame	$104.40	$47.18	45.2%

Most shops listed shop assistants or lot helpers in their staff, but there are minimal apprentices or other shop floor staff working towards their designations. The lack of staff at the apprentice or intermediate level shows that shops are having a difficult time attracting new skilled talent into the industry and points to an imminent crisis in succession for journeypersons.

The labour shortage of experienced autobody technicians is also apparent in the southern market. Job postings are frequently unspecific; they are seeking individuals with any skill level and are offering signing bonuses. Most job postings list that a Red Seal or Journeyman is preferred but also encourage apprentices or other applicants with any experience in the industry to apply.

Job Benefits Analysis

Southern Labour Market

Other forms of compensation and benefits that were noted in job postings for the southern market included:

- Company pension plan or RRSP matching
- Employee share purchase plan
- Performance incentive bonuses
- Signing bonuses
- Shop discounts
- Annual fitness subsidy
- Part-time study programs
- Flexible work environment

The modern nature of job postings meant that most of these benefits did not have a value listed, but nevertheless this list provides examples of benefits that the northern industry would need to offer to be competitive, if they are not already.

Northern Labour Market

Vacation days for unionized employees tend to start from 10 to 15 days annually (Table 35). Over the course of a career with a company, an employee may gain an additional 10 to 16 vacation days. On average, an employee in the north can earn up to 27.2 vacation days per year (5.4 weeks) by their 25th year of employment.

Table 35: Number of Vacation Days based on Anniversary Year

	Year 1	Year 5	Year 10	Year 15	Year 20	Year 25
Vale	15	20	20	25	25	30
Manitoba Hydro – CUPE	10	15	20	20	25	25
Manitoba Hydro - Electric Workers	10	15	20	20	25	25
City of Thompson (USW)	15	20	22	25	30	31
City of Thompson (Firefighters)	15	20	23	24	27	27
HudBay	10	15	17	21	22	25
Average	**12.5**	**17.5**	**20.3**	**22.5**	**25.7**	**27.2**

The benefits offered by the employers with a collective agreement were similar across the agreements. Dental is offered to all, and health and drug coverage was offered in almost all agreements. Some form of compensation for sickness was offered in all agreements, either by STD/LTD or Accident and Sickness insurance.

Table 36 outlines the benefits offered by the employers with a collective agreement.

The travel benefit is a unique benefit in the north offered by HubBay and Manitoba Hydro. The benefit provides employees with additional time off to be added to their vacation to help compensate for the additional travel that is required when staying in the north versus staying in a major city. Travel days were also available to those who needed to travel out of their current location for medical appointments or to accompany a dependent in their travels. For employees residing in Snow Lake, HudBay reimburses up to two trips per person per year for optometrist appointments in The Pas or Flin Flon, at a rate of $0.40 per kilometer. They also reimburse all dentists trips to the same locations. If the employee is seeking care in Thompson, the reimbursement rate is the same as the bus fare. If an individual has a medical referral to the above listed locations, HudBay will subsidize the travel at the difference between $0.40 per kilometer and the amount paid by the Northern Patient Transportation Program. At Manitoba Hydro, employees receive an additional two days (one workday prior to and one day following their designated annual vacation) as travel time at their basic rate of pay to compensate for the northern location. For medical and dentist appointments, the employee may be granted a maximum of two days leave at their basic rate of pay to use as travel time for appointments.

Table 36: Summary of Employee Benefits by Northern Employer

	Vale	MB Hydro[24]	City of Thompson (USW)	City of Thompson (Firefighters)	HudBay
(Extended) Health	X	X	X	X	X
HSA		X			
Drug		X	X	X	X
Dental	X	X	X	X	X
Vision			X	X	
STD/LTD	X	X			X
Accident and Sickness			X	X	
Life			X	X	X
Accidental death and dismemberment	X		X	X	X
Travel		X			X

Job Benefits Analysis Conclusions

Benefits northern shops may need to offer to be competitive with other northern employers, include:

- **Extended Health Plans** – Extended health benefits, drug and dental plans are commonly offered by referenced northern employers.
- **Signing bonuses** – Shops looking to attract apprentices or skilled workers could provide signing bonuses. To reduce risk to the shop, the signing bonus should be depreciable. That is, employees are required to work a certain amount of time to reduce a clawback on their signing bonus should they leave before a specified period.
- **Relocation expenses** – One northern shop identified that they've paid relocation expenses for a skilled employee to move north from the south. To compete in the whole provincial market, northern shops could advertise in southern labour markets and offer relocation expenses for skilled employees. Southern employees may be enticed by higher wage offerings in the north and having their relocation expenses paid helps remove a barrier moving north.

  Travel benefits – As noted above with Manitoba Hydro and HudBay, these employers provide additional time and and/or pay to help compensate for the additional travel they incur for appointments due to the northern location. In general, the benefit is used to get employees from more remote locations to town centers such as Flin Flon, The Pas, or Thompson. However, the inconvenience

[24] Includes CUPE and Electric Workers

of travelling south for appointments was mentioned on several instances during northern shop consultation. Similar to having additional travel requirements for medical appointments, when those individuals in the north travel for vacation, their travel time required is longer than those residing in a major city center. Manitoba Hydro helps to compensate for this by adding an additional two days to the northern employees' vacation, with one day prior to their vacation and one day after their vacation. This helps to compensate for the extra travel time required.

Autobody Industry Profitability Drivers

This section provides an analysis of profitability for a typical autobody repair shop in Canada and Manitoba. The purpose of examining overall industry profitability is to determine an appropriate profitability benchmark for northern shops. Further comparisons of shop costs between the north and south will determine the profitability differential that would make it worthwhile for a business owner in the north.

Industry Standards

Key External Drivers[25]

There are five identified key drivers that impact annual growth in the autobody industry:

1. **Consumer spending** saw a 1.2% increase nationwide from 2016 to 2021. While vehicles get damaged, not all damaged vehicles get repaired. Consumers may choose to postpone non-essential repairs or services when income growth is low. When the consumer spending increases, consumers may opt to spend more on services such as minor bodywork and paintwork.
2. **The number of businesses in the industry** increased by 0.5% nationwide from 2016 to 2021. This driver represents the number of private employer businesses within the country. Businesses regularly repair and maintain their vehicles, which in turn increases the demand for autobody shops.
3. **New vehicle sales** saw a 3.3% decrease from 2016 to 2021. These sales tend to move in line with the economy. As more new vehicles are sold, the demand for autobody shop services grows, as there are more vehicles that require service. However, an increase in the rate of new vehicle purchases can also decrease the demand for services required for existing vehicles.
4. **Total vehicle-kilometers** decreased 1.3% from 2016 to 2021. As the kilometers driven increases, so does the likelihood of accidents which increases the demand for industry services. Concerns around the environment and fuel prices, as well as changes in commuting patterns and an increase in remote work during the pandemic have driven a decrease in the average number of kilometers vehicles are driven.
5. **The number of vehicles registered** increased by 1.8% from 2016 to 2021. More vehicles on the road increases the chances of an accident, which increases the demand for repair services.

Shops in northern Manitoba will be similarly impacted by macro-economic external drivers, such as consumer spending, new vehicle sales, and the number of vehicles registered. However, the number of businesses in northern Manitoba has remained constant in recent years. Consultation with the northern shops indicated there is a probable reduction in the number of shops within the next five years, which will drive an increase in demand to other northern shops who already do not have sufficient capacity.

[25] https://my.ibisworld.com/download/ca/en/industry/1694/1/0/pdf

Cost Drivers[26]

Table 37 outlines the breakdown of costs for the autobody industry in Manitoba in 2019. Data from 2019 was used as it represents the last "normal" year of operations prior to the pandemic.

Table 37: Average Cost Driver by Percentage of Sales, Manitoba autobody shops <$5 million in sales, 2019[27]

Line Item	Percentage of Sales
Purchases, materials, and sub-contracts	44.2
Wages and benefits	29.1
Repairs and maintenance	1.1
Utilities	2.1
Rent	2.4
Insurance	1.5
Amortization	2.4
Other expenses	10.1
Total Expenses	**92.9**
Net Profit	**7.1**

Purchases (44.2%) and wages (29.1%) combined account for nearly three-quarters of revenue. There has been an increase in the uptake of purchasing aftermarket parts for a lower cost. However, as has been experienced in northern Manitoba, operators located further away from distribution centers may not see the same savings from aftermarket parts as operators located nearby.

Labour costs are significant, as shops rely on highly experienced and specialized individuals to complete jobs. The labour percentage of sales of 29.1% for all of Manitoba provides a benchmark for comparing labour costs in the north and is considered in the following section on Northern Business Costs.

Other expenses of 10.1% include interest and debt servicing costs, professional fees, advertising and promotion, shipping costs, and other overhead expenses.

Profitability [28]

Historically, the autobody business has been a profitable industry in Manitoba. Between 2013 and 2015 they averaged two to three percentage points over other industries, then dropping more in line with other industries from 2016 to 2019. Manitoba has historically had a higher ratio of repair shops to the number of registered

[26] https://my.ibisworld.com/download/ca/en/industry/1694/1/0/pdf

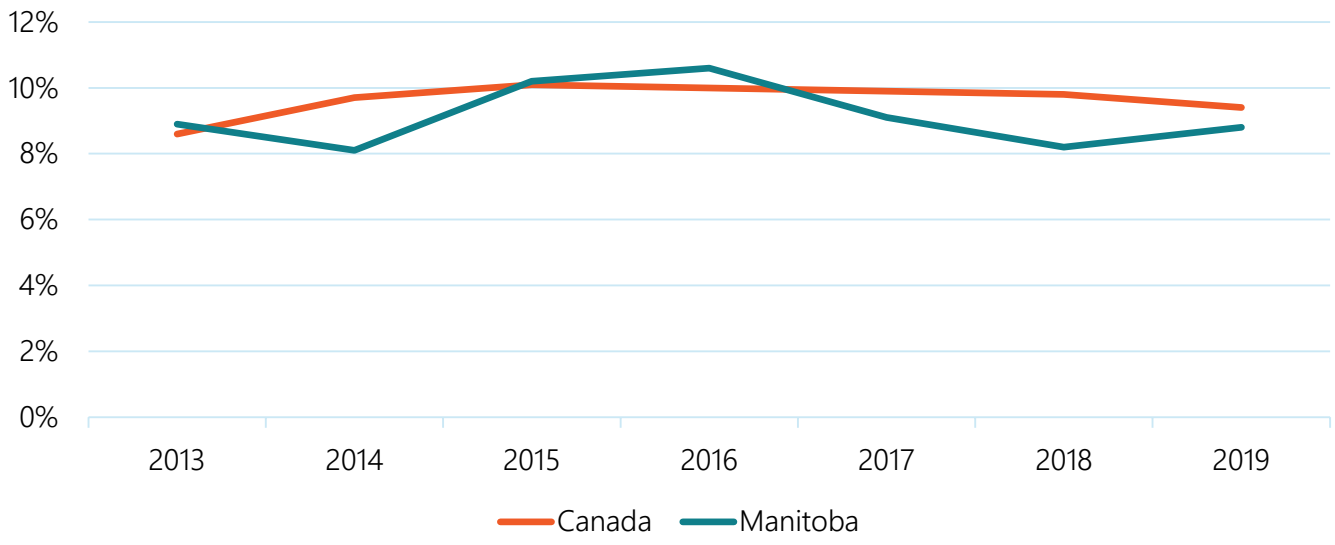
[27] Manitoba Industry (NAICS) Report 81112CA – Car Body Shops in Manitoba

[28] Government of Canada. https://www.ic.gc.ca/eic/site/pp-pp.nsf/eng/home

vehicles than all other provinces. This in turn leads to Manitoba having a smaller number of registered vehicles per shop on average.

The average EBITDA margin for autobody repair shops in Manitoba has varied around the Canadian average since 2017, with Manitoba and Canada averaging 8.8% and 9.4%, respectively, in 2019. However, shop profitability varies depending on the size of the shop. On average, larger shops were closer to a 14% EBITDA margin, and smaller shops closer to a 2% EBITDA margin.

Figure 12: Average EBITDA Margin for Manitoba Autobody Shops <$5 million in Sales, 2019



Northern Shop Cost Comparison

Northern shops were asked to share data pertaining to the following key cost drivers:

- Business occupancy costs, including the cost of building construction (if owned), lease costs, utilities, building maintenance, and other significant costs identified by the business
- Labour costs, including hourly wages, benefits, and bonuses for all staff
- Skill levels of current technicians, including ICAR designation(s) and Red Seal certification

Four of the six northern shops provided cost data, with one shop opting not to participate and no response from another. Full financial results, including financial statements, were not provided, thus a direct comparison of northern profitability to southern or industry profitability could not be conducted. However, training and transportation costs were identified as a significant cash cost impacting shops in the north that is not a material cost for shops in the south.

On average, northern shops paid $16,500 for training and $31,640 for transportation in the last year. The combined value of $48,138 accounts for approximately 6.8% of the average total labour cost for shops in the north ($705,665 per year). Training and transportation costs were not broken out of the 2019 industry

profitability analysis. However, detailed industry data from 2011 showed training costs were 0.2% of industry revenue, and transportation costs were negligible. Assuming this has not changed for the south, the equivalent training cost as a percentage of wages would be 0.7% (0.2% divided by the 29.1% labour margin). This shows a 6.1% differential between the north and south for the cost of training and transportation as a percentage of labour.

Acceptable Range of Profitability

An objective of this study is to determine an acceptable range of profitability for a shop to operate in the north. The average net profit margin in Manitoba of 7.1% for the autobody industry, however the average has been shown to differ significantly when shop size is considered as a factor.

While there is no significant net difference in cost of living in the north, the same argument regarding quality of life may hold for shop owners.

Succession is a fundamental consideration in ensuring autobody repair is a sustainable service in the north. A higher return on investment (or profitability) may be needed in the north to encourage a new buyer to choose the north. Since profit is highly subject to other factors, such as shop size and management practices, aiming for a target margin may be problematic. As there are built-in margins in the respective rates, a labour rate premium for the north will also provide a similar adjustment in margin available for profit.

Conclusions

Summary of Results

Table 38 and Table 39 outline the quantitative variances observed that are assumed to be materially relevant to determining the northern shop compensation premium.

Table 38: Summary of Quantitative Market Differentials

Market Factor	North to South Variance	Source; Notes
Median Income from Full Time Employment	24%	StatsCan; Average differential of the three northern municipalities [The Pas – 16.4%; Thompson 25.9%; Flin Flon 31%]
Dwelling Value	(53%)	StatsCan
Cost of Living – Excluding Home Replacement Cost	1.67%	MNP research; Average of northern markets
Cost of Living – Including Home Replacement Cost	(0.04%)	
Wages – Red Seal	92.3%	Average wages as reported by northern shops vs midpoint of wage ranges in southern postings
Wages – Apprentice	136.9%	
Wages – Shop Assistants	112.6%	
Training & Travel Costs	6.1% of total labour costs	

Table 39: Northern Autobody to Other Northern Industries Wage Differentials

	Low	Mid	High
Red Seal	87%	84%	89%
ICAR Designated	103%	101%	103%
Apprentices	91%	84%	83%
Non-designated	92%	85%	84%
Shop Assistants	68%	77%	95%

Summary Analysis - Northern Differential

Labour Rate

A complex index to determine the net northern labour differential could be completed through an aggregation of the above results. Such an index would require frequent adjustments to ensure the index reflects prevailing market factors. This does not appear to be warranted by the minimal difference in cost of living. The following factors are indicated as the most relevant to northern shop competitiveness and are relatively easy to track.

Market Factor	Differential	Rationale
Median Market Income	24%	Median full-time income is publicly available information published every five years with the census. The current average differential of 24% may be considered to represent the labour market competitive difference between Winnipeg and the northern municipalities.
Training and Travel Costs	6.1% of wage costs	Both the consultation and cost analysis indicated that training and travel costs are a significant factor for northern shops. Training and travel expense may be calculated as a percentage of total wage expense, or may be considered as a direct, actual expense.

Table 40 outlines the impact on the current northern labour rates if they were to be adjusted for both the median market income and the training and travel cost differentials. The formula used to determine the adjusted northern rate is:

$$Northern\ Rate = Southern\ Rate\ x\ (1 + Median\ Market\ Income\ Differential + Training\ and\ Travel\ Cost\ Differential\ x\ Industry\ Average\ Wage\ Margin)$$

For example, the adjusted northern body rate would increase to $98.73:

$$Adjusted\ Northern\ Body\ Rate = \$78.50\ x\ (1 + 24\% + 6.1\%\ x\ 29.1\%) = \$98.73$$

Table 40: Northern Labour Rate (MPI Year 2), Adjusted for Market Differential

	Units	South	Existing Northern Rate	Adjusted Northern Rate to market median	Adjusted to include training
Body / Refinish / Glass	Per Hour	$78.50	$94.20	$97.34	$98.73
Frame	Per Hour	$87.00	$104.40	$107.88	$109.42

Alternatively, MPI could reimburse actual, direct extraordinary travel or related expenses required for northern technicians to attend training rather than paying a premium through the shop labour rate. Additional lost profitability for travel time could similarly be considered. This method would incentivize actual use and application to extraordinary training expenses. Under this option, the median market income differential alone would be the most applicable northern premium.

Materials Rates

No significant findings were made that would indicate the existing northern premium paid on materials costs is insufficient for the northern shops. Consultation revealed that freight surcharges are the main issue that the northern shops feel are not being properly compensated. However, no shops presented evidence of excess freight charges when requested. A review of freight policy in the context of shop concerns of when freight is / is not paid may be worth consideration.

Shop Profitability

The labour rate includes a margin for overhead and profitability. As overhead is not affected by an increase in the labour rate, the balance not taken up by direct wage increases is available for profit. The labour market differential of 24% (excluding training) is a difference of $18.84 per hour for Body/Refinish/Glass and $20.88 per hour for Frame labour. The comparison to northern industry wages indicated a need to increase wages by approximately $5-7 per hour. Apprentices are currently being compensated at approximately $7-8 more per hour than in the south, for a total differential of $12-13. With associated benefits (at 20%) this means approximately $10-15 per hour of the labour rate increase would be required for the wage adjustments. The difference of $4-5 per hour (or more for journeypersons), or 5% of the south labour rate, would be available to improve the profit margin. With labour rates representing approximately 35% of a claim value (MNP, 2021), this would increase profit margin by 2%, which at the industry average of 8% would be an increase of 25%, or a similar premium on profitability as the difference in median income.

MPI Responsibility

MPI places direct obligations on shops related to required training and technician qualifications to perform MPI repairs. The ability to attract, retain and train skilled labour is a significant factor in availability of autobody repair services in a particular market. Northern shops are encountering significant succession concerns. If new labour cannot be attracted to the north, the industry risks destabilization, which could impact MPI's objective to ensure the accessibility of auto repair services to Manitobans in the north.

Market differentials on costs associated with attraction, retention and training are reasonable to consider in rates for these markets. Other differences in direct costs, such as freight expenses, are also reasonable to consider on a 'substantive equality' basis. Information was not available to quantify any impacts related to freight.

A move towards direct reimbursement of shop incurred travel costs related to training would be a departure from MPI's existing shop compensation protocol. However, it may be the optimal solution for ensuring each shop across Manitoba has an equal opportunity to maintain a highly skilled and certified workforce. Direct

reimbursement would reduce the risk to both parties:

- Northern shops would be reimbursed for their extraordinary costs directly; they would not have to manage these costs out of the margin on their labour rate.
- MPI would only reimburse shops for actual extraordinary costs incurred, reducing the risk of over or underpayment of labour compensation premiums to northern shops and encouraging industry participation in training programs.

Other Considerations

1. Overall, the average wage cost for autobody repair as a percentage of revenue is 29%. Revenue includes all forms of compensation, including parts, materials, etc. which in past studies is approximately 35% of total revenue. While it is reasonable for a shop to seek an industry-average recovery on labour, it is not reasonable to seek this recovery from the labour rate alone, as suggested in northern shop interviews.
2. Concerns were expressed that northern premiums are not consistently applied to northern claims. MPI should review its internal quality assurance mechanisms on northern claims to provide information on both frequency of error and methods to prevent such errors. This will prevent excess administrative work on both sides as shop managers will not need to process claim adjustments for amounts that should have been automatically added by MPI.

Report Assumptions and Limitations

The collective agreements used for the market labour analysis were collected online. While the most recent available collective agreement was used for analysis, some may be expired, or are in the process of negotiations.

Compensation for autobody workers in the south has been estimated based on a sample of recent job postings in Winnipeg. Determining actual market compensation would require a survey of businesses or workers which is outside the scope of this engagement.

A direct comparison of shop costs to the industry average would require collecting full financial statements from the northern shops. For this study, shops were only asked to provide cost data.

Appendix A: MPI Rate Comparison by Year

Comparison of MPI Rates: North vs South

Autobody / Refinish / Glass Hourly Labour Rates

The northern rates for autobody, refinish and glass labour are consistently 20% higher than the southern rates. Both the north and south have annual increases between 2-3%.

Table 41: Autobody/Refinish/Glass Hourly Labour Rates

	South	North	Northern Premium	Northern Premium (%)
Year 1	$77.00	$92.40	$15.40	20.0%
Year 2	$78.50	$94.20	$15.70	20.0%
Year 3	$80.00	$96.00	$16.00	20.0%
Year 4	$82.00	$98.40	$16.40	20.0%

Frame Hourly Labour Rates

The frame labour rates for the north are 20% higher than the southern rates, and consistently have a 2% increase over the four years.

Table 42: Frame Hourly Labour Rates

	South	North	Northern Premium	Northern Premium (%)
Year 1	$85.00	$102.00	$17.00	20.0%
Year 2	$87.00	$104.40	$17.40	20.0%
Year 3	$88.50	$106.20	$17.70	20.0%
Year 4	$90.00	$108.00	$18.00	20.0%

Mechanical Hourly Labour Rates

The hourly labour rates for mechanical work are consistently 20% higher in the north compared to the south. The rates increase by 2% each year.

Table 43: Mechanical Hourly Labour Rates

	South	North	Northern Premium	Northern Premium (%)
Year 1	$90.00	$108.00	$18.00	20.0%
Year 2	$92.00	$110.40	$18.40	20.0%
Year 3	$94.00	$112.80	$18.80	20.0%
Year 4	$96.00	$115.20	$19.20	20.0%

Mechanical Specialty Hourly Labour Rates

The mechanical specialty rates mimic the mechanical hourly rates, with a 20% premium in the north, and 2% annual increases.

Table 44: Mechanical Specialty Hourly Labour Rates

	South	North	Northern Premium	Northern Premium (%)
Year 1	N/A	N/A	N/A	N/A
Year 2	$125.00	$150.00	$25.00	20.0%
Year 3	$127.71	$153.26	$25.55	20.0%
Year 4	$130.43	$156.52	$26.09	20.0%

Comparison of MPI Rates: Materials

Paint Material (hourly rate)

The north has a 20% premium compared to the south for paint materials. The annual increases vary with a 10% increase after year 1, and a 3-4% increase for the next two years.

Table 45: Paint Material Hourly Rates

	South	North	Northern Premium ($)	Northern Premium (%)
Year 1	$47.00	$56.40	$9.40	20.0%
Year 2	$51.70	$62.04	$10.34	20.0%
Year 3	$53.46	$64.15	$10.69	20.0%

	South	North	Northern Premium ($)	Northern Premium (%)
Year 4	$55.81	$66.97	$11.16	20.0%

Shop Material (hourly rate)

Compared to the south, the north has a premium ranging from 41-48% through the four years. The hourly rate in the north is consistent for the four years, and the south has a 5% increase after year 1.

Table 46: Shop Material Hourly Rates

	South	North	Northern Premium	Northern Premium (%)
Year 1	$6.71	$9.91	$3.20	47.7%
Year 2	$7.05	$9.91	$2.86	40.6%
Year 3	$7.05	$9.91	$2.86	40.6%
Year 4	$7.05	$9.91	$2.86	40.6%

Toxic Waste (per paint estimate)

There is a 10% premium given to the shops in the north, and the rate stays consistent over the four years.

Table 47: Toxic Waste per Paint Estimate

	South	North	Northern Premium	Northern Premium (%)
Year 1	$4.97	$5.46	$0.49	9.9%
Year 2	$4.97	$5.46	$0.49	9.9%
Year 3	$4.97	$5.46	$0.49	9.9%
Year 4	$4.97	$5.46	$0.49	9.9%

Windshield Glass Shop Material (hourly rate)

Compared to the south, the north has a 20% premium given for windshield glass shop material per hour. The rates stay consistent over the three years. Note that this allowance came into effect July 1, 2022 (year 2).

Table 48: Windshield Glass Shop Material Hourly Rate

	South	North	Northern Premium	Northern Premium (%)
Year 1	N/A	N/A	N/A	N/A
Year 2	$4.00	$4.80	$0.80	20.0%
Year 3	$4.00	$4.80	$0.80	20.0%
Year 4	$4.00	$4.80	$0.80	20.0%

Tempered Glass Shop Material (hourly rate)

The north has a 48% premium compared to the south for the first year, and a 41% premium for the remaining three years. The south has a 5% increase in their rate after year one, and the rates in the north are consistent through the four years.

Table 49: Tempered Glass Shop Material Hourly Rate

	South	North	Northern Premium	Northern Premium (%)
Year 1	$6.71	$9.91	$3.20	47.7%
Year 2	$7.05	$9.91	$2.86	40.6%
Year 3	$7.05	$9.91	$2.86	40.6%
Year 4	$7.05	$9.91	$2.86	40.6%

Glass Urethane Allowance (per item)

There is no premium for the north for the allowance allocated for glass urethane. Both the south and the north have a 5% increase in the rate after year one, and the remaining three years are consistent.

Table 50: Glass Urethane Allowance Per Item

	South	North
Year 1	$32.00	$32.00
Year 2	$33.60	$33.60
Year 3	$33.60	$33.60
Year 4	$33.60	$33.60

National Auto Glass Standards (NAGS) Discount

The NAGS discount is only given to the south and is the same for all four years.

Table 51: NAGS Discount Rates

	South	North
Year 1	25%	0%
Year 2	25%	0%
Year 3	25%	0%
Year 4	25%	0%

Appendix B: Additional Census Data

For private dwellings occupied by usual residents in 2021, the 4 cities indicated numbers ranging from 85% to 95%. Thompson had the lowest rate of 85%, while Winnipeg had the highest at 95%.

Table 52: Private Dwellings Occupied by Usual Residents, 2021

Thompson	The Pas	Flin Flon	Northern Average	Winnipeg	North Average to South Variance
85.9%	90.9%	90.0%	88.9%	95.2%	-6.6%

Based on the reporting occupied private dwellings in 2021, all cities showed a single-detached house was the most common structural type. Flin Flon had the highest percentage (78%), while Winnipeg, Thompson and The Pas had numbers ranging from 49% to 61%. Apartment units in buildings that were less than 5 storeys were the second most popular, taking up 14% to 25% of dwellings. All other structural types accounted for less than 10% of living spaces.

Table 53: Occupied Private Dwellings by Structural Type, 2021

	Thompson	The Pas	Flin Flon	Northern Average	Winnipeg	North Average to South Variance
Single-detached house	49.2%	55.1%	77.6%	60.6%	57.5%	5%
Semi-detached house	3.5%	7.2%	0.2%	3.7%	4.0%	-9%
Row house	9.4%	4.7%	2.2%	5.4%	3.9%	39%
Apartment or flat in a duplex	0.1%	0.5%	5.7%	2.1%	1.8%	14%
Apartment in a building that has fewer than five storeys	25.2%	25.3%	13.6%	21.4%	18.8%	14%
Apartment in a building that has five or more storeys	3.2%	0.2%	0.0%	1.1%	13.7%	-92%
Other single-attached house	0.1%	0.2%	0.2%	0.2%	0.1%	96%
Movable dwelling	9.3%	7.0%	0.2%	5.5%	0.2%	2385%

The number of persons in each private household in 2021 shows either 1 or 2 persons per household was the most common. The Pas reported 1 person being slightly more common over 2 persons (33% compared to 29%), while Winnipeg, Thompson and Flin Flon saw 2 persons per household more commonly. The average household size ranged from 2.1 (Flin Flon) to 2.8 (Thompson), with both Winnipeg and The Pas having an

average household size of 2.5 persons.

Table 54: Private Households by Household Size and Average Size of Household, 2021

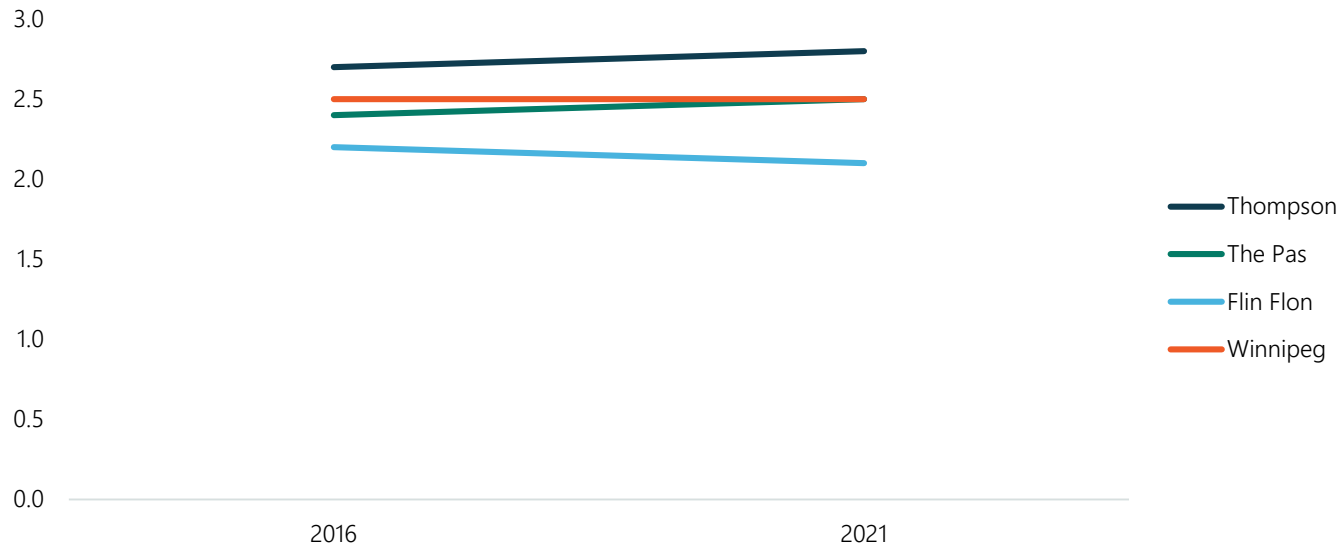
	Thompson	The Pas	Flin Flon	Northern Average	Winnipeg	North Average to South Variance
1 person	24.9%	32.6%	36.6%	31.4%	30.2%	4%
2 persons	28.2%	29.3%	37.1%	31.5%	32.0%	-1%
3 persons	17.9%	14.4%	11.4%	14.6%	15.1%	-4%
4 persons	15.6%	13.3%	9.9%	12.9%	13.6%	-5%
5 or more persons	13.4%	10.7%	5.5%	9.8%	9.1%	8%

Table 55: Average Household Size, 2021

Thompson	The Pas	Flin Flon	Northern Average	Winnipeg	North Average to South Variance
2.8	2.5	2.1	2.5	2.5	0.0

Household sizes over the last 5 years for the four cities have remained relatively consistent. Thompson and The Pas saw a slight increase. Winnipeg's average household size has stayed the same, and Flin Flon's average household side had a slight decrease.

Figure 13: Average Household Size in 2016 and 2021



Looking at the size of census families in private households in 2021, Flin Flon tended to report more smaller families than the other 3 comparator cities, with 78% of families having 3 persons or less, and 32% of families having 4 or more individuals Thompson, The Pas and Winnipeg all reported somewhere between 40% to 45% of families having 4 or more persons.

Table 56: Census Families in Private Households by Family Size, 2021

	Thompson	The Pas	Flin Flon	Northern Average	Winnipeg	North Average to South Variance
2 persons	42.5%	47.5%	60.8%	50.2%	49.0%	3%
3 persons	25.0%	21.4%	17.3%	21.2%	22.0%	-4%
4 persons	20.3%	18.9%	15.1%	18.1%	19.9%	-9%
5 or more persons	12.3%	12.1%	7.2%	10.5%	9.1%	15%

Flin Flon had the smallest average census family size, with an average of 2.7 people. The largest average family size was in Thompson, with 3.1 people. When looking at families who had children, the average number of children in families was quite similar across all four regions. Winnipeg and Flin Flon had the lowest average number of children with 1.8, and The Pas reported the highest average number of children, with 2 reported per family.

Looking at the highest level of certificate, diploma or degree received by those aged 25 to 64 years in 2016 showed those in Winnipeg were more likely to pursue some level of secondary education. Only 10% of those in Winnipeg reported having no certificate, diploma, or degree, while Thompson had the highest level of 21% reporting no certificate. All four comparator regions reported similar rates of secondary school diplomas as the highest level achieved, ranging from 27% (Winnipeg) to 32% (Flin Flon).

Table 57: Highest Certificate, Diploma or Degree for the Population Aged 25 to 64 years, 2016

	Thompson	The Pas	Flin Flon	Northern Average	Winnipeg	North Average to South Variance
No certificate; diploma or degree	20.7%	14.6%	14.8%	16.7%	10.1%	65%
Secondary (high) school diploma or equivalency certificate	27.7%	28.9%	32.0%	29.6%	26.5%	11%
Postsecondary certificate; diploma or degree	51.5%	56.7%	53.2%	53.8%	63.4%	-15%

Diving deeper into the highest level of postsecondary education, apprenticeships or trade certificates were most seen in the northern regions, ranging from 17% in The Pas to 25% in Flin Flon. Winnipeg reported the highest

level of university certificates at the bachelor level or above, with 51%. The second highest rate belonged to Thompson at 36%.

Table 58: Highest Level of Postsecondary Certificate, Diploma or Degree for the Population aged 25 to 64 years, 2016

	Thompson	The Pas	Flin Flon	Northern Average	Winnipeg	North Average to South Variance
Apprenticeship or trades certificate or diploma	19.7%	17.3%	24.7%	20.6%	10.7%	92%
Trades certificate or diploma other than Certificate of Apprenticeship or Certificate of Qualification	33.6%	38.5%	25.7%	32.6%	52.2%	-38%
Certificate of Apprenticeship or Certificate of Qualification	66.4%	61.5%	74.3%	67.4%	47.8%	41%
College; CEGEP or other non-university certificate or diploma	36.5%	41.7%	47.5%	41.9%	32.9%	27%
University certificate or diploma below bachelor level	7.7%	7.7%	3.3%	6.2%	4.9%	27%
University certificate; diploma or degree at bachelor level or above	36.0%	33.0%	24.4%	31.1%	51.4%	-39%
Bachelor's degree	75.5%	62.6%	86.3%	74.8%	71.2%	5%
University certificate or diploma above bachelor level	6.2%	6.1%	5.5%	5.9%	7.1%	-16%
Degree in medicine; dentistry; veterinary medicine or optometry	1.1%	4.0%	2.7%	2.6%	3.1%	-16%
Master's degree	16.1%	23.2%	6.8%	15.4%	15.8%	-2%
Earned doctorate	0.7%	3.0%	0.0%	1.3%	2.9%	-56%

In 2016, the majority of those employed in the labour force commuted within their census subdivision (CSD)[29] of residence for work. While most cities had a very small percentage leaving to a different province or territory to

[29] Census subdivision (CSD) is the general term for municipalities or areas treated as municipal equivalents for statistical purposes. On reserve population is a derived census variable that is captured by using the census subdivision (CSD) type according to criteria established by Indigenous and Northern Affairs Canada. On reserve population includes people living in any of the six CSD types legally affiliated with First Nations or Indian bands).

work (0% to 0.4%), 13% of those employed and living in Flin Flon indicated they commuted to a different province or territory.

Table 59: Commuting Destination for the Employed Labour Force, 2016

	Thompson	The Pas	Flin Flon	Northern Average	Winnipeg	North Average to South Variance
Commute within CSD of residence	93.2%	91.4%	83.4%	89.3%	94.2%	-5%
Commute to a different (CSD) within census division (CD)[30] of residence	5.0%	6.9%	3.1%	5.0%	0.5%	835%
Commute to a different (CSD) and (CD) within province or territory of residence	1.6%	1.5%	0.9%	1.3%	4.9%	-72%
Commute to a different province or territory	0.2%	0.0%	12.6%	4.2%	0.4%	988%

Table 60: Labour Force Aged 15 years and Over by Industry, 2017

	Thompson	The Pas	Flin Flon	Winnipeg
Total	**6,505**	**2,800**	**2,465**	**402,365**
Industry - not applicable	2.2%	2.0%	2.2%	2.4%
All industries	97.8%	98.0%	97.8%	97.6%
Agriculture, forestry, fishing, and hunting	0.5%	1.3%	0.0%	0.6%
Mining, quarrying, and oil and gas extraction	11.4%	0.4%	23.7%	0.2%
Utilities	1.7%	0.9%	0.0%	0.9%
Construction	5.7%	4.6%	4.9%	6.3%
Manufacturing	0.7%	6.3%	2.6%	8.5%
Wholesale trade	1.5%	0.7%	1.4%	2.8%

[30] Census division (CD) is a group of neighboring municipalities joined together for the purposes of regional planning and managing common services. These groupings are established under laws in effect in certain provinces of Canada. CD is the general term for provincially legislated areas or their equivalents. In other provinces and the territories where laws do not provide for such areas, Statistics Canada defines equivalent areas for statistical reporting purposes in cooperation with these provinces and territories. Census divisions are intermediate geographic areas between the province/territory level and the municipality (census subdivision).

	Thompson	The Pas	Flin Flon	Winnipeg
Retail trade	11.3%	12.9%	14.2%	10.9%
Transportation and warehousing	6.3%	4.3%	4.1%	6.8%
Information and cultural industries	0.5%	1.8%	1.2%	1.8%
Finance and insurance	2.2%	2.0%	1.8%	4.6%
Real estate and rental and leasing	1.2%	0.9%	1.0%	1.5%
Professional, scientific, and technical services	1.5%	2.5%	1.2%	5.9%
Management of companies and enterprises	0.2%	0.0%	0.0%	0.2%
Administrative and support, waste management and remediation services	2.5%	2.3%	1.8%	4.6%
Educational services	10.7%	15.0%	8.1%	8.1%
Health care and social assistance	18.4%	17.3%	18.3%	15.0%
Arts, entertainment, and recreation	0.5%	2.9%	1.0%	2.0%
Accommodation and food services	8.1%	8.4%	6.1%	6.2%
Other services (except public administration)	4.1%	2.1%	2.4%	4.2%
Public administration	8.9%	11.4%	3.9%	6.5%

Appendix C: Southern Labour Market Job Postings

The below table provides a sample of industry job postings with publicly listed wages in Winnipeg.

Job	Location	Experience	License / Credentials	Min Hourly Wage	Max Hourly Wage
Auto Body Technician	Champion Collision Centre Ltd	Autobody technician: 3 years (preferred)	Journeyman (preferred) Motor Vehicle Body Repairer Drivers License (Required)	$19.23	$48.08
Auto Body Technician	Champion Collision Centre Ltd	Autobody repair: 2 years (preferred)	Red Seal license (preferred)	$19.23	$52.77
Auto Body Technician	Winnipeg Automotive	Autobody repair: 1 year (preferred)	Red Seal license	$20.00	$35.00
Auto Body Technician	Platinum auto sales	Auto Body Repair: 1 year (preferred)	Red Seal license (preferred)	$16.50	$26.00
Auto Body Technician	Jim Gauthier Chevrolet Collision Center	Autobody repair: 2 years (preferred)	Red Seal license (preferred) Drivers license (required)	$18.00	$32.00
Auto Body Technician	Eastside Collision Repairs	Autobody repair: 2 years (preferred)	Red Seal license (required) Motor Vehicle Body Repairer	$38.46	$57.69
Auto Glass Technician	Inland Glass	Autobody repair: 1 year (preferred)	Drivers licence (required)	$16.00	$30.00
Auto Body Prepper	Town Autobody and Car Sales	Autobody prep: 1 year (preferred)		$13.00	$19.00
Automotive Painter	Champion Collision Centre Ltd	Refinishing: 2 years (preferred)	Journeyman (preferred) Drivers license (Required)	$25.00	$35.00

Job	Location	Experience	License / Credentials	Min Hourly Wage	Max Hourly Wage
Automotive Mechanic	Team Auto Parts	Vehicle & engine maintenance & repair occupations: 2 years (preferred)		$20.00	$23.00
Auto Body Apprentice	Waverly Chrysler Dodge Jeep Ram	All Applicants with equal amounts of autobody experience are considered.	All levels are encouraged to apply for body shop position.	$18.00	$26.00
Auto Body Technician / Apprentice	M Power Collision Centre	All Applicants with autobody experience are considered.	Red Seal (preferred)	$18.00	$38.00
Auto Body Prepper / Apprentice	M Power Collision Centre	Autobody repair: 1 year (preferred)	Red Seal (preferred)	$13.00	$20.00
Apprentice Level Autobody Technician	River City Collision	Autobody experience preferred but not mandatory		$17.00	$25.00
Shop Assistant	Collision Kings			$16.00	$17.00
Shop Assistant	Winnipeg Car Lab			$13.00	$17.00
Shop Maintenance Assistant	Vickar Community Chevrolet			$16.00	$20.00

Appendix D: Northern Labour Market Job Postings

The below table provides a sample of job postings with publicly listed wages in Thompson, The Pas and Flin Flon. If a range was listed in the job posted, the average was used in the calculation (*).

Location	Position	Education Requirements	Wage
Thompson	Cashier	Grade 12	$15.79
Thompson	Receptionist/Typist	Grade 12	$25.75
Thompson	Utility Clerk	Grade 12 Accounting course	$26.36
Thompson	Equipment Operator	Grade 12 Air brake endorsement	$28.32
Thompson	Health and Safety Coordinator	Certification in Safety and Health 3 years experience	$34.78*
Thompson	Purchasing Agent	Bachelor's degree 3 years experience	$35.88*
The Pas	PT Facility Monitor	Grade 12 Certified to teach fitness	$18.86
The Pas	PT Cleaning Attendant	Grade 12	$19.72
The Pas	Instructor/Guard	Grade 12, Bronze cross	$22.99
The Pas	General Labourer	Grade 12 Experience with carpentry	$24.32
The Pas	Operator III	Grade 12 Experience with heavy equipment	$26.21
The Pas	Assistant Municipal Superintendent	Technical degree/diploma/certificate	$32.46*
Flin Flon	Meter Reader	Grade 12	$19.21
Flin Flon	Jr Financial Analyst (Hudbay)	CPA student	$42.79*

Appendix E: Major Northern Employer Analysis

Vale

The Collective Agreement: *between Vale Canada Ltd and United Steelworkers Local 2020-05* is active from April 1, 2021, to September 30, 2025. The headquarters of Vale's Manitoba Operations is in Thompson. The Thompson location has approximately 900 workers[31].

Vale's pay structure includes 9 different levels of pay, with each level having 4 different wages based on experience in their role. Entry level wages range from $22.32 to $40.38. Once an employee reaches the 4th level they are considered to be at full performance, and these wages range from $27.87 to $50.45.

Annual vacation is granted based on years of employment as follows: 1 to less than 5 years entitles the worker to 3 weeks, 5 to less than 15 years entitles the worker to 4 weeks, 15 to less than 25 years entitles the worker to 5 weeks, 25 to less than 30 years entitles the worker to 6 weeks.

The benefits outlined in the agreement include prescription drug, dental and vision care, major medical service, semi-private hospitalization, accidental death and dismemberment and long-term disability.

Table 61: Regular Wages for Vale Employees, Effective January 1, 2021 ($)

Grade	Entry	Developing	Acceptable	Full Performance
C	22.32	23.97	25.66	27.87
D	24.30	26.12	27.94	30.37
E	26.54	28.55	30.54	33.17
F	28.68	30.83	32.97	35.83
G	30.73	33.03	35.34	38.43
H	33.65	36.16	38.69	42.07
I	35.96	38.66	41.35	44.96
J	38.01	40.87	43.72	47.53
K	40.38	43.40	46.39	50.45

There are annual increases that take effect on January 1 of the next four years:

[31] http://www.vale.com/canada/EN/people/imagine-yourself-here/living-where-you-work/life-in-thompson/Pages/default.aspx

- January 1, 2022: the wage in effect on December 31, 2021, will be increased by 1.5%
- January 1, 2023: the wage in effect on December 31, 2022, will be increased by 1.5%
- January 1, 2024: the wage in effect on December 31, 2023, will be increased by 1.5%
- January 1, 2025: the wage in effect on December 31, 2024, will be increased by 2%

Manitoba Hydro – CUPE

The Collective Agreement: *between Manitoba Hydro and Canadian Union of Public Employees, Local 998* is marked to be effective from January 1, 2017, until December 31, 2020. The union consists of almost 3,000 members and represents employees in Gillam and Snow Lake.[32]

CUPE 998 has 10 different levels of pay. The minimum hourly wages range from $15.52 per hour to $37.91. The maximum wages range from $21.31 to $52.31.

Trainees have a starting wage dependent on their field and receive an increase at every 6 months interval until 36 months. Commerce trainees start at $26.44, and at 36 months receive $32.14. Information technology trainees start at $25.18, and after 36 months receive $33.74.

The agreement also specifies details for a northern allowance for individuals assigned north of the 53rd parallel. The allowance includes reimbursement for meals and accommodations. This also includes an allowance if the employee maintains a home up north, as well as an additional dependent allowance if the family resides with them. If a doctor or dentist isn't near, or the local doctor has referred them to another location, the employee may be granted up to 2 days leave as travel time. There is also reimbursement for travel costs associated with travel for vacation, emergencies and leave of absences.

Annual vacation is granted based on years of employment as follows: less than 3 years entitles the employee to 10 vacation days, 3 years to less than 10 entitles the employee to 15 days, 10 years to less than 20 entitles the employee to 20 days, and 20 years or more entitles the employee to 25 days. Employees may also receive up to 2 additional days to account for vacation travel time. Each employee is also allowed 5 benefit credit days, regardless of their years of service.

The benefits outlined in the agreement include extended health, prescription drug, travel coverage, a health spending account, and a dental plan.

Table 62: Regular Wages for CUPE 998 Employees, Effective January 1, 2017 ($)

Pay Grade	Minimum Wage	Maximum Wage
11	15.52	21.31
12	16.95	23.65

[32] https://www.ibew2034.com/?zone=/unionactive/view_page.cfm&page=About20US

Pay Grade	Minimum Wage	Maximum Wage
13	18.82	26.25
14	22.26	29.15
21	24.25	32.34
22	26.44	35.9
23	28.85	39.9
24	31.43	43.49
25	34.27	47.43
31	37.91	52.31

Table 63: Regular Wages for Commerce Trainees, Effective January 1, 2017 ($)

Length of Employment	Wage
Start	26.44
6 Months	27.76
12 Months	29.15
24 Months	30.61
36 Months	32.14

Table 64: Regular Wages for Information Technology Trainees, Effective January 1, 2021 ($)

Length of Employment	Wage
Start	25.18
6 Months	26.44
12 Months	27.76
18 Months	29.15
24 Months	30.61
30 Months	32.14
36 Months	33.74

Manitoba Hydro - Electric Workers

The Collective Agreement: *between The Manitoba Hydro-Electric Board and Local Union 2034 of the International Brotherhood of Electrical Workers* is to be effective from January 1, 2016, until December 31, 2018. CUPE Local 998 represents approximately 900 clerical and technical staff at Manitoba Hydro.[33]

The minimum hourly wages in the agreement range from $16.14 to $47.98, and maximum wages range from $22.06 to $53.36. Individuals who are assigned to work north of the 53rd parallel will either receive living allowances and or/free room and board. If the employee isn't receiving these premiums, they will be paid an addition to their basic wage. A dependent northern allowance will be paid to an employee who is supporting a spouse and/or dependents and who maintain a home, and family members live in the home. The employee may also be eligible for reimbursement on northern transportation costs for them and their family.

Annual vacation is granted based on years of employment as follows: less than 3 years entitles the employee to 10 vacation days, 3 years to less than 10 entitles the employee to 15 days, 10 years to less than 20 entitles the employee to 20 days, and 20 years or more entitles the employee to 25 days. Employees may also receive up to 2 additional days to account for vacation travel time. Each employee is also allowed 5 benefit credit days, regardless of their years of service.

The benefits outlined in the agreement include extended health, prescription drug, travel coverage, a health spending account, and a dental plan.

City of Thompson

The Collective Agreement: *City of Thompson and United Steelworkers, Local 8223* is marked to be active until February 2024. This Local represents nearly 100 employees in a variety of fields, including recreation, public safety, public works, and city planning.[34]

For both office and technical workers, and trades and labour workers, wages are defined for the following months of service: starting, 18 months, 36 months, 48 months, 60 months, 72 months, 78 months. For office and technical workers, starting wages range from $23.85 an hour to $33.12 an hour, with the 78 months wages ranging from $29.98 per hour to $39.27. For trades and labour workers, starting wages range from $25.50 per hour to $35.24. After 78 months of service these hourly wages range from $31.27 to $40.99. There are additional shift premiums for hours worked outside of normal working hours.

Annual vacation is granted based on years of employment, starting from 1 year, with the maximum amount of vacation days being granted to those working 22 year or more. Vacation granted for 1 year of employment is 15 days, and increases by 1-2 days, every or every other year. The vacations days max out at 22 years of service, with a total of 31 vacation days. There are also an additional 2 workdays to be added as vacation travel time.

The agreement outlines the group insurance plan, which includes the following group benefits: life, accidental

[33] https://998.cupe.ca/about-us/

[34] https://thompsononline.ca/the-thompson-local-news/577792

death and dismemberment, accident and sickness, prescription drug, dental and optical. There is also extended health care benefits and coverage for hearing aids.

Table 65: Regular Wages for Office and Technical Workers, Effective June 18, 2021 ($)

Job Class	Starting	18 Months	36 Months	48 Months	60 Months	72 Months	78 Months
0	23.85	24.47	25.09	26.33	27.55	28.76	29.98
1	24.42	25.05	25.68	26.91	28.14	29.36	30.59
2	25.01	25.63	26.27	27.47	28.7	29.92	31.15
3	25.59	26.21	26.83	28.07	29.3	30.52	31.77
4	26.16	26.78	27.41	28.63	29.86	31.08	32.32
5	26.73	27.38	27.98	29.21	30.44	31.67	32.9
6	27.35	27.95	28.57	29.8	31.01	32.24	33.48
7	27.92	28.54	29.14	30.38	31.59	32.81	34.06
8	28.51	29.11	29.73	30.95	32.17	33.42	34.65
9	29.08	29.69	30.29	31.52	32.75	33.99	35.22
10	29.64	30.26	30.87	32.1	33.33	34.57	35.8
11	30.23	30.83	31.45	32.68	33.91	35.15	36.37
12	30.8	31.41	32.03	33.26	34.49	35.72	36.95
12A	31.41	32.03	33.26	34.5	35.72	36.96	38.18
13	37.37	37.96	38.6	39.82	41.05	42.28	43.51
14	31.96	32.58	33.19	34.41	35.66	36.87	38.1
15	32.53	33.16	33.76	34.99	36.23	37.46	38.68
16	33.12	33.72	34.21	35.56	36.8	38.04	39.27

Table 66: Regular Wages for Trades and Labour, Effective March 1, 2021 ($)

Job Class	Starting	18 Months	36 Months	48 Months	60 Months	72 Months	78 Months
1	25.5	26.07	26.65	27.8	28.95	30.11	31.27
1	29.12	29.69	30.26	31.4	32.55	33.7	34.85
2	25.76	26.34	26.9	28.05	29.2	30.36	31.49
3	25.98	26.56	27.13	28.27	29.42	30.57	31.73

Job Class	Starting	18 Months	36 Months	48 Months	60 Months	72 Months	78 Months
4	26.23	26.81	27.38	28.53	29.68	30.82	31.97
5	26.47	27.04	27.62	28.75	29.9	31.05	32.19
6	26.67	27.24	27.83	28.99	30.14	31.29	32.44
7	26.94	27.5	28.08	29.24	30.39	31.52	32.67
8	27.15	27.73	28.3	29.44	30.6	31.77	32.9
9	27.4	27.98	28.55	29.7	30.84	31.99	33.15
10	27.63	28.19	28.76	29.91	31.06	32.21	33.36
11	27.91	28.48	29.08	30.23	31.38	32.53	33.67
12	28.11	28.68	29.26	30.41	31.54	32.69	33.85
13	28.32	28.89	29.48	30.63	31.79	32.93	34.08
14	28.57	29.15	29.72	30.86	32.02	33.17	34.31
15	28.78	29.36	29.93	31.08	32.23	33.38	34.55
15	32.37	32.96	33.53	34.68	35.83	36.97	38.11
16	29.05	29.61	30.18	31.33	32.48	33.62	34.77
17	35.24	35.82	36.38	37.53	38.68	39.84	40.99

City of Thompson Firefighters

The Collective Agreement: *The City of Thompson and the Thompson Professional Firefighters Association, Local 2200*is for the period of January 1, 2022, to December 31, 2024. The Thompson Professional Firefighters Association consists of 24 career firefighter/paramedics and 5 career dispatchers.[35]

Hourly wages range from $27.16 to $42.73 per hour. Wages have an additional 1% for having specialized certifications. Wages are increased based on the class / level the employee is in. Employees move up a class level after a specified number of months worked (ranging from 6 months to 4 years) and may require the employee to pass an exam.

Annual vacation is granted based on years of employment as follows: 1-4 years entitles employee to 15 workdays, 5-9 years entitles employee to 20 workdays, 10-14 entitles employee to 23 workdays, 15-19 entitles employee to 24 workdays, and 20 or more years entitles employee to 27 workdays of vacation. There are also an additional 2 workdays to be added, as vacation travel time.

[35] https://mpffa.ca/locals/

The agreement grants firefighters the same group insurance plan benefits as the City of Thompson employees.

Table 67: Regular Wages for Thompson Professional Firefighters Association, Effective January 1, 2022

Classification	Hourly Rate
1	27.16
2	28.96
3	30.78
4	30.78
5	32.05
6	32.05
7	32.58
8	32.95
9	34.4
10	36.21
11	36.57
12	37.11
13	37.48
14	39.47
15	39.86
16	42.37
17	42.73

HudBay

The Collective Agreement: *HudBay and United Steelworkers, Local Union No. 7106* is marked to be effective as of January 1, 2015. The United Steelworkers Local Union 7106 has over 1,200 members.[36]

The collective agreement outlined wages for each 2015, 2016 and 2017 with wages in 2017 ranging from $26.86 to $43.32. It also notes there is an additional $1.00 per hour for a Northern Travel Benefit. The agreement sets

[36] https://usw7106.ca/

out criteria that would trigger a cost-of-living allowance, should the cost of living increase more than a specified amount. Every employee who has at least one year of seniority will also receive a service premium of $0.30 to their basic rate.

Annual vacation is granted based on years of employment, starting from 1 year, with the maximum amount of vacation days being granted to those working 23 years or more. Vacation granted at 1 year of employment is 10 days, and increases by 1 or 2 days, roughly every or every other year. The vacation days max out at 23 years of service, with a total of 25 vacation days.

The agreement outlines the benefit plan, which includes the following benefits: pension plan, group life insurance, short- and long-term disability, health, dental and drug plans, ambulance/stretcher service coverage, vision. There's also reimbursement for accommodation and transportation if referrals or services require the employee to go to another location. If the employee or dependent is hospitalized, accommodation will be covered for one family member.

Table 68: Regular Wages for USW at HudBay, Effective January 1, 2015

Job Class	January 1, 2015	January 1, 2016	January 1, 2017
1	$23.86	$25.61	$26.86
2	$24.28	$26.03	$27.28
3	$24.70	$26.45	$27.70
4	$25.12	$26.87	$28.12
5	$25.55	$27.30	$28.55
6	$25.97	$27.72	$28.97
7	$26.39	$28.14	$29.39
8	$26.81	$28.56	$29.81
9	$27.24	$28.99	$30.24
10	$27.66	$29.41	$30.66
11	$28.08	$29.83	$31.08
12	$28.50	$30.26	$31.51
13	$28.92	$30.68	$31.93
14	$29.35	$31.10	$32.35
15	$29.78	$31.53	$32.78
16	$30.20	$31.95	$33.20
17	$30.62	$32.37	$33.62

Job Class	January 1, 2015	January 1, 2016	January 1, 2017
18	$31.05	$32.80	$34.05
19	$31.47	$33.22	$34.47
20	$31.89	$33.64	$34.89
21	$32.32	$34.07	$35.32
22	$32.74	$34.49	$35.74
23	$33.15	$34.91	$36.16
24	$33.58	$35.33	$36.58
25	$34.00	$35.75	$37.00
26	$34.43	$36.18	$37.43
27	$34.85	$36.60	$37.85
28	$37.02	$37.02	$38.27
29	$37.45	$37.45	$38.70
30	$37.87	$37.87	$39.12
31	$38.29	$38.29	$39.54
32	$38.71	$38.71	$39.96
33	$39.13	$39.13	$40.38
34	$39.55	$39.55	$40.80
35	$39.97	$39.97	$41.22
36	$40.40	$40.40	$41.65
37	$40.81	$40.81	$42.06
38	$41.24	$41.24	$42.49
39	$41.65	$41.65	$42.90
40	$42.07	$42.07	$43.32

MNP