

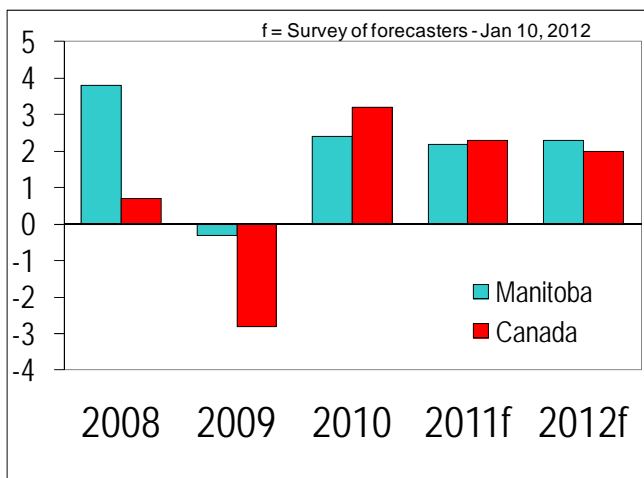
# Manitoba Economic Highlights

## Economic Overview

### Real Gross Domestic Product

- Manitoba Bureau of Statistics show Manitoba's real GDP expanded 2.2% in 2010.
- The Survey of Major Economic Forecasters projects that Manitoba will grow 2.2% in 2011 and 2.3% in 2012.
- Statistics Canada estimated that Manitoba's real GDP increased by 2.4% in 2010 following a 0.3% contraction in 2009.
- Manitoba led all provinces in average annual growth over the last five-years (2005-2010).

### Real GDP (% Change)



### Consumer Price Index

- In 2011 the Manitoba CPI increased 3.0% slightly above the 2.9% Canadian increase.
- Transportation and food costs are boosting overall consumer prices while clothing & footwear and household operations costs are easing pressure on prices.
- Manitoba CPI increased 0.8% in 2010, the lowest among provinces and compared to 1.8% Canadian increase.

- Stable economic growth projected for the next two years.
- Manitoba housing starts increased 3.3% in 2011 to 6,086 units, the highest level since 1987.
- Manufacturing and export sales gaining momentum in 2011, up 6.9% and 28.2%, respectively. Non-U.S. exports up 34.2% in the first eleven month of 2011.
- Population has increased by 15,694 over the last year (October 1, 2011), the second largest annual increase in 40 years.
- Manitoba's unemployment rate remained unchanged in 2012 at 5.4% average.

## Labour Market

### Employment

- In January 2012, there were 626,800 employed persons in Manitoba, the second highest on record.
- On a year-to-date bases, employment increased 0.3% or 1,700 jobs while the labour force expanded 0.7% or 4,700 new entrants.
- In 2011, Manitoba's employment increased 0.8% and Manitoba's labour force expanded 0.8%. In 2011, Manitoba's employment growth ranked seventh highest among provinces.

### Employment (% Change)

	2011	2012 y-t-d
<b>Manitoba</b>		
Total Employment	0.8	0.3
Full-Time	1.0	0.1
Part-Time	-0.2	1.0
<b>Canada</b>		
Total Employment	1.6	0.7

Note: Changes are calculated relative to the corresponding period in the previous year.

## Unemployment Rate

- Manitoba's unemployment rate was 5.4% in January, third lowest among provinces.
- Manitoba's average unemployment rate in 2012 is unchanged from the 2011 average and below the 7.6% national average.
- In 2011, Manitoba's unemployment rate was 5.4%, second lowest behind Saskatchewan. The youth unemployment rate was 11.6%, the third lowest in Canada.
- Over the past 12 years, Manitoba's unemployment rate has averaged 2.2 percentage points below Canada.

## Average Weekly Earnings

- In 2011 (y-t-d), average weekly earnings in Manitoba were up 3.0%, fifth highest among provinces and above Canada's 2.6% increase.
- In 2010, average weekly earnings in Manitoba were up 2.0%, below Canada's increase of 3.6%.

## Population

- As of October 1, 2011, Manitoba's population stood at 1,254,658, a one-year increase of 15,694 persons. This is the second largest annual increase in 40 years.
- The most significant factor driving Manitoba's population growth is the Provincial Nominee Program (PNP). Since it began immigration to Manitoba under PNP has steadily increased. In the last twelve months (October to October), immigration increased to 15,770 persons following 15,210 persons in the previous year.

## Net Migration

- For the year ending October 1, 2011, 9,965 more people moved to Manitoba than left.
- During the same period, net international immigration totalled 13,484 and net inter-provincial out-migration totalled 3,585. Natural increase totalled 5,729.

## Economic Activity

### Manufacturing Sales

- Manitoba's manufacturing sales have increased by 6.9% in the first eleven months of 2011, ranked seventh among provinces and fell below the 7.8% national increase.
- The increase in sales is broad based with chemicals, machinery equipment, primary metals leading growth while electrical, printing and wood product sales lagging growth.
- In 2010, Manitoba manufacturing sales decreased 1.6% to \$14.4 billion. Canadian sales increased 8.9%. Prior to 2010, Manitoba's performance bettered the national average for nine consecutive years.

### Leading Industries with Strongest Growth Manufacturing Sales (% Chg.)

	<u>2010</u>	<u>2011ytd</u>
Chemicals	(11.5)	37.7
Machinery	(9.4)	23.2
Primary Metals	14.0	11.8

### Farm Cash Receipts

- In the third quarter of 2011, Manitoba farm cash receipts are up 1.3%. Crop receipts decreased 6.0% due to declines in oilseeds receipts. Livestock receipts were up 4.3% with strength in hog receipts partially offset by weakness in cattle receipts. Direct payments increased 50.1%.

### Farm Cash Receipts (% Change)

	<u>2010</u>	<u>2011ytd</u>
Canola	5.0	(9.7)
Wheat	8.4	17.0
Hogs	13.6	8.6
Cattle	1.3	(6.0)
Total Farm Cash	0.1	1.3

- In 2010, Manitoba cash receipts increased 0.1% to \$4.9 billion. Manitoba's increase was the fifth best performance among provinces.
- Agricultural diversification has altered the structure of the sector. In 1990, wheat accounted for 29% of farm cash receipts but by 2010 only 13%. In 2010, the largest receipts source was canola (23%) followed by hogs (17%), wheat (15%) and cattle (9%).

### Retail Sales

- In 2011 (y-t-d), Manitoba retail sales increased 4.4%, above the Canadian increase of 3.5%. Manitoba has the sixth highest retail sales growth among provinces in 2011.
- 2011 sales are increasing on the strength of gasoline (19.5%), electronics and appliances (7.1%), personal care (6.6%), and motor vehicles (4.1%).
- New motor vehicle unit sales are up 6.4% on a year-to-date basis in 2011, the third strongest growth among provinces and above the national increase (2.2%)
- In 2010, Manitoba retail sales increased 5.6%, ranked third highest among provinces and higher than the 5.5% increase in Canada. Manitoba sales rose on the strength of motor vehicles (13.8%), personal care (11.8%), gasoline (10.8%), and home furnishings (6.0%).

### Investment

- Statistics Canada's Private and Public Investment Survey released February 2011 projected Manitoba's capital investment to increase 1.1% below the Canadian increase of 3.3%.
- Manitoba's private investment is projected to decrease 0.6% and public investment to increase 1.9%.
- A number of major investment projects are currently underway, including the Canadian Museum of Human Rights, Seasons of Tuxedo shopping complex, and the stadium at University of Manitoba.

- Manitoba's capital investment for 2010 was revised up to 10.4% growth, from a 1.1% decline forecast last February.
- Manitoba's total capital investments increased to a record \$10.7 billion in 2010. Private investment increased 3.6% while public capital investment increased 25.2%.
- Each year since 2006 to 2010, Manitoba has surpassed the national annual growth in capital investment. Manitoba investments increased 9.6% annually, compare to a national average of 4.7% annually.

### Housing Starts

- In 2011, Manitoba urban area housing starts increased 4.9% matching the national increase. Single starts were up 3.4% and multiples starts are up 6.9%. Urban housing starts represent about two-thirds of all starts in the province.
- Manitoba all area housing starts increased 3.3% in 2011 to 6,083 units, the highest level since 1987. Manitoba housing starts were higher than the 2.1% national increase. Single starts were down 3.6% while multiples were up 17.8%.
- Manitoba all area housing starts increased 41.1% in 2010 to 5,888 units. Single starts rose 30.7% (3,976 units) while multiples increased 68.9% (1,912 units).
- Manitoba's growth in housing starts in 2010 was third highest among provinces and well above the national average (27.4%).

#### Housing Starts (All Areas)

(% Change)

	<u>Manitoba</u>	<u>Canada</u>
2008	(3.5)	(7.6)
2009	(24.6)	(29.4)
2010	41.1	27.4
2011	3.3	2.1

## Building Permits

- In 2011, the value of Manitoba building permits increased 6.0%, third highest among provinces. Nationally permits were up 1.7%.
- Manitoba residential permits increased 4.1% and non-residential permits increased 9.9%, this is the first year since 2008 where both segments posted positive growth. Non-residential building permits were buoyed by institutional (18.4%) and commercial (13.0%) and dampened by industrial permits (-10.8%).
- In 2011, total permits in Winnipeg increased 7.9% while outside of Winnipeg they increased 2.9%.
- In 2010, value of building permits increased 12.6% in Manitoba and 18.0% in Winnipeg. Permits in Canada were up 18.7%.

## Bankruptcies

- In the first ten months of 2011, business bankruptcies were down 22.4% in Manitoba, the fourth largest decline among provinces. Business bankruptcies are down 9.9% in Canada.
- In the first ten months of 2011, consumer bankruptcies were down 22.1% in Manitoba, the second largest decline among provinces. Consumer bankruptcies are down 16.0% in Canada.
- In 2010, business bankruptcies increased 4.6% to 68 in Manitoba, and declined 24.9% in Canada.
- In 2010, consumer bankruptcies decreased 18.4% in Manitoba and 20.4% Canada.

## Foreign Merchandise Exports

- In the first eleven months of 2011, Manitoba exports increased 28.2%, while Canadian exports were up 12.4%.
- In the first eleven months of 2011, Manitoba's U.S. exports increased 25.0% while non-U.S. exports were up 34.2%.
- In 2010, Manitoba exports decreased 3.1%, while Canadian exports were up 11.9%.

Manitoba non-U.S. exports were up 7.7% and Manitoba's U.S. exports decreased 8.3%.

### Foreign Merchandise Exports (% Change)

	<u>2010</u>	<u>2011ytd</u>
All Countries	(3.1)	28.2
U.S.	(8.3)	25.0
Non-U.S.	7.7	34.2

## Hydro-Electricity Sales

- In 2011 (y-t-d), the value of hydro sales increased 2.3% with 8.0% increase in domestic sales offset by a 13.2% decline in export sales.
- Exports to U.S., which account for 86.4% of total exports, decreased 9.8% while exports to other Canadian provinces decreased 29.6%.
- In 2010, the value of hydro sales increased 0.5% with a 0.2% decline in domestic sales being offset a 2.6% increase in export sales.

### Manitoba Finance

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Please click on [economic statistics](#) to view the data underlying this report.

**Note:** The 2011/12 Mid-Year Economic Performance and Outlook Report is available at:

[Mid-Year Report - Economic Performance and Outlook](#)