

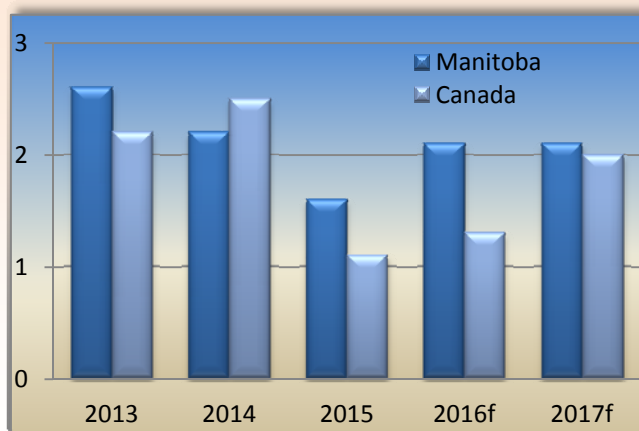
Manitoba Economic Highlights

Economic Overview

Real Gross Domestic Product

- The Manitoba Bureau of Statistics estimates that Manitoba's real GDP grew 1.6% in 2015, third among provinces and above the national average of 1.1%.
- Manitoba's real GDP is expected to grow by 2.1% in 2016, third among provinces, Canada (1.3%) and by 2.1% in 2017, tied for third among provinces, Canada (2.0%).
- Manitoba's Nominal GDP grew by 2.6% in 2015. Nominal GDP is expected to grow by 3.1% in 2016 and by 4.0% in 2017, third and fifth among provinces respectively.

Real GDP (% Change)



Source: Manitoba Bureau of Statistics; Statistics Canada; and Manitoba Finance, Survey of Economic Forecasts.

Consumer Price Index (September 2016)

- Manitoba's inflation rate is averaging 1.4% in 2016, sixth among provinces and the same as Canada (1.4%).
- Clothing and footwear, health and personal care and food eased pressure on prices while alcohol and tobacco, transportation, shelter, and household operations, increased overall prices.

- In 2015, Manitoba's inflation rate averaged 1.2%, tied for ninth among provinces and above Canada (1.1%).

- Manitoba's seasonally adjusted retail sales increased by 5.7% in the first eight months of 2016, third among provinces. Canada up 3.8%.
- The seasonally adjusted value of Manitoba's building permits increased 19.7% in the first eight months of 2016, second nationally. Canada down 4.0%.
- Manitoba seasonally adjusted manufacturing sales increased 0.6% in the first eight months of 2016, fifth among provinces. Canada unchanged at 0.0%.
- Manitoba average weekly earnings increased 1.3% in the first eight months of 2016, fourth among provinces. Canada up 0.5%.
- 2016 crop production estimates indicate Manitoba crop producers increased production for dry peas 126.1%, rye 54.8% grain corn 19.0% and soybeans 9.8% and produced less oats 16.8%, barley 12.5%, canola 7.8% and wheat 2.9%.

Labour Market

Employment (October 2016)

- Employment decreased 0.5% or 3,000 jobs in the first ten months of 2016, while the labour force gained 900 workers.
- Full-time employment decreased 0.8% or 4,200 jobs and part-time employment increased 0.9% or 1,100 jobs.
- In 2015, Manitoba's employment increased 1.5%, highest among provinces and almost double the national increase of 0.8%.

Manitoba Economic Highlights

Manitoba's labour force expanded 1.8% second highest among provinces.

Employment (% Change)

	2015	2016 (ytd)
Manitoba		
Total Employment	1.5	-0.5
Full-Time	1.7	-0.8
Part-Time	0.9	0.9
Canada		
Total Employment	0.8	0.6

Unemployment Rate (August 2016)

- Manitoba's unemployment rate is averaging 6.1% in 2016, second lowest among provinces and below the 7.0% national average.
- In 2015, Manitoba's unemployment rate was 5.6%, second lowest behind Saskatchewan. The youth unemployment rate was 11.4%, third lowest in Canada.

Average Weekly Earnings (August 2016)

- Average weekly earnings in Manitoba are up 1.3% in 2016, fourth among provinces and above Canada 0.5%.
- In 2015, average weekly earnings in Manitoba were up 2.0%, sixth among provinces and above the national increase of 1.8%.

Population

- As of July 1, 2016, Manitoba's population stood at 1,318,128, an increase of 22,147 persons or 1.7% from a year earlier.
- As of July 1, 2016, Manitoba's median age was 37.5 years, the third youngest among provinces, and below the national level of 40.6 years.

Net Migration

- For the 12 months to June 30, 2016, Manitoba gained 15,451 persons through migration.
- Net international in-migration was estimated at 15,551 and net inter-provincial out-migration was estimated at 5,900.
- Natural increase was estimated at 6,696. (number of births less number of deaths)

Economic Activity

Retail Sales (August 2016)

- Manitoba's seasonally adjusted retail sales increased by 5.7% in the first eight months of 2016, third among provinces, compared to a 3.8% national increase.
- Sales rose on the strength of health/personal services 20.4%, motor vehicles 8.5%, department stores 6.0%, sporting goods 5.6%, furniture 3.2%, clothing 3.1%, and hardware and building supplies 3.1%, electronics and appliances 2.8% and food and beverage sales 2.3%. Gasoline station sales unchanged at 0.0%.
- In 2015, Manitoba retail sales increased 1.5%, similar to the Canadian increase of 1.7% and ranked fifth among provinces.

Merchants with Strongest Retail Sales (% Change)

	2015	2016 (ytd)
Health Personal Service	14.5	20.4
Motor Vehicles	5.0	8.5
Department Stores	3.5	6.0
Total Sales	1.5	5.7

Manitoba Economic Highlights

- The number of new motor vehicles sold in Manitoba was up 0.4% in the first eight months of 2016, sixth among provinces, (Canada up 3.3%). Passenger vehicle sales declined 9.2% and truck sales increased 4.3%.
- In 2015, new motor vehicle unit sales were up 0.3%, seventh among provinces, Canada up 2.5%.

Manufacturing Sales (August 2016)

- Manitoba's seasonally adjusted manufacturing sales increased 0.6% in the first eight months of 2016, fifth among provinces. Canadian sales unchanged 0.0%.
- Sales of wood products, printing, transportation equipment and food are leading growth while chemicals and fabricated metals are lagging growth.
- In 2015, Manitoba's manufacturing sales decreased 1.5% sixth among provinces. Canadian sales decreased 1.5%.

Leading Industries with Strongest Growth Manufacturing Sales (% Change)

	2015	2016 (ytd)
Wood	-5.2	27.7
Transportation Equip.	19.2	2.8
Food	-11.0	2.1
Total Sales	-1.5	0.6

Wholesale Trade (August 2016)

- Manitoba's seasonally adjusted wholesale sales decreased by 0.8% in the first eight months of 2016, seventh among provinces, compared to a 3.2% national increase.

- Sales rose on the strength of miscellaneous and building supplies - sales declined in farm products and motor vehicles and parts.

Merchants with Strongest Wholesale Sales (% Change)

	2015	2016 (ytd)
Miscellaneous	5.7	7.8
Building Supplies	3.7	5.0
Total Sales	1.3	-0.8

- In 2015, wholesale sales increased 1.3% ninth among provinces, Canada up 3.7%.

Capital Investment

Non-Residential Structures (Q3, 2016)

- Investment in non-residential building construction is down 12.5% in the third quarter of 2016, ninth among province, Canada down 2.4%.
- In the third quarter of 2016, non-residential investment increased in industrial by 15.1% and declined in institutional and commercial by 24.0% and 11.0% respectively.
- In 2015, non-residential building investment increased 5.6%, third among provinces, Canada 0.3%.

Residential Structures (Q2, 2016)

- Investment in residential building construction is down 8.9% in the second quarter of 2016, seventh among province, Canada up 3.1%.
- In the second quarter of 2016, residential investment declined in new construction, renovations and acquisition costs by 4.0%, 11.5% and 17.1% respectively.

Manitoba Economic Highlights

- In 2015, residential building investment decreased 5.9%, eight among provinces, Canada up 4.4%.

CAPEX Survey (May 2016)

- Statistics Canada's Capital and Repair Expenditure Survey released May 2016, projected Manitoba's 2016 capital investment to increase 3.4%, fourth among provinces and better than the national decline of 4.4%. Private investment is projected to decrease 8.0% and public investment increase 14.4%.
- In 2015, Manitoba's capital investment increased 12.2% to \$9.7 billion, the highest growth nationally, Canada down 7.2%.
- Private investment decreased 14.0% and public capital investment increased 59.0%.

Building Permits (August 2016)

- The seasonally adjusted value of Manitoba's building permits increased 19.7% in the first eight months of 2016, second nationally. Canada down 4.0%.
- Total non-residential permits increased 43.1%. Industrial and commercial permits were up 97.9% and 58.7% respectively, while institutional permits declined 4.3%.
- Manitoba residential building permits increased 3.3%.
- Total building permits in Winnipeg increased 36.2% and outside of Winnipeg decreased 14.3%.
- In 2015, the value of Manitoba building permits decreased 17.9%, ninth nationally, Canada up 0.2%.

Housing Starts (September 2016)

- Manitoba urban area housing starts decreased 13.4%, in the first nine months of 2016, seventh among provinces. Canada

down 0.3%. Single starts were up 9.6% and multiples starts were down 26.5%.

- In 2015, there were 4,911 urban area starts, a 3.2% decline, but still the fourth highest level since 1987. The number of urban starts increased by 5.7%. Single starts were down 17.6% (1,870 units). Multiples were up 8.4% (3,041 units), third highest level since 1987. In 2015, urban housing starts represented 89.3% while multiple starts represented 55.3% of all starts in the province.
- Province-wide housing starts decreased 8.3% in the third quarter of 2016, sixth among provinces and below Canada (1.0%). Single starts were up 10.7% and multiples were down 21.4%.

Housing Starts (All Areas) (% Change)

	Manitoba	Canada
2013	3.1	(12.5)
2014	(16.7)	0.7
2015	(11.6)	3.3
2016 (ytd)	(8.3)	1.0

- Province-wide housing starts have continued to slow following record-setting levels in 2013. In 2015, province-wide housing starts decreased 11.6%, seventh among provinces. Multiple starts increased 3.4% (3,176), while single starts were down 26.2% (2,325).

Foreign Merchandise Exports (Sept. 2016)

- Manitoba exports decreased 3.1% in the first nine months of 2016, fifth among provinces, while Canadian exports decreased 4.7%.
- Manitoba's U.S. exports decreased 4.6% in the first nine months of 2016, and non-U.S. exports increased 0.7%.

Manitoba Economic Highlights

Foreign Merchandise Exports (% Change)

	2015	2016 (ytd)
All Countries	2.3	-3.1
U.S.	5.2	-4.6
Non-U.S.	-3.7	0.7

- In 2015, Manitoba's exports increased 2.3%, fourth nationally, while Canadian exports were down 2.1%. Manitoba's exports to the U.S. were up 5.2% and non-U.S. exports decreased 3.7%.

Farm Cash Receipts (First Quarter 2016)

- Manitoba farm cash receipts are down 3.0% in the first quarter of 2016, ninth among provinces. Crop receipts increased 5.8% with increases in soybeans 32.4%, corn 32.4%, wheat 17.2, and barley 16.7%, and declines in oats 3.9% and canola 16.7%.
- Livestock receipts were down 12.2% with cattle and calves down 25.9% and hogs down 7.2%.

Farm Cash Receipts (% Change)

	2015	2016 (ytd)
Canola	6.8	-16.7
Soybeans	3.7	32.4
Wheat	0.8	17.2
Cattle	1.9	-25.9
Hogs	-15.5	-7.2
Total Farm Cash	-2.5	-3.0

- Direct payments, which include insurance and other income supports programs, decreased 48.1%.
- In 2015, cash receipts decreased 2.5% to \$5.8 billion, just under the record \$6.0 billion in 2014. Crops, livestock and direct payments generated \$3.2 billion, \$2.3 billion and \$0.3 billion in receipts, respectively.
- Estimates of 2016 crop production indicate Manitoba crop producers increased production for dry peas 126.1%, rye 54.8% grain corn 19.0% and soybeans 9.8% and produced less oats 16.8%, barley 12.5%, canola 7.8% and wheat 2.9%. Seeded area in 2016 also declined for oats, barley, canola and wheat.

Manitoba Finance

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

Note: The 2015/16 Public Accounts is available at [Public Accounts](#)
The 2016 Manitoba Budget is available at: [2016 Budget](#)