

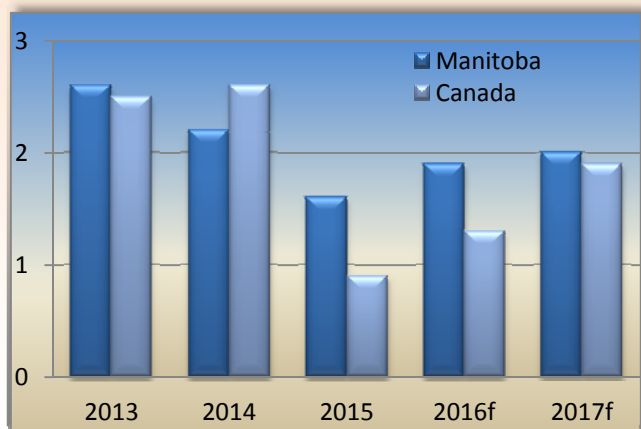
Manitoba Economic Highlights

Economic Overview

Real Gross Domestic Product

- The Manitoba Bureau of Statistics estimates that Manitoba's real GDP grew 1.6% in 2015, fourth among provinces and above the national average of 0.9%.
- Manitoba's real GDP is expected to grow by 1.9% in 2016, third among provinces, Canada (1.3%) and by 2.0% in 2017, fourth among provinces, Canada (1.9%).
- Manitoba's Nominal GDP grew by 2.6% in 2015. Nominal GDP is expected to grow by 2.8% in 2016 and by 3.9% 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 (November 2016)

- Manitoba's inflation rate is averaging 1.3% in 2016, sixth among provinces and below Canada (1.4%).
- Clothing and footwear, food, and health and personal care eased pressure on prices while alcohol and tobacco, shelter, transportation, 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 5.0% in the first ten months of 2016, fourth among provinces. Canada up 3.8%.
- Manitoba seasonally adjusted manufacturing sales increased 0.9% in the first ten months of 2016, fifth among provinces. Canada up 0.4%.
- The seasonally adjusted value of Manitoba's building permits increased 14.5% in the first ten months of 2016, first nationally. Canada down 2.8%.
- Farm cash receipts are up 0.2% in the third quarter, fourth among provinces. Canada down 0.2%. Crop receipts are up 11.1% while livestock receipts are down 9.5%.
- Revised 2016 crop production estimates indicate Manitoba crop producers increased production for dry peas 109.9%, rye 64.9%, grain corn 48.4% and soybeans 27.2% and produced less oats 15.5%, barley 4.6% and canola 4.0%.

Labour Market

Employment (December 2016)

- Preliminary annual estimates for 2016 show, employment decreased 0.5% or 2,900 jobs, while the labour force gained 500 workers.
- Preliminary annual estimates for 2016 show, full-time employment decreased 0.7% or 3,700 jobs and part-time employment increased 0.6% or 700 jobs.
- In 2015, Manitoba's employment increased 1.5%, highest among provinces. Manitoba's

Manitoba Economic Highlights

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	-0.7
Part-Time	0.9	0.6
Canada		
Total Employment	0.8	0.7

Unemployment Rate (December 2016)

- Preliminary annual estimates for 2016 show, Manitoba's unemployment rate averaged 6.1%, 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 (Oct. 2016)

- Average weekly earnings in Manitoba are up 1.1% in 2016, fourth among provinces and above Canada 0.4%.
- 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 Oct. 1, 2016, Manitoba's population stood at 1,323,958, an increase of 22,601 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 September 30, 2016, Manitoba gained 15,842 persons through migration.
- Net international in-migration was estimated at 15,705 and net inter-provincial out-migration was estimated at 6,698.
- Natural increase was estimated at 6,759. (number of births less number of deaths)

Economic Activity

Retail Sales (October 2016)

- Manitoba's seasonally adjusted retail sales increased by 5.0% in the first ten months of 2016, fourth among provinces, compared to a 3.8% national increase.
- Sales rose on the strength of health/personal services 19.6%, motor vehicles 6.1%, department stores 5.7%, sporting goods 4.8%, clothing 3.4%, electronics and appliances 2.5%, furniture 1.8%, food and beverage sales 1.6%, hardware and building supplies 1.3%, and gasoline station sales 1.1%.
- 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	19.6
Motor Vehicles	5.0	6.1
Department Stores	3.5	5.7
Total Sales	1.5	5.0

Manitoba Economic Highlights

- The number of new motor vehicles sold in Manitoba was down 1.7% in the first ten months of 2016, seventh among provinces, (Canada up 2.0%). Passenger vehicle sales declined 9.2% and truck sales increased 1.2%.
- In 2015, new motor vehicle unit sales were up 0.3%, seventh among provinces, Canada up 2.5%.

Manufacturing Sales (October 2016)

- Manitoba's seasonally adjusted manufacturing sales increased 0.9% in the first ten months of 2016, fifth among provinces. Canadian sales up 0.4%.
- Sales of wood products, food, printing, fabricated metals; transportation equipment and machinery are leading growth while chemicals are lagging growth.
- In 2015, Manitoba's manufacturing sales decreased 1.5% sixth among provinces. Canadian sales decreased 1.7%.

Leading Industries with Strongest Growth Manufacturing Sales (% Change)

	2015	2016 (ytd)
Wood	-5.9	28.4
Food	-11.0	3.3
Fabricated Metals	-13.1	1.5
Total Sales	-1.5	0.9

Wholesale Trade (October 2016)

- Manitoba's seasonally adjusted wholesale sales decreased by 1.5% in the first ten 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.
- In 2015, wholesale sales increased 1.3% ninth among provinces, Canada up 3.7%.

Merchants with Strongest Wholesale Sales (% Change)

	2015	2016 (ytd)
Miscellaneous	5.7	6.3
Building Supplies	3.7	4.0
Total Sales	1.3	-1.5

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 6.0%, third among provinces, Canada 0.5%.

Residential Structures (Q3, 2016)

- Investment in residential building construction is down 3.8% in the third quarter of 2016, sixth among province, Canada up 3.0%.
- In the third quarter of 2016, residential investment declined in new construction, renovations and acquisition costs by 2.8%, 3.5% and 13.1% respectively.

Manitoba Economic Highlights

- In 2015, residential building investment decreased 5.7%, eighth among provinces, Canada up 4.3%.

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 (October 2016)

- The seasonally adjusted value of Manitoba's building permits increased 14.5% in the first ten months of 2016, first nationally. Canada down 2.8%.
- Total non-residential permits increased 31.2%. Industrial, commercial and institutional permits were up 78.3%, 35.5% and 0.2% respectively.
- Manitoba residential building permits increased 2.7%.
- Total building permits in Winnipeg increased 28.7% and outside of Winnipeg decreased 15.2%.
- In 2015, the value of Manitoba building permits decreased 17.9%, ninth nationally, Canada up 0.2%.

Housing Starts (November 2016)

- Manitoba urban area housing starts decreased 8.2%, in the first eleven months of 2016, fifth among provinces. Canada

down 2.1%. Single starts were up 11.3% and multiples starts were down 20.0%.

- 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 (Nov. 2016)

- Manitoba exports decreased 2.1% in the first eleven months of 2016, fifth among provinces, while Canadian exports decreased 2.9%.
- Manitoba's U.S. exports decreased 3.4% in the first eleven months of 2016, and non-U.S. exports increased 1.0%.

Manitoba Economic Highlights

Foreign Merchandise Exports (% Change)

	2015	2016 (ytd)
All Countries	2.3	-2.1
U.S.	5.2	-3.4
Non-U.S.	-3.7	1.0

- 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 (Third Quarter 2016)

- Manitoba farm cash receipts are up 0.2% in the third quarter of 2016, fourth among provinces. Crop receipts increased 11.1% with increases in soybeans 38.1%, corn 31.5%, canola 17.4% and oats 0.5% and declines in wheat 1.9% and barley 9.8%.
- Livestock receipts were down 9.5% with cattle and calves down 26.1% and hogs down 3.2%.

Farm Cash Receipts (% Change)

	2015	2016 (ytd)
Canola	8.8	17.4
Soybeans	3.7	38.1
Wheat	0.4	-1.9
Cattle	1.8	-26.1
Hogs	-15.5	-3.2
Total Farm Cash	-2.1	0.2

- Direct payments, which include insurance and other income supports programs, decreased 44.2%.
- Estimates of 2016 crop production indicate Manitoba crop producers increased production for dry peas 109.9%, rye 64.9%, grain corn 48.4% and soybeans 27.2% and produced less oats 15.5%, barley 4.6%, and canola 4.0% while wheat was unchanged. Seeded area in 2016 also declined for oats, barley and wheat but increased for canola. In 2016, producers planted a record amount of soybeans.
- In 2015, cash receipts decreased 2.1% 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.

Manitoba Finance

Economic and Fiscal Analysis Branch,
Fiscal Research Division - 204-945-3757

Director: Narendra Budhia
Narendra.Budhia@gov.mb.ca

Senior Economist: Waran Bhahirethan
Waran.Bhahirethan@gov.mb.ca

Analyst: Robb Balacko
Robert.Balacko@gov.mb.ca

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

Note: The 2016/17 Second Quarter report is available at [Second Quarter Report](#)
The 2015/16 Public Accounts is available at [Public Accounts](#)
The 2016 Manitoba Budget is available at: [2016 Budget](#)