

Manitoba Economic Highlights

Economic Overview

Real Gross Domestic Product

- Manitoba's real GDP grew 1.1% in 2019, seventh among provinces (Canada: 1.6%) and expected to grow by 1.3% in 2020, sixth among provinces (Canada: 1.7%).
- Manitoba's nominal GDP grew by 3.0% in 2019, seventh among provinces (Canada: 3.6%) and expected to grow by 3.3% in 2020, sixth among provinces (Canada: 3.6%).

Real GDP (% Change)



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

Consumer Price Index (January 2020)

- Manitoba's inflation rate is averaging 2.5%, sixth among provinces, and above Canada at 2.4%.
- Clothing and footwear, transportation, shelter, food, household operations, health & personal care, recreation & education, and alcohol & tobacco all increased overall prices.
- In 2019, Manitoba's inflation rate averaged 2.2%, ninth among provinces and above Canada at 1.9%.

- In 2019, total non-residential building permits were up 29.5%, first among provinces (Canada: 7.4%).
 - Institutional permits were up 137.0%, first among provinces (Canada: 13.9%).
 - Commercial permits were up 23.8%, first among provinces (Canada: 6.0%).
- Capital investment in manufacturing increased by 54.0% in 2019, first among provinces.
- Manitoba exports to U.S. increased 9.6%, second among provinces and compared to a 1.7% national increase.
- Manitoba's unemployment rate is 5.0%, tied for second among provinces and below the 5.6% national average.
- Private sector capital investment increased by 27.3% in the last two years, second highest among provinces.

Labour Market

Employment (February 2020)

- Employment increased 1.0% or 6,600 jobs, while the labour force increased 0.7% or 4,800 workers.
- Full-time employment decreased 0.2% or -1,100 jobs and part-time employment increased 5.9% or 7,600 jobs.
- In 2019, Manitoba's employment increased 0.9%, seventh among provinces. Manitoba's labour force expanded 0.2%, ninth among provinces.

Unemployment Rate (February 2020)

- Manitoba's unemployment rate is 5.0%, tied for second among provinces and below the 5.6% national average.

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Employment (% Change)

	2019	2020 (ytd)
Manitoba		
Total Employment	0.9	1.0
Full-Time	0.9	-0.2
Part-Time	0.7	5.9
Canada		
Total Employment	2.1	1.4

Source: Statistics Canada

- In 2019, Manitoba's unemployment rate was 5.3%, third lowest behind British Columbia and Quebec. The youth unemployment rate was 11.0%, fourth among provinces.

Average Weekly Earnings (Dec 2019)

- Average weekly earnings in Manitoba are up 1.9%, ninth among provinces and below Canada 2.7%.
- In 2018, average weekly earnings in Manitoba were up 2.8%, fourth among provinces and above the national increase of 2.6%.

Population (October 2019)

- On October 1, 2019, Manitoba's population stood at 1,373,859, an increase of 15,610 persons or 1.2% from a year earlier.
- Manitoba's median age was 37.4 years, tied with Saskatchewan for second youngest among provinces, and below the national level of 40.8 years.

Net Migration

- For the 12 months to October 1, 2019, Manitoba gained 9,473 persons through migration.

- Net international migration (including other temporary international flows) was estimated at 19,333 and net interprovincial migration was estimated at -9,860.
- Natural increase was estimated at 6,137 (number of births less number of deaths).

Economic Activity

Retail Sales (December 2019)

- Manitoba's seasonally adjusted value of retail sales increased 1.2%, sixth among provinces and compared to a 1.6% national increase.
- Sales rose on the strength of health & personal care (14.9%), gasoline station sales (7.4%), building material & garden equipment & supplies (5.4%), general merchandise (3.7%), and food & beverage stores (1.4%).
- The number of new motor vehicles sold in Manitoba was down 16.4% for 2019, last among provinces (Canada down 3.7%).
- Sales of passenger vehicles decreased 35.2% while truck sales decreased 11.1%.

Merchants with Strongest Retail Sales (% Change)

	2018	2019 (ytd)
Health/Personal Care	-3.7	14.9
Gasoline Stations	15.1	7.4
Building Materials	4.7	5.4
General Merchandise	1.0	3.7
Food & Beverage	0.9	1.4
Total Sales	2.9	1.2

Source: Statistics Canada

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- In 2018, new motor vehicle sales were up 7.4%, first among provinces (Canada down 2.0%).

Manufacturing Sales (December 2019)

- Manitoba's seasonally adjusted manufacturing sales increased 0.1%, sixth among provinces and compared to a 0.5% national increase.
- Sales of fabricated metals, transportation, printing, and chemicals are all increasing.

Leading Industries with Strongest Growth Manufacturing Sales (% Change)

	2018	2019 (ytd)
Fabricated Metals	15.9	10.3
Transportation	10.0	7.9
Printing	1.9	7.7
Chemicals	7.0	3.4
Total Sales	2.9	0.1

Source: Statistics Canada

- In 2018, Manitoba's manufacturing sales increased 2.9%, ninth among provinces. Canadian sales increased 5.4%.

Wholesale Trade (December 2019)

- Manitoba's seasonally adjusted wholesale sales decreased 2.3%, tenth among provinces and compared to a 2.3% national increase.
- Sales rose on the strength of food, beverage and tobacco products, motor vehicles and parts, farm products, and machinery equipment and supplies.
- In 2018, wholesale sales increased 1.7% eighth among provinces, Canada up 3.7%.

Merchants with Strongest Wholesale Sales (% Change)

	2018	2019 (ytd)
Food and Beverage	3.9	6.3
Motor Vehicles	4.6	2.6
Farm Products	-0.6	0.6
Machinery/Equipment	4.3	0.4
Total Sales	1.7	-2.3

Source: Statistics Canada

Capital Investment

Building Permits (December 2019)

- Manitoba's seasonally adjusted value of building permits increased 14.4%, second among provinces and compared to a 1.5% national increase.
- Total non-residential permits were up 29.5%, first among provinces (Canada: 7.4%). Institutional permits were up 137.0%, first among provinces (Canada: 13.9%), commercial permits were up 23.8%, first among provinces (Canada: 6.0%), while industrial were down 11.1%, sixth among provinces (Canada: 4.4%).
- Manitoba residential building permits increased 2.6%, fourth among provinces and compared to a 1.9% national decrease.
- In 2018, the value of Manitoba building permits was down 0.4%, fifth nationally and compared to a 4.7% national increase.

Non-Residential Building Structures (Dec 2019)

- Investment in non-residential building construction increased 11.3%, fifth among provinces and compared to a 6.0% national increase.

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- Non-residential investment in commercial increased 15.0%, third among provinces (Canada: 11.3%), industrial increased 5.9%, seventh among provinces (Canada: 5.6%), and institutional increased 6.4%, fourth among provinces (Canada: -4.8%).
- In 2018, investment in non-residential building construction increased 6.7%, eighth among provinces and compared to a 7.5% national increase.

Residential Structures (December 2019)

- Investment in residential building construction increased 4.6%, fourth among provinces and compared to a 2.3% national increase.
- Residential investment increased in singles by 0.6%, fourth among provinces, and increased for multiples by 8.9%, seventh among provinces (Canada: -5.9%, and 11.8%, respectively).
- In 2018, investment in residential building construction increased 3.3%, fourth among provinces and compared to a 1.6% national increase.

CAPEX Survey (February 2020)

- Statistics Canada's Capital and Repair Expenditure Survey released February 2020, projected Manitoba's 2020 capital investment to decrease 7.3% to \$9.0 billion, ninth among provinces. Canada up 2.8%. Private investment is projected to decrease 1.6% and public investment to decrease 15.1%.
- In 2019, Manitoba's capital investment increased 3.4% to \$9.7 billion, the fourth highest growth nationally, Canada up 1.7%.
- Private investment increased 8.0% and public capital investment decreased 2.2%.

- Private sector capital investment increased by 27.3% in the last two years, second highest among provinces.
- Capital investment in manufacturing increased 54.0% in 2019, highest among provinces.
- Capital investment in finance and insurance industry increased by 51.6% in 2018, highest among provinces.

Housing Starts (January 2020)

- Manitoba urban area housing starts increased 9.5%, fourth among provinces and compared to a 1.1% national decrease. Single starts were up 5.2% and multiples starts were up 11.2%.

Housing Starts (All Areas) (% Change)

	Manitoba	Canada
2016	-3.3	1.2
2017	41.0	11.0
2018	-1.7	-3.1
2019 (ytd)	-5.8	-2.0

Source: Canada Mortgage and Housing Corporation

- Province-wide housing starts decreased 5.8%, seventh among provinces and compared to a 2.0% national decrease.
- In 2019, there were 5,938 urban area starts, a 7.8% decrease over 2018. Single starts were down 11.4% (2,008 units). Multiples were down 5.8% (3,930 units). In 2019, urban areas accounted for 85.5% of all starts in Manitoba.
- Province-wide housing starts in 2017 recorded the highest level of starts since 1987. In 2018, province-wide housing starts decreased 1.7%, (7,376) sixth among provinces. Multiple starts increased 7.2% (4,410), while single starts were down 12.5%

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(2,966). Multiple starts now represent 59.8% of total starts, up from 54.8% in 2017.

Foreign Merchandise Exports (Dec 2019)

- Manitoba exports increased 2.1%, sixth among provinces and compared to a 1.1% national increase.
- Manitoba's U.S. exports increased 9.6%, second among provinces and compared to a 1.7% national increase, and non-U.S. exports decreased 16.1%.

Foreign Merchandise Exports (% Change)

	2018	2019 (ytd)
All Countries	11.6	2.1
U.S.	22.2	9.6
Non-U.S.	-7.5	-16.1

Source: Statistics Canada

- In 2018, Manitoba's exports increased 11.6%, third among provinces, while Canadian exports were up 7.4%. Manitoba's exports to the U.S. were up 22.2%, highest among provinces. Non-U.S. exports decreased 7.5%.

Agriculture

Crop Production revised (November 2019)

- Estimates of 2019 crop production indicate Manitoba crop producers increased production for rye 89.6%, flaxseed 70.9%, dry peas 56.3%, barley 5.6%, wheat 3.7%, oats 0.7% and produced less corn 1.2%, canola 7.9%, and soybeans 35.2%. In 2019, wheat harvest was the largest since 2013.

Farm Cash Receipts (Third Quarter 2019)

- Manitoba farm cash receipts are down 1.5%, ninth among provinces and compared to a 4.5% national increase.
- Crop receipts decreased 6.4%, with increases in flaxseed 65.8%, dry peas 52.9%, oats 27.3%, corn 11.7% and barley 9.1% being offset by declines in soybeans 41.5%, and canola 8.9%, and potatoes 8.6%.
- Livestock receipts increased 5.8% with increases in calves 76.4%, hogs 8.9%, dairy 7.5% and offset by cattle down 4.2%.
- Direct payments, which include insurance and other income supports programs, increased 31.3%.

Farm Cash Receipts (% Change)

	2018	2019 (ytd)
Canola	-3.5	-8.9
Wheat	-7.1	-0.8
Soybeans	-37.9	-41.5
Cattle	14.5	-4.2
Hogs	-8.0	8.9
Calves	2.3	76.4
Total Farm Cash	-6.8	-1.5

Source: Statistics Canada

- In 2018, cash receipts decreased 1.1% to \$6.6 billion, second best on record and just below the previous record of \$6.7 billion set in 2017. Crops, livestock and direct payments generated \$4.2 billion, \$2.2 billion and \$0.2 billion in receipts, respectively.

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Mining and Petroleum

Metallic Mining (November 2019)

- The quantity of Manitoba's zinc production increased 10.2%, while gold, copper, and nickel declined 10.1%, 27.2%, and 28.1% respectively.

Metallic Mineral Production (% Change)

	2018	2019 (ytd)
Nickel	-15.8	-28.1
Copper	-10.0	-27.2
Zinc	-18.6	10.2
Gold	-1.8	-10.1

Source: Natural Resources Canada

- In 2018, the quantity of Manitoba's gold, copper, nickel and zinc production declined 1.8%, 10.0%, 15.8% and 18.6% respectively.

Commodity Prices (February 2020)

- As of February 24, 2020, all base metal prices weakened compared to the average prices in 2019.
- The price for zinc is down 10.3%, nickel is down 4.3%, and copper is down 1.1% compared to the average in 2019. The price of gold is up 12.4% in 2020, compared to the average in 2019.
- The price of wheat and canola are up 13.6% and 3.2% respectively compared to the average in 2019. Cattle prices are up 6.6% and hog prices are down 9.0% in 2020, compared to the average in 2019.

Primary Commodity Prices (\$U.S.)

	2019	2020 (ytd)
Crude Oil (bbl)	56.99	55.13
Copper (lb)	2.72	2.69
Zinc (lb)	1.16	1.04
Nickel (lb)	6.31	6.04
Gold (oz)	1,393	1,566

Source: BMO Capital Markets

Wheat (bu)	4.94	5.61
Canola (tonne)	344	355
Cattle (Cwt)	115.84	123.53
Hogs (Cwt)	69.92	63.66

Source: BMO Capital Markets

Manitoba Finance

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

Note: The 2019 Manitoba Budget

Is available at: [2019 Budget](#)

The 2018/19 Public Accounts
available at [Public Accounts](#)

Table 1: Economic Indicators

March 6, 2020

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020 (ytd)</u>	
	(\$ Millions)						
Gross Domestic Product							
Nominal (MBS)	65,944	67,298	71,122	72,687	74,872		a (annual)
Real (chained 2012 dollars) (MBS)	63,627	64,549	66,575	67,431	68,151		a (annual)
Investment							
Residential Construction (s.a.)	3,264	3,195	3,659	3,780	3,919		(Dec)
Housing Starts All Areas (Units)	5,501	5,318	7,501	7,376	6,946		(Q4)
Building Permits (s.a.)	2,313	2,626	2,986	2,974	3,402		(Dec)
Non-Res. Building Construction (s.a.)	1,735	1,773	1,780	1,899	2,112		(Dec)
Total Capital and Repair Investment	9,493	8,862	9,140	9,392	9,712	9,001	b (annual)
Private Capital Investment	4,892	4,154	4,385	5,169	5,580	5,491	b (annual)
Public Capital Investment	4,600	4,708	4,755	4,223	4,132	3,509	b (annual)
Sectors							
Manufacturing (s.a.)	17,718	17,652	18,819	19,367	19,393		(Dec)
Retail Trade (s.a.)	18,210	18,891	20,362	20,952	21,201		(Dec)
Wholesale Trade (s.a.)	17,205	17,814	18,956	19,280	18,835		(Dec)
Farm Cash Receipts	5,829	5,963	6,692	6,626	4,883	*	(Q3)
Crops	3,201	3,622	4,277	4,193	2,986	*	(Q3)
Livestock	2,323	2,119	2,233	2,240	1,760	*	(Q3)
Direct Payments	305	222	178	180	137	*	(Q3)
Mining and Petroleum	2,239	2,168	2,526	2,526	n/a		(annual)
Foreign Merchandise Exports							
Total	13,752	13,451	13,886	15,501	15,820		(Dec)
USA	9,528	9,144	8,957	10,942	11,994		(Dec)
Non-USA	4,224	4,307	4,928	4,559	3,825		(Dec)
Labour Market							
Labour Force (000s)	674.1	674.9	680.9	688.8	690.0	698.1	(Feb)
Employment (000s)	636.2	633.6	644.1	647.7	653.4	662.6	(Feb)
Participation Rate (%)	68.3	67.6	67.2	67.2	66.5	66.8	(Feb)
Unemployment Rate (%)	5.6	6.1	5.4	6.0	5.3	5.1	(Feb)
Youth Unemployment Rate (%)	11.4	13.2	11.7	11.8	11.0	9.4	(Feb)
Average Weekly Earnings (\$)	880.2	888.9	911.0	936.7	954.9		(Dec)
Compensation of Employees (\$M)	33,098	33,443	34,947	36,017	37,114		(Dec)
Consumer Price Index							
(2002=100)	126.8	128.4	130.5	133.8	136.8	137.5	(Jan)
Population							
July 1st estimates (in thousands)	1,292.2	1,314.1	1,335.0	1,353.4	1,369.5		(annual)

(s.a.) - Seasonally adjusted

(ytd) - year to date

(a) - 2015 to 2019 are from (MBS); 2020 is from the Manitoba Finance Survey of Economic Forecasts.

(b) - Based on Statistics Canada's Capital and Repair Expenditure Survey (CAPEX)

* - 2019 (ytd)

Table 2: Economic Indicators

March 6, 2020

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020 (ytd)</u>	
	(% Change)						
Gross Domestic Product							
Nominal (MBS)	2.5	2.1	5.7	2.2	3.0	3.3	a (annual)
Real (chained 2012 dollars) (MBS)	1.2	1.4	3.1	1.3	1.1	1.3	a (annual)
Investment							
Residential Construction (s.a)	1.6	(2.1)	14.5	3.3	3.7		(Dec)
Housing Starts All Areas	(11.6)	(3.3)	41.0	(1.7)	(5.8)		(Q4)
Building Permits (s.a.)	(17.9)	13.5	13.7	(0.4)	14.4		(Dec)
Non-Res. Building Construction (s.a.)	(0.2)	2.2	0.4	6.7	11.2		(Dec)
Total Capital and Repair Investment	10.0	(6.6)	3.1	2.8	3.4	b	(annual)
Private Capital Investment	(11.6)	(15.1)	5.5	17.9	8.0	b	(annual)
Public Capital Investment	48.6	2.3	1.0	(11.2)	(2.2)	b	(annual)
Sectors							
Manufacturing (s.a.)	0.0	(0.4)	6.6	2.9	0.1		(Dec)
Retail Trade (s.a.)	1.3	3.7	7.8	2.9	1.2		(Dec)
Wholesale Trade (s.a.)	1.1	3.5	6.4	1.7	(2.3)		(Dec)
Farm Cash Receipts	(2.5)	2.3	12.2	(1.0)	(1.5)	*	(Q3)
Crops	(2.3)	13.2	18.1	(2.0)	(6.4)	*	(Q3)
Livestock	(6.0)	(8.8)	5.4	0.3	5.8	*	(Q3)
Direct Payments	31.7	(27.2)	(19.7)	0.8	31.3	*	(Q3)
Mining and Petroleum	(27.7)	(3.2)	16.5	0.0	n/a		(annual)
Foreign Merchandise Exports							
Total	2.2	(2.2)	3.2	11.6	2.1		(Dec)
USA	4.8	(4.0)	(2.0)	22.2	9.6		(Dec)
Non-USA	(3.1)	2.0	14.4	(7.5)	(16.1)		(Dec)
Labour Market							
Labour Force	1.8	0.1	0.9	1.2	0.2	0.7	(Feb)
Employment	1.5	(0.4)	1.7	0.6	0.9	1.0	(Feb)
Average Weekly Earnings	2.0	1.0	2.5	2.8	1.9		(Dec)
Compensation of Employees	4.2	1.0	4.5	3.1	3.0		(Dec)
Consumer Price Index							
(2002=100)	1.2	1.3	1.6	2.5	2.2	2.5	(Jan)
Population							
July 1st estimates (in thousands)	1.0	1.7	1.6	1.4	1.2		(annual)

(s.a.) - Seasonally adjusted

(ytd) - year to date

(a) - 2015 to 2019 are from (MBS); 2020 is from the Manitoba Finance Survey of Economic Forecasts.

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* - 2019 (ytd)