

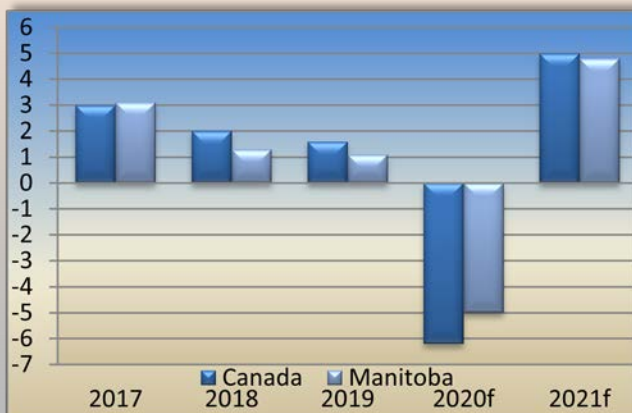
# Manitoba Economic Highlights

## Economic Overview

### Real Gross Domestic Product

- Manitoba's real GDP grew by 1.1% in 2019, seventh among provinces (Canada: 1.6%). Expected to decline by 5.0% in 2020, third among provinces (Canada: -6.2%), and grow by 4.8% in 2021, sixth among provinces (Canada: 5.0%).
- Manitoba's nominal GDP grew by 3.0% in 2019, seventh among provinces (Canada: 3.6%). Expected to decline by 3.6% in 2020, second among provinces (Canada: -4.7%), and grow by 6.2% in 2021, ninth among provinces (Canada: 7.4%).

#### Real GDP (% Change)



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

### Consumer Price Index (June 2020)

- Manitoba's inflation rate is averaging 0.8%, seventh among provinces, and Canada at 0.9%.
- Shelter, food, health & personal care, household operations, 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%.

- Manitoba's unemployment rate is 8.2% for the first seven months of 2020, first among provinces and below Canada 9.8%.
- Manitoba's manufacturing sales decreased 5.1%, second among provinces (Canada: -17.1%)
- Manitoba's exports decreased 1.8% for the first half of 2020, second among provinces and compared to a 17.0% national decrease.
  - U.S. exports decreased 6.2%, second among provinces (Canada: -19.2%)
  - Non-US exports increased 11.1%, second among provinces (Canada: -10.3%)
- Investment in non-residential building construction increased 23.8% for the first five months in 2020, second among provinces and compared to a 2.6% national decrease.
  - Institutional increased 85.6%, first among provinces (Canada:-2.9%)
  - Commercial and industrial increased 13.5% and 11.1% respectively, both second among provinces.

## Labour Market

### Employment (July 2020)

- Employment decreased 4.4% or 28,900 jobs, while the labour force decreased 1.5% or 10,300 workers.
- Full-time employment decreased 3.9% or 20,500 jobs and part-time employment decreased 6.4% or 8,300 jobs.
- In 2019, Manitoba's employment increased 0.9%, seventh among provinces. Manitoba's

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labour force expanded 0.2%, ninth among provinces.

among provinces, and below the national level of 40.8 years.

## Employment (% Change)

	2019	2020 (ytd)
<b>Manitoba</b>		
<b>Total Employment</b>	0.9	-4.4
<b>Full-Time</b>	0.9	-3.9
<b>Part-Time</b>	0.7	-6.4
<b>Canada</b>		
<b>Total Employment</b>	2.1	-6.4

Source: Statistics Canada

## Net Migration

- For the 12 months to April 1, 2020, Manitoba gained 8,559 persons through migration.
- Net international migration (including other temporary international flows) was estimated at 18,427 and net interprovincial migration was estimated at -9,868.
- Natural increase was estimated at 6,162 (number of births less number of deaths).

## Economic Activity

### Retail Sales (May 2020)

- Manitoba's seasonally adjusted value of retail sales decreased 7.3%, fifth among provinces and compared to a 10.5% national decrease.

### Unemployment Rate (July 2020)

- Manitoba's unemployment rate is 8.2%, first among provinces and below the 9.8% national average.
- 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 (May 2020)

- Average weekly earnings in Manitoba increased 3.7% and below Canada at 6.2%.
- In 2019, average weekly earnings in Manitoba were up 1.8%, ninth among provinces and below the national increase of 2.7%.

### Population (April 2020)

- On April 1, 2020, Manitoba's population stood at 1,379,121, an increase of 14,721 persons or 1.1% from a year earlier.
- Manitoba's median age was 37.4 years, tied with Saskatchewan for second youngest

## Merchants with Strongest Retail Sales (% Change)

	2019	2020 (ytd)
<b>Food &amp; Beverage</b>	1.4	8.0
<b>Health/Personal Care</b>	14.7	7.9
<b>Miscellaneous</b>	7.5	4.4
<b>Building Materials</b>	5.4	3.3
<b>Total Sales</b>	1.2	-7.3

Source: Statistics Canada

- Sales rose on the strength of food & beverages (8.0%), health & personal care (7.9%), miscellaneous (4.4%), and building material & garden equipment (3.3%).
- The number of new motor vehicles sold in Manitoba decreased 39.2%, sixth among provinces (Canada down 39.7%).

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- Sales of passenger vehicles decreased 47.9% while truck sales decreased 37.3%.
- In 2019, new motor vehicle sales were down 15.4%, tenth among provinces (Canada down 3.7%).

## Manufacturing Sales ([May 2020](#))

- Manitoba's seasonally adjusted manufacturing sales decreased 5.1%, second among provinces and compared to a 17.1% national decrease.
- Sales of electrical products, wood, food, and chemicals are all increasing.

### Leading Industries with Strongest Growth Manufacturing Sales (% Change)

	2019	2020 (ytd)
Electrical Products	-12.8	33.3
Food	-0.7	16.4
Wood	-0.5	8.4
Chemicals	3.7	7.2
Total Sales	-0.2	-5.1

Source: Statistics Canada

- In 2019, Manitoba's manufacturing sales decreased 0.2%, sixth among provinces. Canadian sales increased 0.4%.

## Wholesale Trade ([May 2020](#))

- Manitoba's seasonally adjusted wholesale sales decreased 5.2%, fifth among provinces and compared to a 7.5% national decrease.

### Merchants with Strongest Wholesale Sales (% Change)

	2019	2020 (ytd)
Food and Beverage	6.4	-0.5
Machinery/Equipment	0.6	-4.1
Total Sales	-2.3	-5.2
Total Sales	-2.3	-6.4

Note: Changes are calculated relative to the corresponding month in the previous year. (Year-to-date basis)

- In 2019, wholesale sales decreased 2.3% tenth among provinces, Canada up 2.3%.

## Capital Investment

### Building Permits ([June 2020](#))

- Manitoba's seasonally adjusted value of building permits decreased 14.1%, sixth among provinces and compared to a 8.3% national decrease.
- Total non-residential permits were down 16.6%, fourth among provinces (Canada: -16.3%). Institutional permits were down 18.2%, sixth among provinces (Canada: -11.3%), industrial permits were up 40.0%, second among provinces (Canada: -17.2%), while commercial permits were down 33.9%, sixth among provinces (Canada: -18.0%).
- Manitoba residential building permits decreased 11.6%, seventh among provinces and compared to a 3.1% national decrease.
- In 2019, the value of Manitoba building permits was up 19.5%, second nationally and compared to a 3.1% national increase.

### Non-Residential Building Structures ([May 2020](#))

- Investment in non-residential building construction increased 23.8%, second among provinces and compared to a 2.6% national decrease.
- Non-residential investment in commercial increased 13.5%, second among provinces (Canada: -2.3%), industrial increased 11.1%, second among provinces (Canada: -3.3%), and institutional increased 85.6%, first among provinces (Canada: -2.9%).
- In 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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## Residential Structures ([May 2020](#))

- Investment in residential building construction decreased 6.6%, fourth among provinces and compared to a 7.5% national decrease.
- Residential investment decreased in singles by 0.4%, third among provinces, and decreased for multiples by 13.5%, fifth among provinces (Canada: -7.5%, and -11.5%, respectively).
- In 2019, investment in residential building construction increased 4.6%, 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 ([June 2020](#))

- Manitoba urban area housing starts decreased 16.6%, seventh among provinces and compared to a 6.6% national decrease. Single starts were down 9.5% and multiples starts were down 19.8%.
- Province-wide housing starts decreased 14.5%, seventh among provinces and compared to a 5.3% national decrease.

### Housing Starts (All Areas) (% Change)

	Manitoba	Canada
2017	41.0	11.0
2018	-1.7	-3.1
2019	-5.8	-2.0
2020 (ytd)	-14.5	-5.3

Source: Canada Mortgage and Housing Corporation

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

## Foreign Merchandise Exports ([June 2020](#))

- Manitoba exports decreased 1.8%, second among provinces and compared to a 17.0% national decrease.

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- Manitoba's U.S. exports decreased 6.2%, second among provinces and compared to a 19.2% national decrease, and non-U.S. exports increased 11.1%, second among provinces and compared to a 10.3% national decrease.

## Foreign Merchandise Exports (% Change)

	2019	2020 (ytd)
All Countries	2.2	-1.8
U.S.	9.9	-6.2
Non-U.S.	-16.2	11.1

Source: Statistics Canada

- In 2019, Manitoba's exports increased 2.2%, sixth among provinces, while Canadian exports were up 1.2%. Manitoba's exports to the U.S. were up 9.9%, second among provinces, and exceeded \$12 billion, highest on record. Non-U.S. exports decreased 16.2%.

## 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 (First Quarter 2020)

- Manitoba farm cash receipts are down 2.7%, ninth among provinces and compared to a 5.5% national increase.
- Crop receipts decreased 7.2%, with increases in flaxseed 67.7%, oats 47.3%, dry peas 46.8%, dry beans 27.3%, potatoes 12.0%, canola 6.3% and barley 1.5%, being offset by

declines in liquidation of deferred grain receipts 26.6%, deferred grain receipts 25.4%, and soybeans 21.9%.

- Livestock receipts decreased 1.4% with increases in chickens and hens 5.6%, hogs 5.1%, eggs 4.0%, dairy 1.9% and offset by declines in calves 41.5%, and cattle 12.7%.
- Direct payments, which include insurance and other income supports programs, increased 69.5%.

## Farm Cash Receipts (% Change)

	2018	2019 (ytd)
Canola	-1.9	6.3
Wheat	-1.9	-3.9
Soybeans	-39.8	-21.9
Oats	57.4	47.3
Cattle	-4.7	-12.7
Hogs	9.3	5.1
Calves	18.6	-41.5
<b>Total Farm Cash</b>	0.2	-2.7

Source: Statistics Canada

- In 2019, cash receipts increased 0.2% 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 \$4.0 billion, \$2.4 billion and \$0.2 billion in receipts, respectively.

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## Mining and Petroleum

### Metallic Mining (December 2019)

- The quantity of Manitoba's zinc production increased 11.3%, while gold, copper, and nickel declined 7.3%, 27.0%, and 33.0% respectively.

#### Metallic Mineral Production (% Change)

	2018	2019 (ytd)
Nickel	-15.8	-33.0
Copper	-10.0	-27.0
Zinc	-18.6	11.3
Gold	-1.8	-7.3

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 (July 2020)

- As of July 16, 2020, all base metal prices weakened compared to the average prices in 2019.
- The price for zinc is down 19.8%, nickel is down 10.0%, and copper is down 7.4% compared to the average in 2019. The price of gold is up 19.0% in 2020, compared to the average in 2019.
- The price of wheat is up 7.7%, and canola is down 0.9% in 2020, compared to the average in 2019. Hog and cattle prices are down 18.8% and 10.2% respectively in 2020, compared to the average in 2019.

### Primary Commodity Prices (\$U.S.)

	2019	2020 (ytd)
Crude Oil (bbl)	56.99	36.88
Copper (lb)	2.72	2.52
Zinc (lb)	1.16	0.93
Nickel (lb)	6.31	5.68
Gold (oz)	1,393	1,657

Source: BMO Capital Markets

Wheat (bu)	4.94	5.32
Canola (tonne)	344	341
Cattle (Cwt)	115.84	103.98
Hogs (Cwt)	69.92	56.78

Source: BMO Capital Markets

## Manitoba Finance

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

**Note:** The 2020 Manitoba Budget  
Is available at: [2020 Budget](#)  
The 2018/19 Public Accounts  
available at [Public Accounts](#)

Table 1: Economic Indicators

August 7, 2020

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020 (ytd)</u>	
	(\$ Millions)						
<b>Gross Domestic Product</b>							
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)
<b>Investment</b>							
Residential Construction (s.a.)	3,264	3,195	3,659	3,780	3,955	1,391	(May)
Housing Starts All Areas (Units)	5,501	5,318	7,501	7,376	6,946	3,064	(Q2)
Building Permits (s.a.)	2,313	2,626	2,986	2,974	3,554	1,500	(Jun)
Non-Res. Building Construction (s.a.)	1,735	1,773	1,780	1,899	2,114	1,022	(May)
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)
<b>Sectors</b>							
Manufacturing (s.a.)	17,718	17,652	18,819	19,368	19,326	7,659	(May)
Retail Trade (s.a.)	18,210	18,891	20,362	20,809	20,982	8,111	(May)
Wholesale Trade (s.a.)	17,205	17,814	18,956	19,280	18,838	7,591	(May)
Farm Cash Receipts	5,829	5,963	6,692	6,627	6,638	1,686	(Q1)
Crops	3,201	3,622	4,276	4,201	4,024	1,037	(Q1)
Livestock	2,323	2,120	2,238	2,247	2,359	546	(Q1)
Direct Payments	305	222	178	180	255	103	(Q1)
Mining and Petroleum	2,239	2,168	2,526	2,526	n/a		(annual)
<b>Foreign Merchandise Exports</b>							
Total	13,752	13,451	13,886	15,501	15,840	7,826	(Jun)
USA	9,528	9,144	8,957	10,942	12,020	5,572	(Jun)
Non-USA	4,224	4,307	4,928	4,559	3,820	2,255	(Jun)
<b>Labour Market</b>							
Labour Force (000s)	674.1	674.9	680.9	688.8	690.0	680.1	(Jul)
Employment (000s)	636.2	633.6	644.1	647.7	653.4	624.6	(Jul)
Participation Rate (%)	68.3	67.6	67.2	67.2	66.5	65.5	(Jul)
Unemployment Rate (%)	5.6	6.1	5.4	6.0	5.3	8.2	(Jul)
Youth Unemployment Rate (%)	11.4	13.2	11.7	11.8	11.0	17.4	(Jul)
Average Weekly Earnings (\$)	880.0	888.3	910.4	936.7	953.8	986.1	(May)
Compensation of Employees (\$M)	33,098	33,443	34,947	36,017	37,053	9,071	(Mar)
<b>Consumer Price Index</b>							
(2002=100)	126.8	128.4	130.5	133.8	136.8	137.4	(Jun)
<b>Population</b>							
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

August 7, 2020

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020 (ytd)</u>	
	(% Change)						
<b>Gross Domestic Product</b>							
Nominal (MBS)	2.5	2.1	5.7	2.2	3.0	(3.6)	a (annual)
Real (chained 2012 dollars) (MBS)	1.2	1.4	3.1	1.3	1.1	(5.0)	a (annual)
<b>Investment</b>							
Residential Construction (s.a.)	1.6	(2.1)	14.5	3.3	4.6	(6.6)	(May)
Housing Starts All Areas	(11.6)	(3.3)	41.0	(1.7)	(5.8)	(14.5)	(Q2)
Building Permits (s.a.)	(17.9)	13.5	13.7	(0.4)	19.5	(14.1)	(Jun)
Non-Res. Building Construction (s.a.)	(0.2)	2.2	0.4	6.7	11.3	23.8	(May)
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)
<b>Sectors</b>							
Manufacturing (s.a.)	0.0	(0.4)	6.6	2.9	(0.2)	(5.1)	(May)
Retail Trade (s.a.)	1.3	3.7	7.8	2.2	0.8	(7.3)	(May)
Wholesale Trade (s.a.)	1.1	3.5	6.4	1.7	(2.3)	(5.2)	(May)
Farm Cash Receipts	(2.5)	2.3	12.2	(1.0)	0.2	(2.7)	(Q1)
Crops	(2.3)	13.2	18.1	(1.8)	(4.2)	7.2	(Q1)
Livestock	(6.0)	(8.8)	5.6	0.4	5.0	(1.4)	(Q1)
Direct Payments	31.7	(27.2)	(19.7)	0.8	41.7	69.5	(Q1)
Mining and Petroleum	(27.7)	(3.2)	16.5	0.0	n/a		(annual)
<b>Foreign Merchandise Exports</b>							
Total	2.2	(2.2)	3.2	11.6	2.2	(1.8)	(Jun)
USA	4.8	(4.0)	(2.0)	22.2	9.9	(6.2)	(Jun)
Non-USA	(3.1)	2.0	14.4	(7.5)	(16.2)	11.1	(Jun)
<b>Labour Market</b>							
Labour Force	1.8	0.1	0.9	1.2	0.2	(1.5)	(Jul)
Employment	1.5	(0.4)	1.7	0.6	0.9	(4.4)	(Jul)
Average Weekly Earnings	1.9	0.9	2.5	2.9	1.8	3.7	(May)
Compensation of Employees	4.2	1.0	4.5	3.1	2.9	(0.1)	(Mar)
<b>Consumer Price Index</b>							
(2002=100)	1.2	1.3	1.6	2.5	2.2	0.8	(Jun)
<b>Population</b>							
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.

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

\* - 2019 (ytd)