



# Manitoba Situation and Outlook



Chris Ferris, Senior Economist  
on March 22, 2024



## Land Acknowledgement

I would like to begin by acknowledging that I am presenting from Treaty 1 territory, the traditional territory of Anishinaabeg, Cree, Oji-Cree, Dakota, and Dene Peoples, and the homeland of the Métis Nation.

# Summary

Inflation

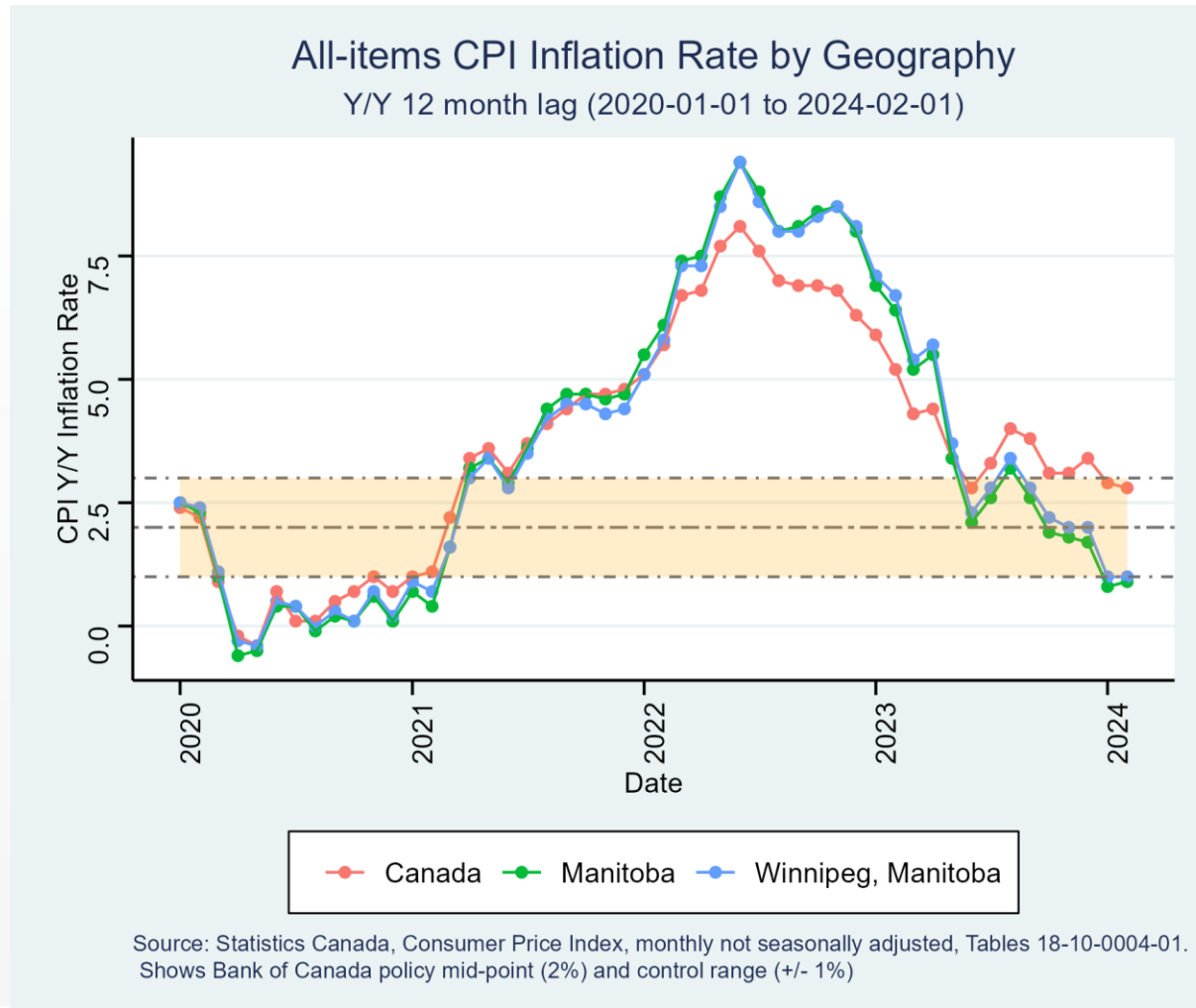
Manitoba Situation

Bonus Content (due to Q&A)

Risks and Opportunities, Outlook

Bonus Content (due to Q&A)

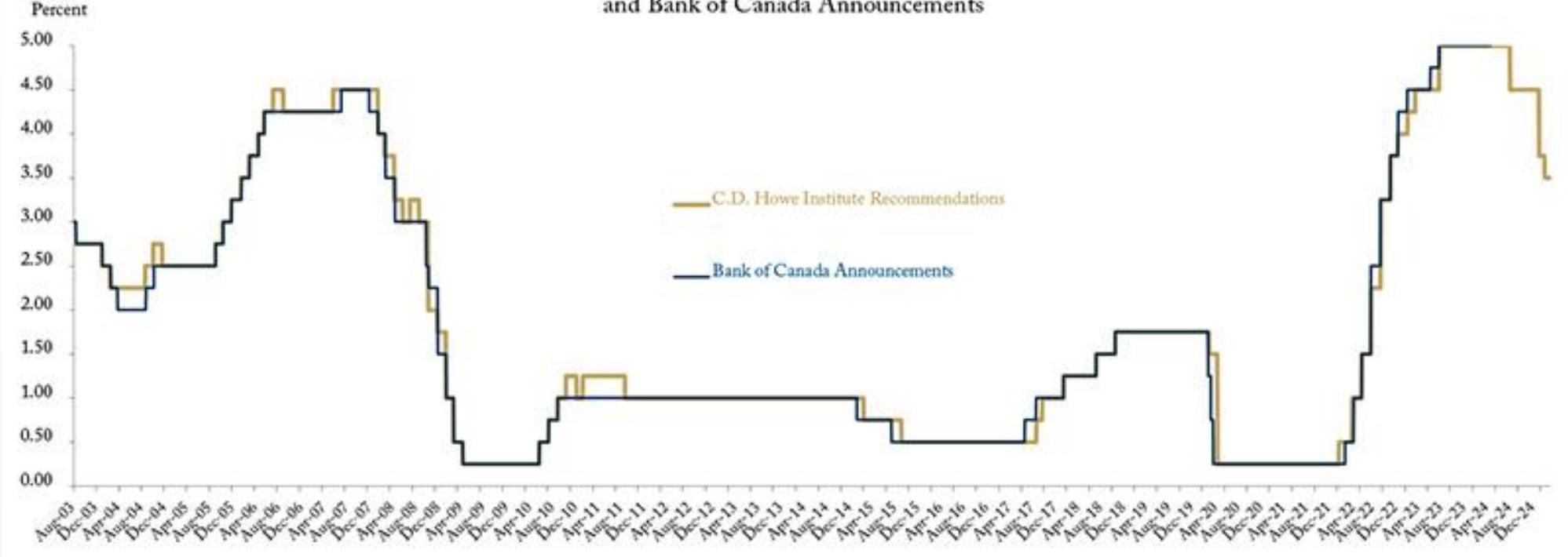
# All-items CPI Inflation by Geography



Source Statistics Canada, Table 18-10-0004-01.

# Bank of Canada Overnight Rate (%)

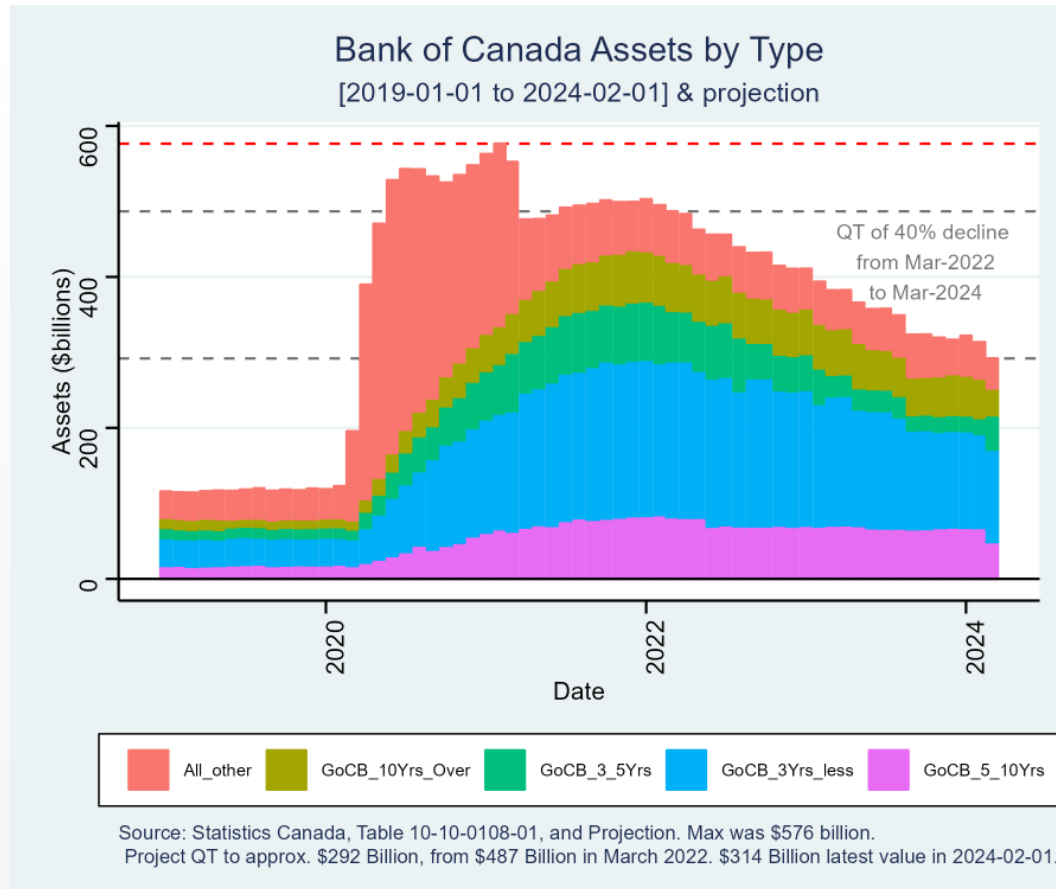
Overnight Rate Target: C.D. Howe Institute MPC Recommendations and Bank of Canada Announcements



3.5%  
By Mar  
2025

Source: Bank of Canada, C.D. Howe Institute MPC recommendations

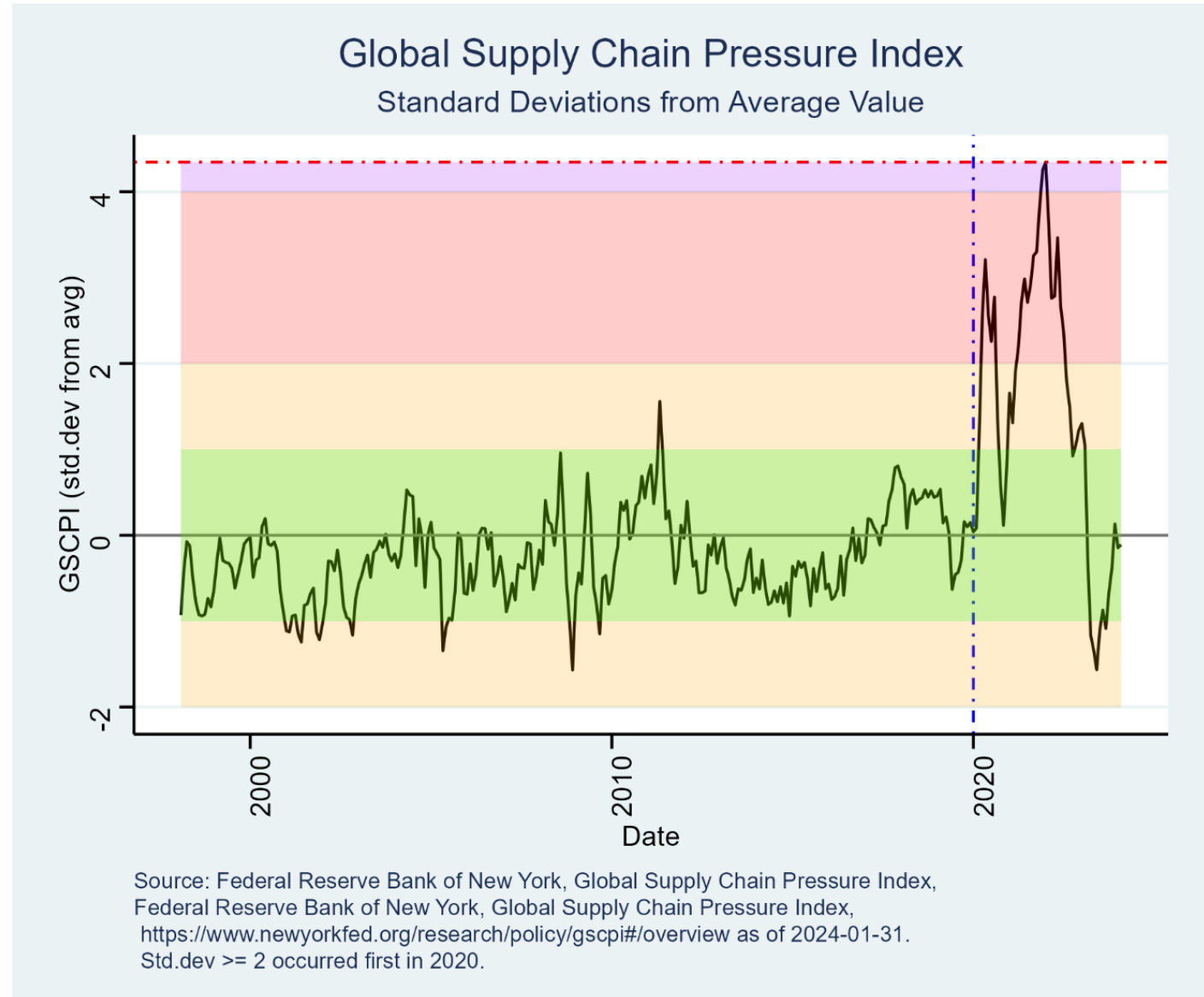
# Size of BoC Balance Sheet Assets (\$Millions)



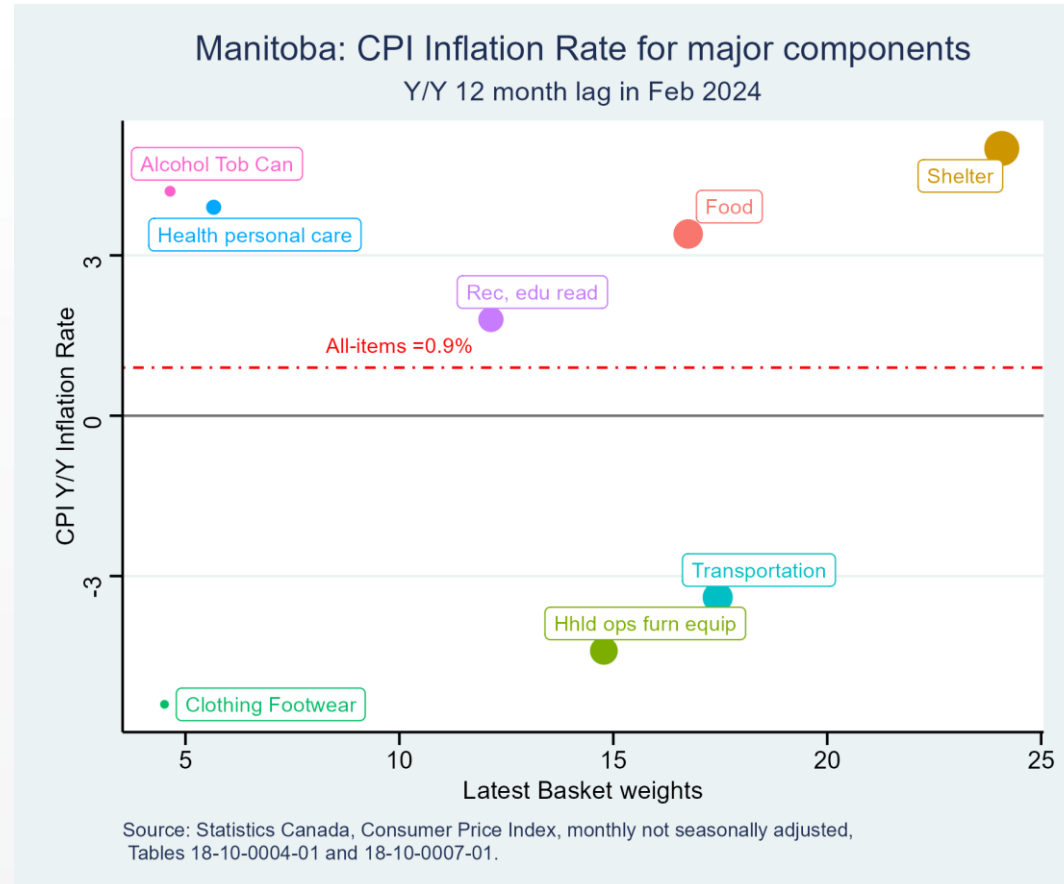
Source: Statistics Canada, Bank of Canada.

# Easing Global Supply Chain Pressure Index

The GSCPI broke through a standard deviation of 2 in 2020 due to the COVID-19 pandemic driven disruptions of global production and shipping. Now much closer to no effect.



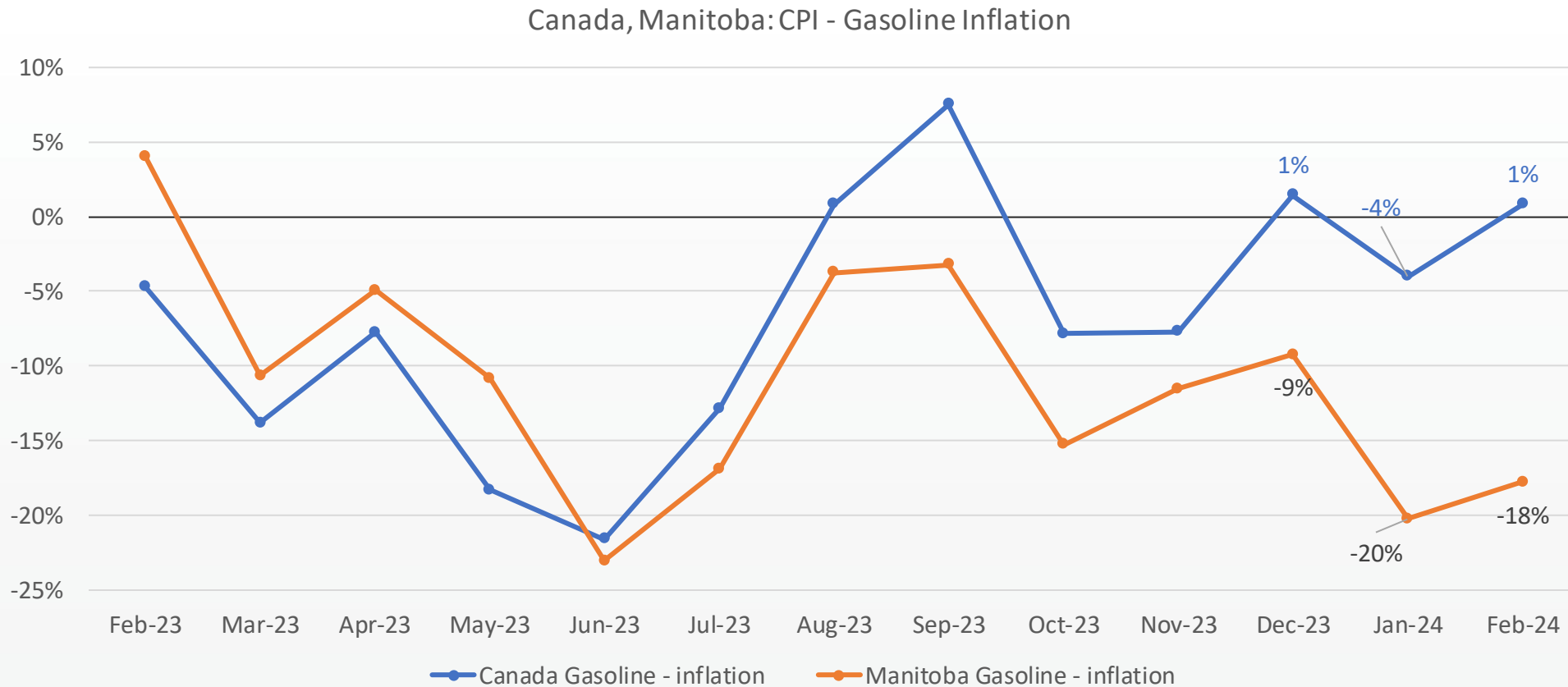
# CPI Inflation by major subcategory, by weight and Geography



Source: Statistic Canada, Tables 18-10-0004-01 and 18-10-0007-01.



# Why is Manitoba's CPI inflation so far below Canada's?



Source: Statistic Canada, Tables 18-10-0004-01.

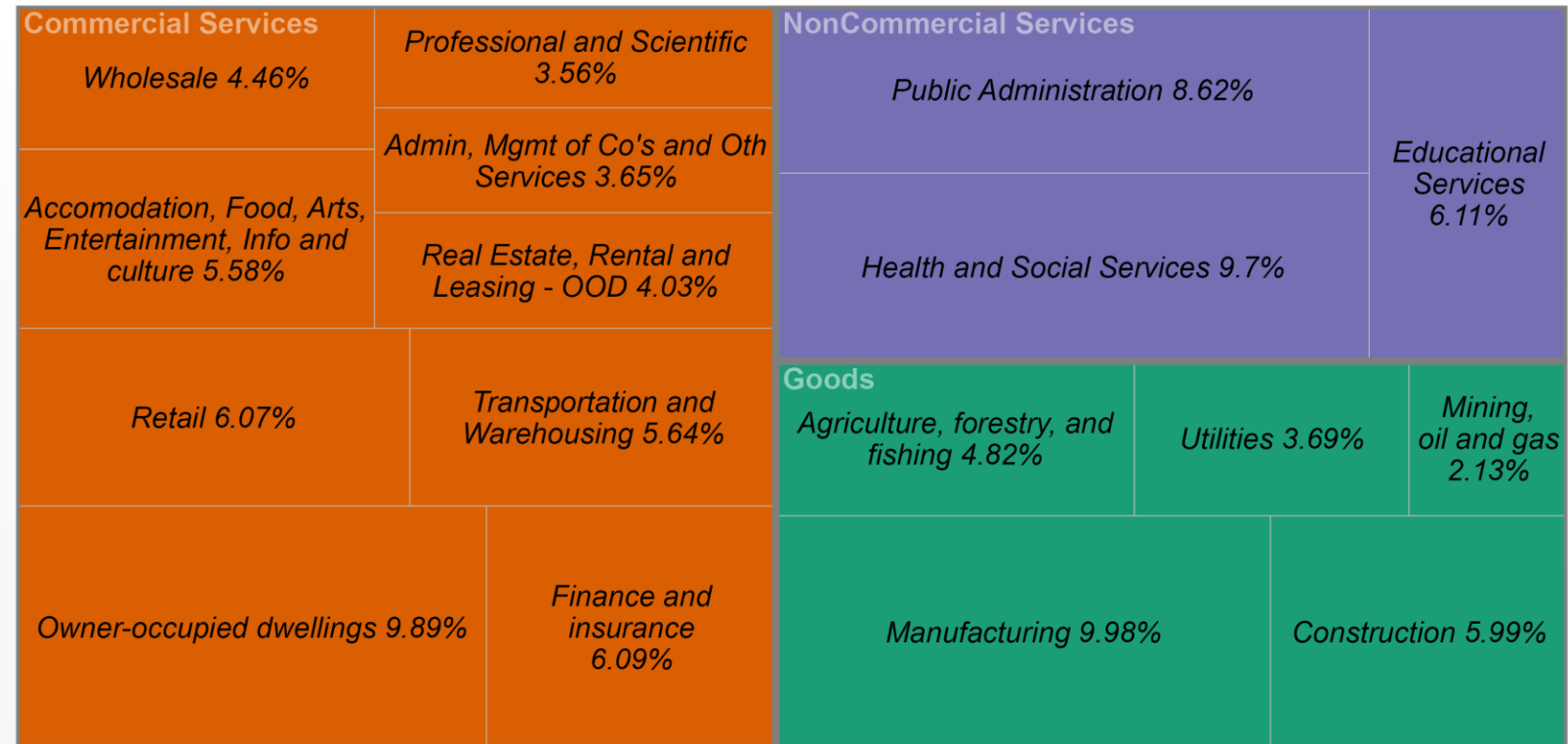


# Manitoba Situation



# GDP Share: Manitoba 2022

Manitoba GDP Share by Sector, 2022 (%)



- Commercial services 48.96%
- Goods 26.61 %
- Non-commercial services 24.43 %

Source: Statistics Canada, Real GDP by Sector, Province - Chained 2012, Tables 36-10-0402-01

Source: Statistics Canada, Table 36-10-0402-01

# Manitoba Employment level (thousands)



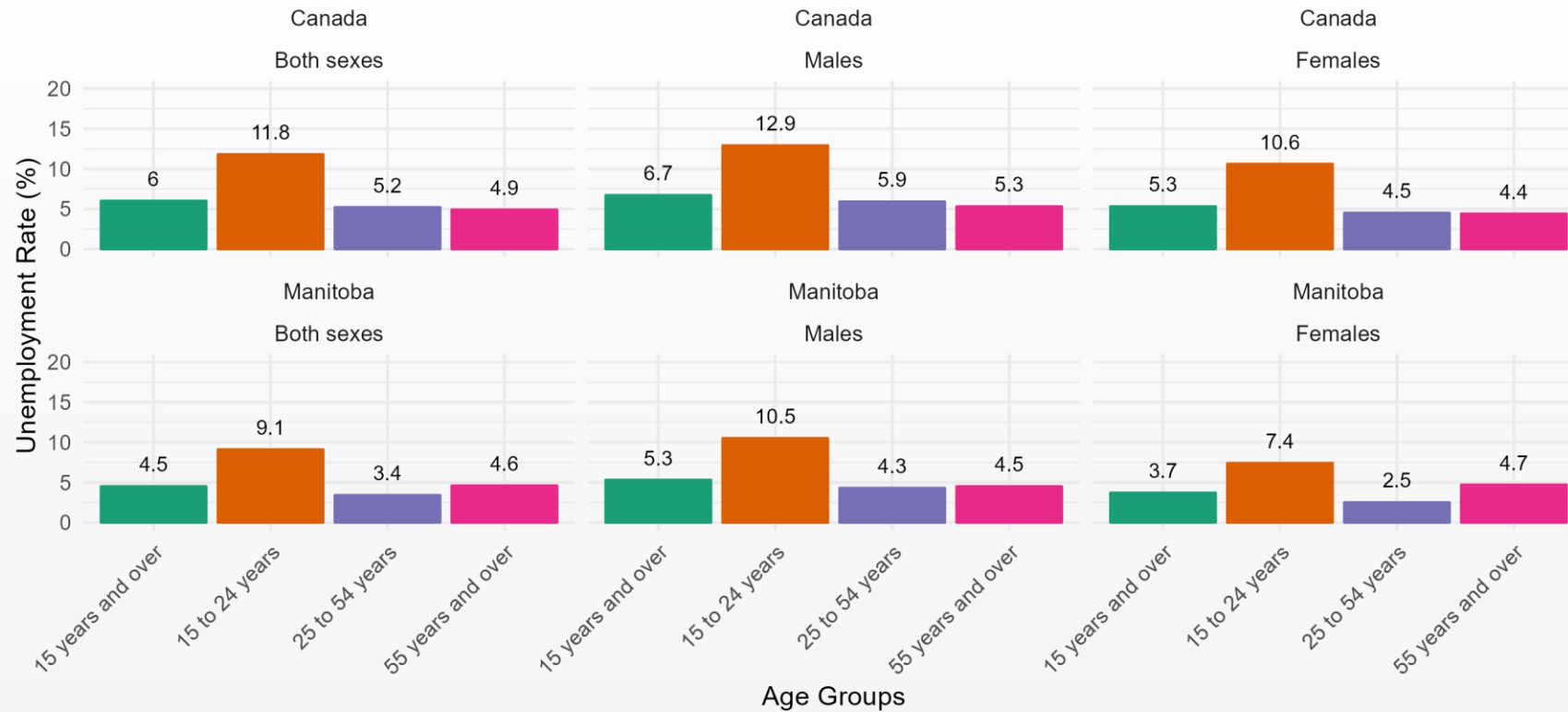
Source: Statistics Canada, LFC, Monthly, Unadjusted, Tables 14-10-0022-01

Source: Statistics Canada, Table 14-10-0022-01



# Unemployment Rate by Geography, Sex, Age Group (%)

2024-02 Unemployment Rate (%)  
by Geography, Sex and Age Group; Unadjusted (%)

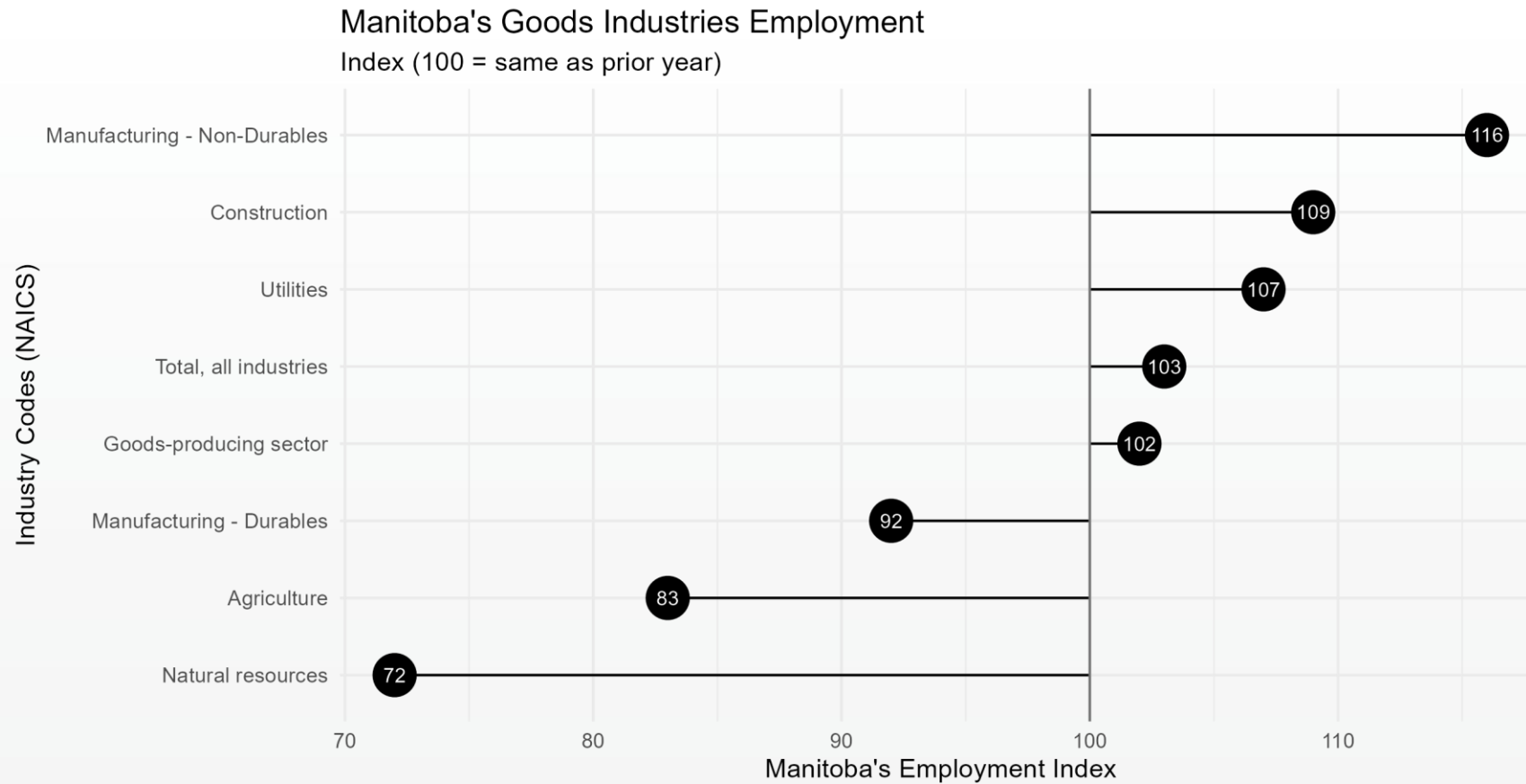


Source: Statistics Canada, LFC, Monthly, Unadjusted, Tables 14-10-0022-01

Source: Statistics Canada, Table 14-10-0022-01



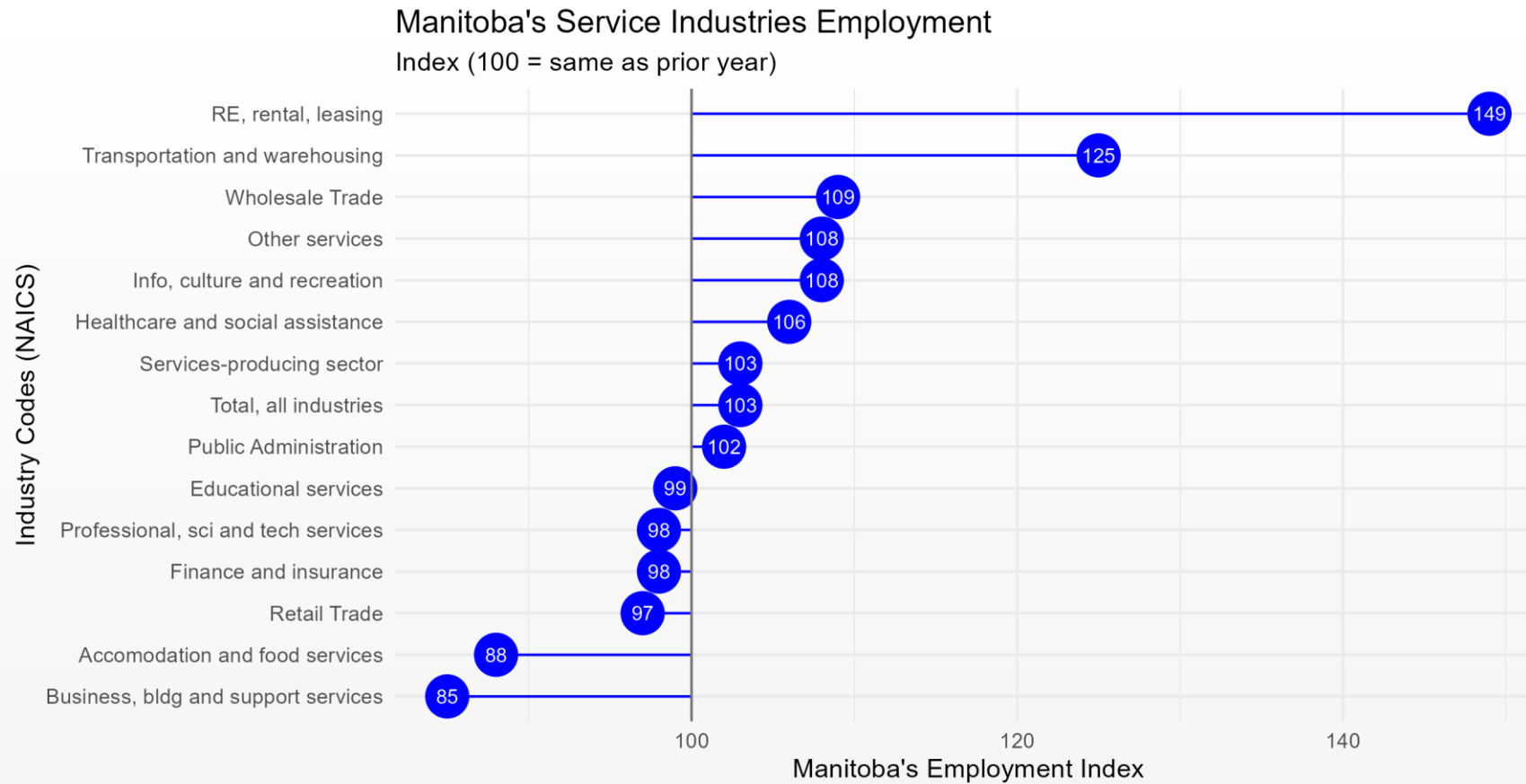
# Manitoba Goods Industry Employment YoY Index



Source: Statistics Canada, LFC, Monthly, Unadjusted, Tables 14-10-0022-01

Source: Statistics Canada, Table 14-10-0022-01

# Manitoba Services Industry Employment YoY Index

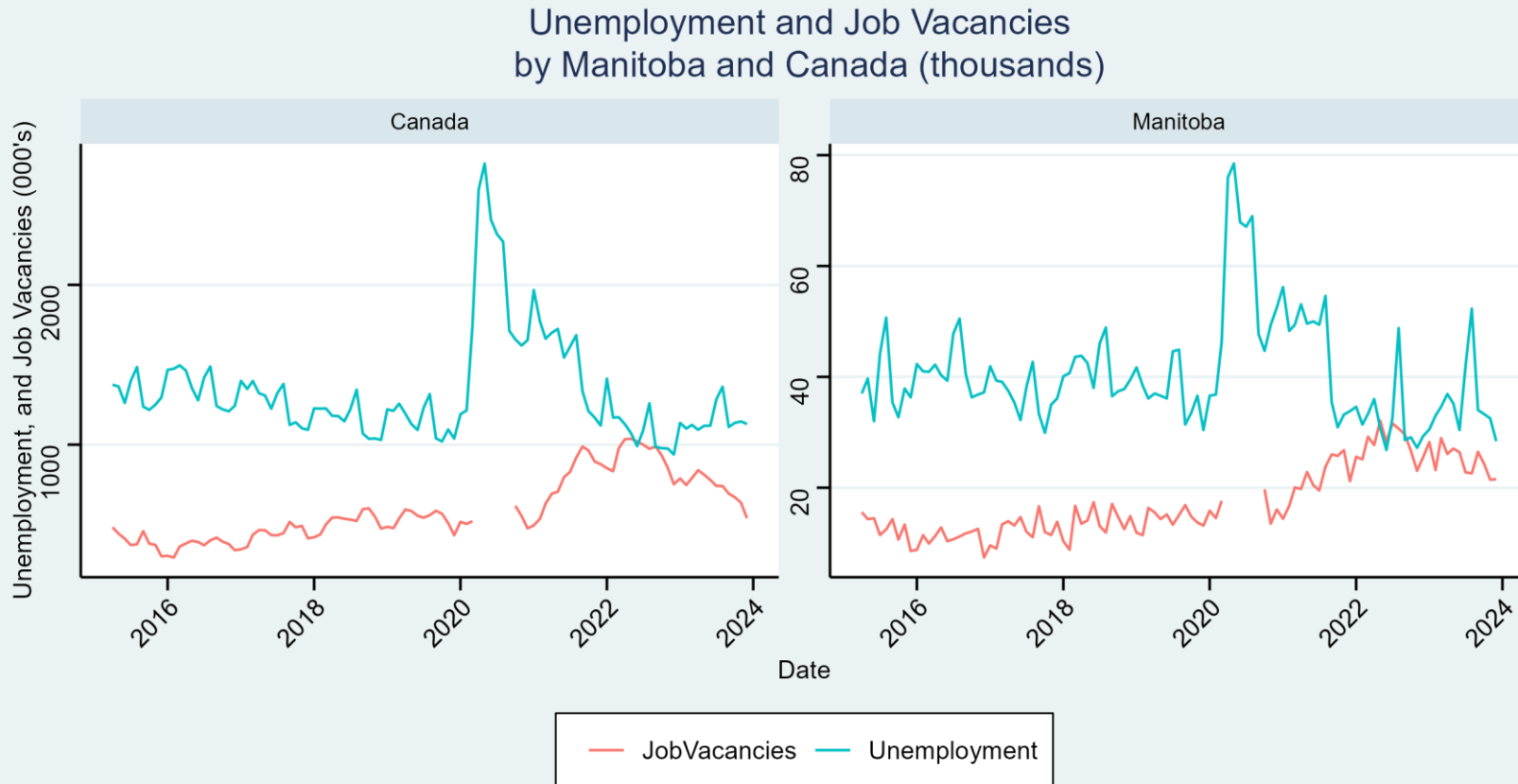


Source: Statistics Canada, LFC, Monthly, Unadjusted, Tables 14-10-0022-01

Source: Statistics Canada, Table 14-10-0022-01



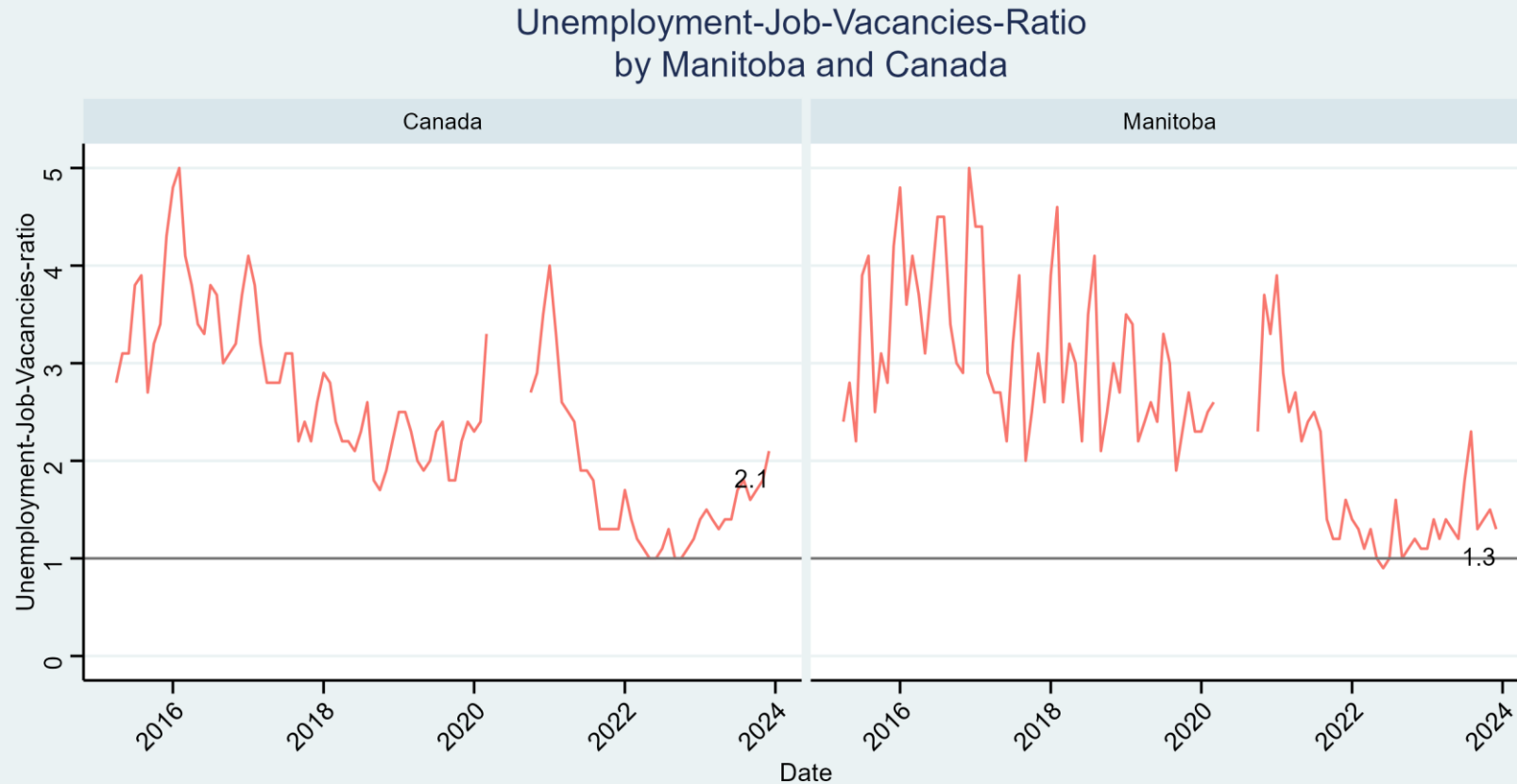
# Unemployment and job vacancies



Source: Statistics Canada, monthly, not seasonally adjusted  
Labour Supply: (LFS) Table 14-10-0287-01, and Labour Demand: (SEPH-JVR) Table 14-10-0371-01.



# Unemployment/job vacancies ratio



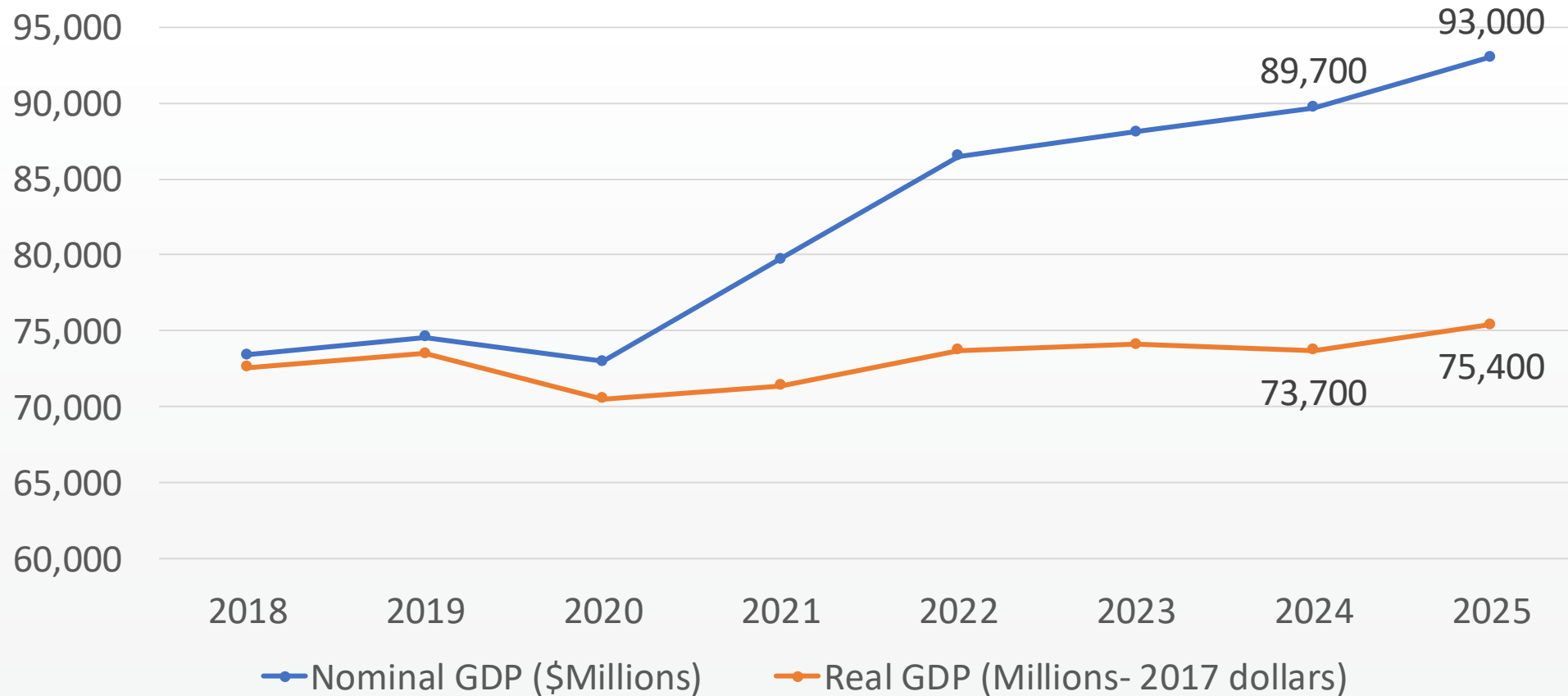
Source: Statistics Canada, monthly, not seasonally adjusted  
Labour Supply: (LFS) Table 14-10-0287-01, and Labour Demand: (SEPH-JVR) Table 14-10-0371-01.



# OUTLOOK



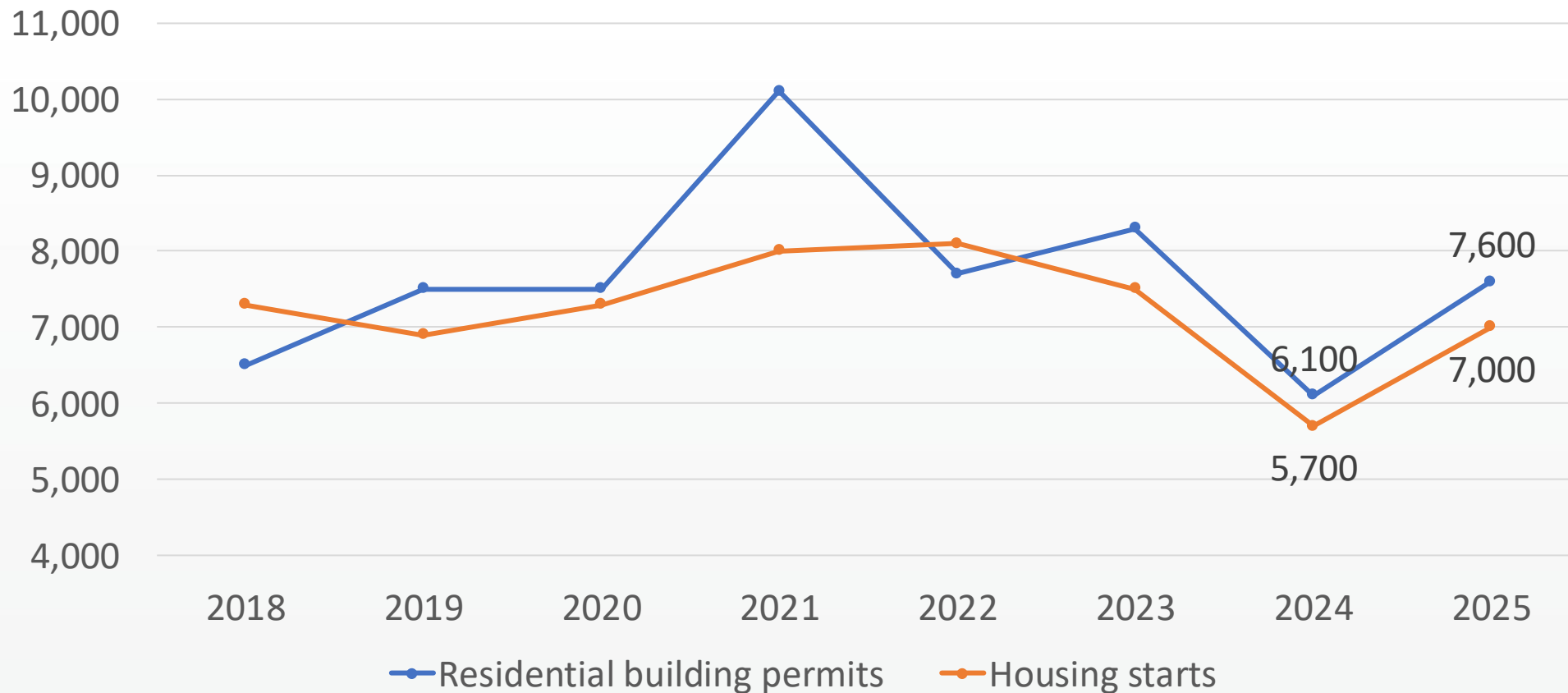
# Manitoba GDP Outlook



Source: Statistics Canada, Oxford Economics Forecast, Rounded to nearest \$100 million.

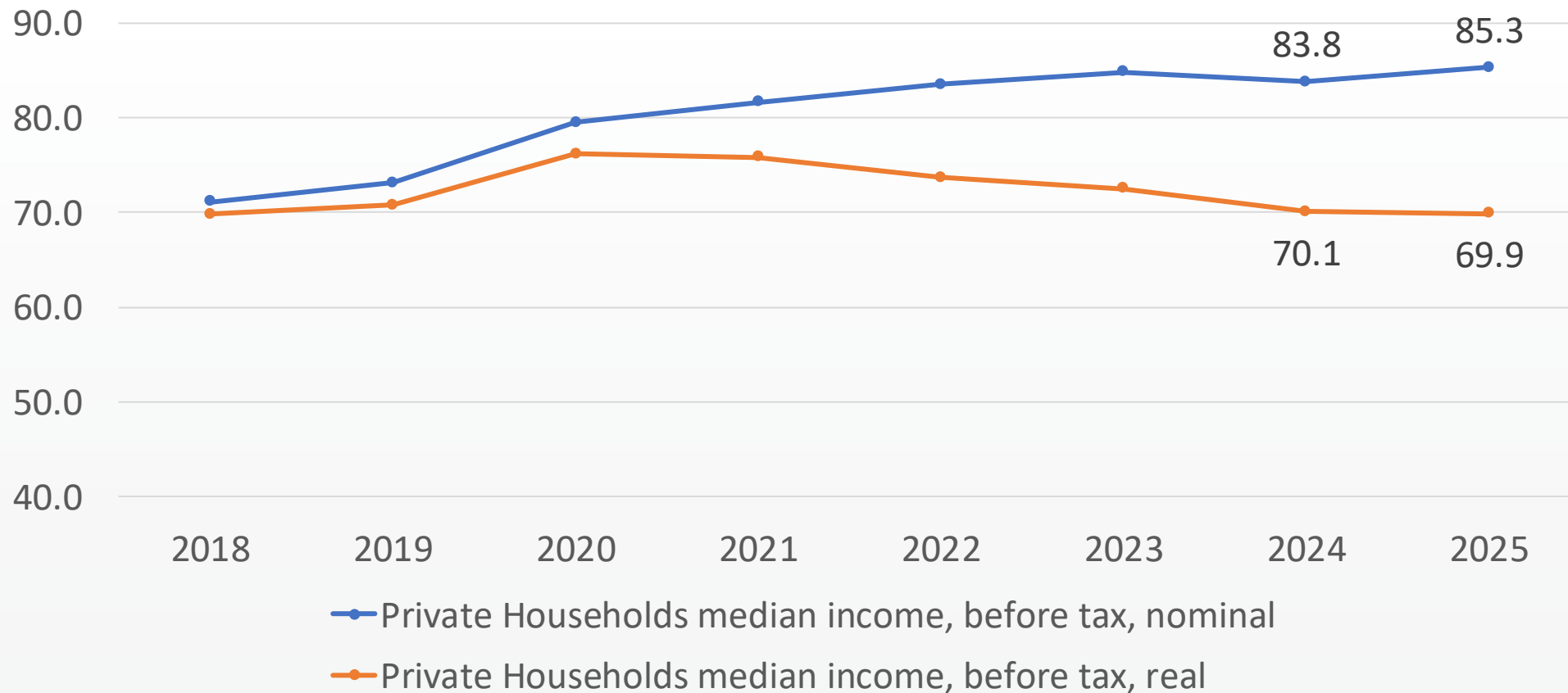


# Manitoba Housing Starts Outlook



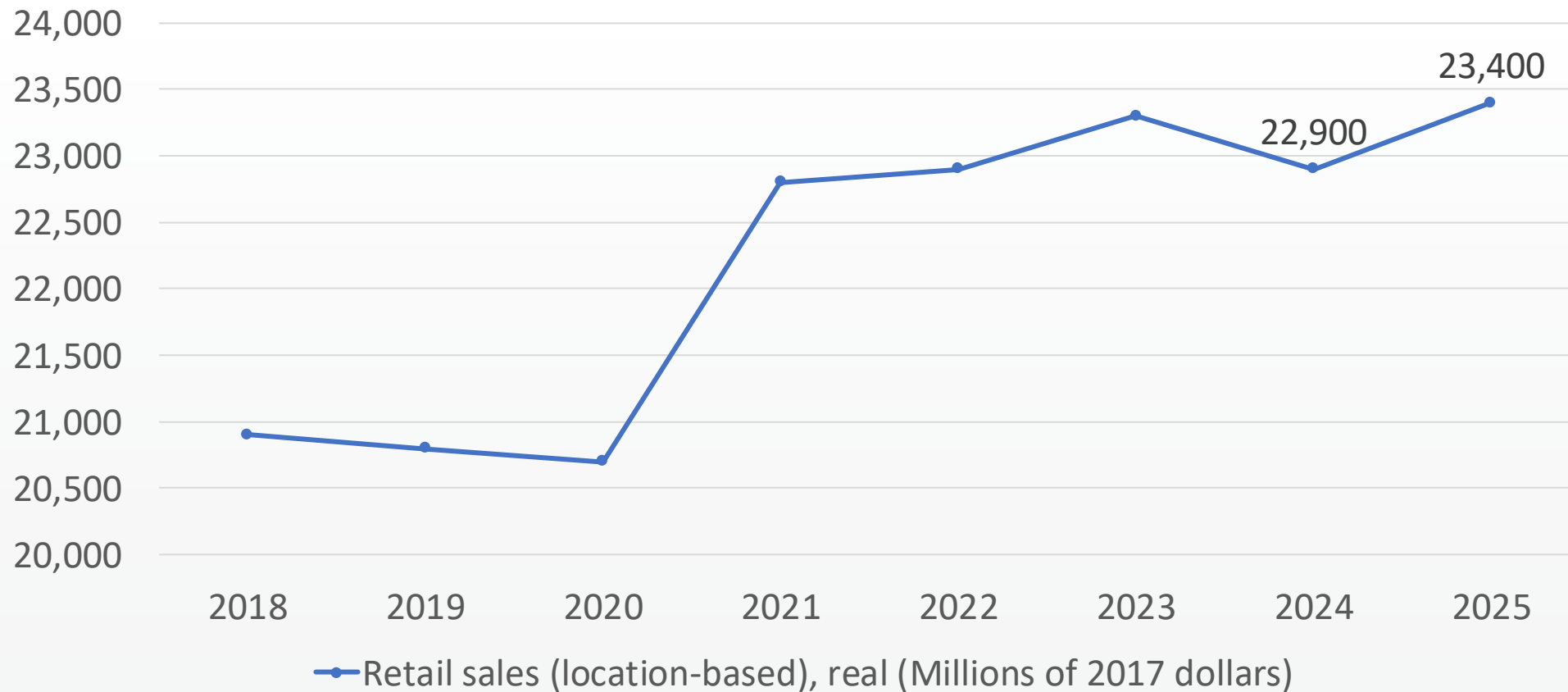
Source: Statistics Canada, Oxford Economics Forecast,  
Rounded to nearest 100 units.

# Manitoba Household Median income, before tax, Nominal and real



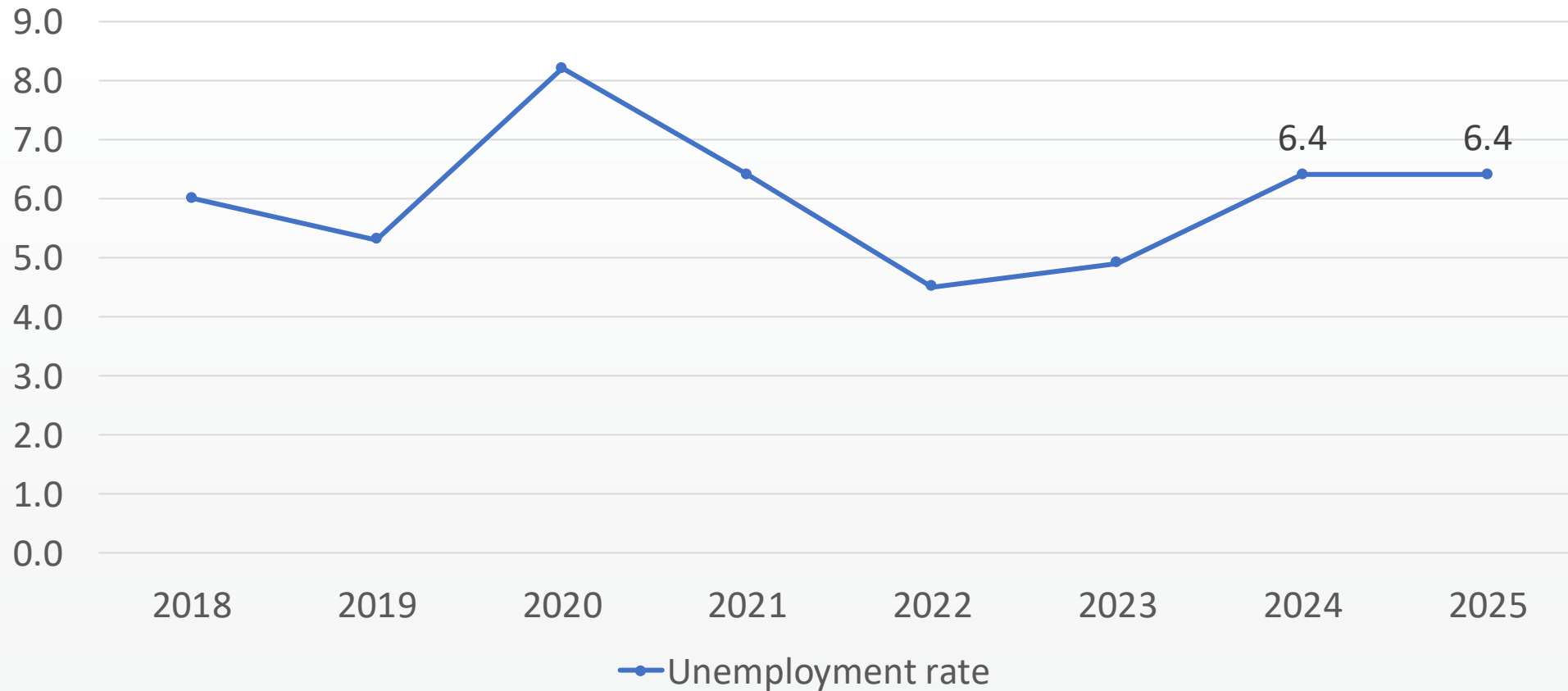
Source: Statistics Canada, Oxford Economics Forecast

# Manitoba Real Retail Sales (\$Millions)



Source: Statistics Canada, Oxford Economics Forecast

# Manitoba Unemployment Rate (%)



Source: Statistics Canada, Oxford Economics Forecast

# Challenges and Opportunities Facing Manitoba

- Challenges: Recovering from the pandemic
  - healthcare system,
  - labour markets
  - Supply chain issues
  - Downtown decline due to pandemic and WFH

## Responses

- Strengthen capacity respond to current and future pandemics
- Expanding supply of qualified labour
- Expanding Domestic Housing Supply, including in downtowns





## Economic Development Winnipeg:

- **Winnipeg Economic Digest Blog**
- Thank you!
- Chris Ferris, Senior Economist



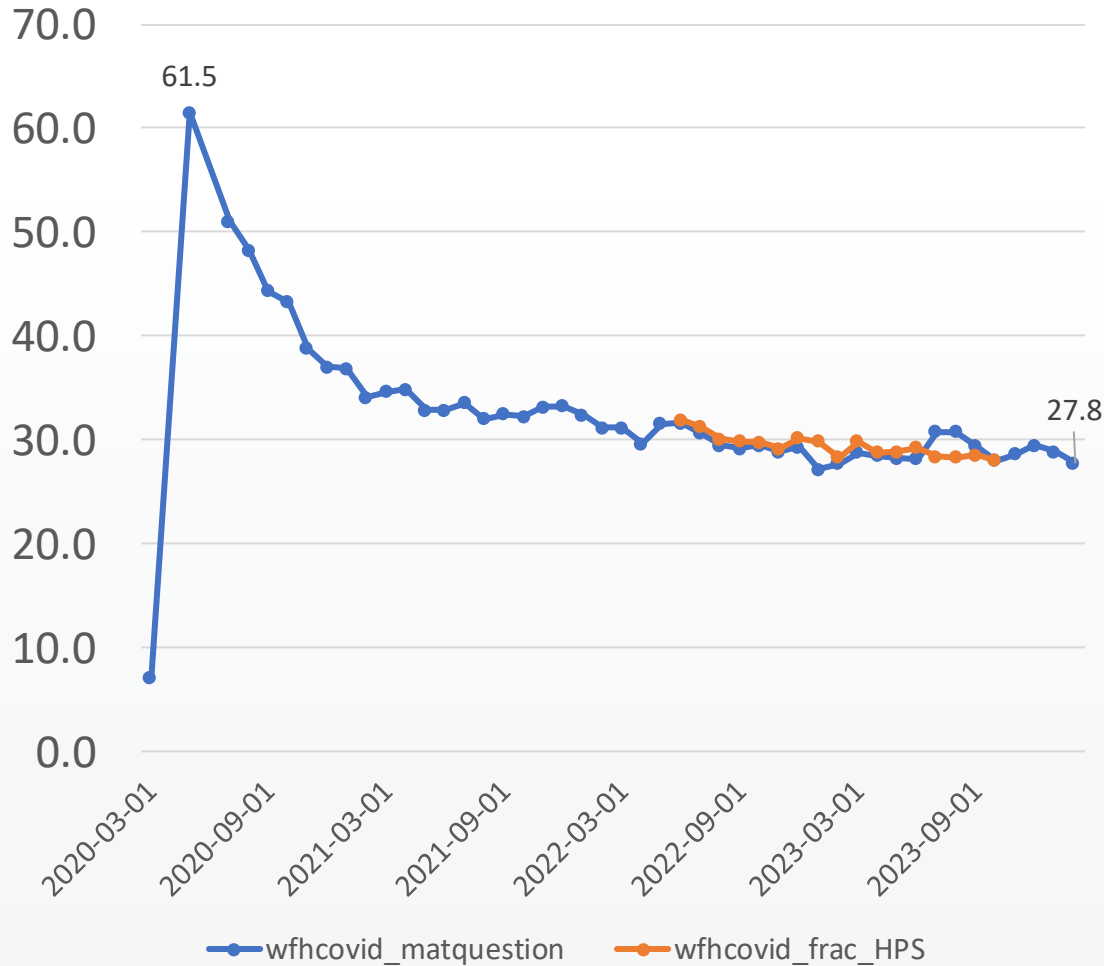
# Bonus Slides



# Work From Home

“About 28% of Paid Days in the US in February 2024 Were Work-From-Home Days.” – WFH Research.

Canada’s results are similar (see Q2 2023 results in the [Winnipeg Economic Digest](#), “An Economist’s Lens on the Labour Market”).



Source: [An Economist’s Lens on the Labour Market | Winnipeg Economic Digest | Economic Development Winnipeg](#), and latest from [WFH Research, Excel](#), and [Feb’24](#). Barrero, Jose Maria, Nicholas Bloom, and Steven J. Davis, 2021. “Why working from home will stick,” National Bureau of Economic Research Working Paper 28731.

# Population Growth – Change factors

Two federal announcements to curtail non-permanent residents coming into Canada over 2024 and 2025:

- Cutting study permits for college and undergraduate students entering Canada during 2024 and 2025 to approximately 360,000 per year. **[1]**
- Immigration Minister Marc Miller and Employment, Workforce Development and Official Languages Minister Randy Boissonnault made an announcement that there will be cuts to non-permanent residents, including temporary foreign residents **[2]**.
  - This is likely to keep unemployment rates lower over the coming year, but by reducing demand for housing, will tend to take pressure off rental rates and housing costs.

Source: [1] Chris Ferris (January 24, 2024), "Implications of recent changes to IRCC study permit rules," [WED Vol. 3, Issue 1](#). [2] Marc Miller (March 21, 2024). "Speaking notes for the Honourable Marc Miller, Minister of Immigration, Refugees and Citizenship: [Announcement related to Temporary Residents](#)," and CBC ([March 21, 2024](#)). "Federal government aiming to shrink temporary residents' share of population by 2027."



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