

Manitoba Economic Regions GDP Estimates

Presentation to the Manitoba Association
of Business Economists (MABE)

February 2025



City of Winnipeg Treaty Acknowledgement

We gratefully acknowledge that we work and reside in Treaty 1 Territory, the home and traditional lands of the Anishinabe (Ojibwe), Ininew (Cree), and Dakota peoples, and in the National Homeland of the Red River Métis. Our clean drinking water comes from Shoal Lake 40 First Nation in Treaty 3 Territory.

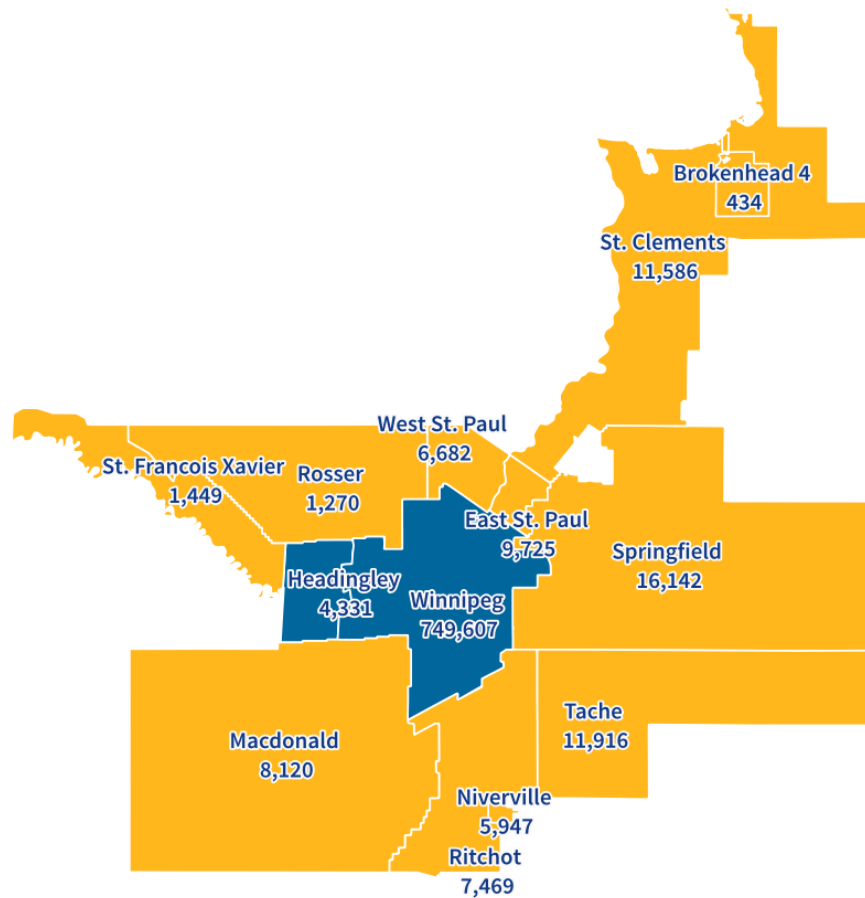
Presentation outline

1. Introduction
2. Methodology
3. Regional results
4. Tariff risk analysis

Introduction

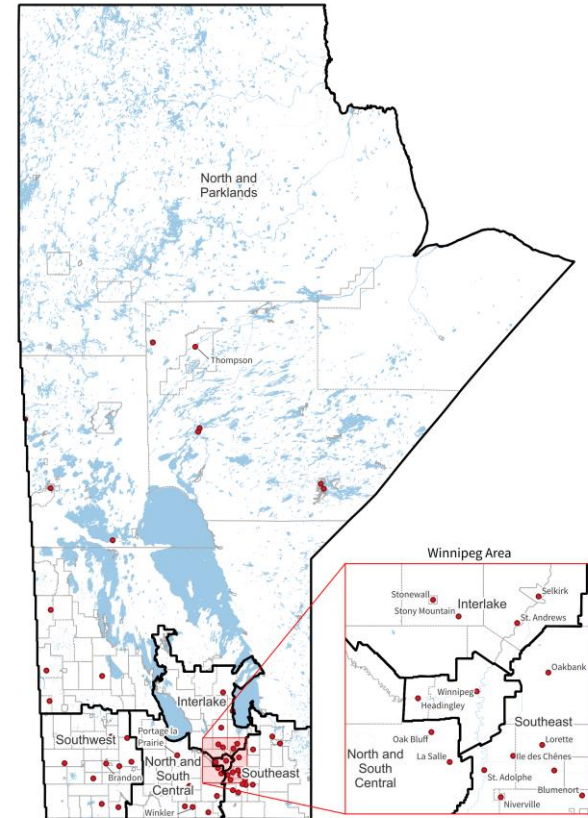
- A key question for the City is what is Winnipeg's GDP?
- Currently Statistics Canada produces total nominal GDP estimates for Census Metropolitan Areas
 - Private sector forecasters (e.g. Oxford Economics) estimate real GDP by industry for the CMAs
- This project attempts to provide better insight into Winnipeg's actual GDP, estimated for Winnipeg's Economic Region (Winnipeg + Headingley)

Winnipeg Census Metropolitan Area



Manitoba's Economic Regions

- Statistics Canada splits Manitoba up into 8 economic regions:
 - North
 - Parklands
 - Southwest
 - North Central
 - South Central
 - Southeast
 - Winnipeg
- In the Labour Force Survey Parklands and North, and North Central and South Central are combined into two regions
- We estimate GDP for the 6 LFS based economic regions



* Prepared by the City of Winnipeg Economic Development and Policy Office from: Statistics Canada's 2021 Census boundary files. Note that the following original economic regions have been consolidated into single regions for the purposes of this report: North and Parklands; North Central and South Central. October 29, 2024.

Methodology

- Estimating GDP by economic region is done by splitting up the Statistics Canada provincial estimates
- The biggest constraint is data availability
- The workhorse of the model is annual employment by industry by economic region from the Labour Force Survey, adjusted using custom Census data
- Alternative data sources are also required for industries where employment shares by economic region are not a good proxy for allocating GDP (e.g. economic profits from MB Hydro dams)
- The estimates begin in 2010, coinciding with the earliest publically available Supply & Use Tables

Methodology – employment approach

- Employment shares by economic region for a given industry are a good proxy for the location of economic activity for industries that are highly labour dependent (e.g. manufacturing and public services)
- To estimate the employment shares a few steps are taken:
 1. Calculate the employment shares by economic for each industry (LFS data) at 2 digit NAICS
 2. Use custom census data to adjust the shares from 1 to transform the results from employment by place of residence to place of work
 3. Use custom census data to split the adjusted employment shares at 2 digit NAICS to 4 digit NAICS, allowing us to estimate GDP at a more detailed industry level

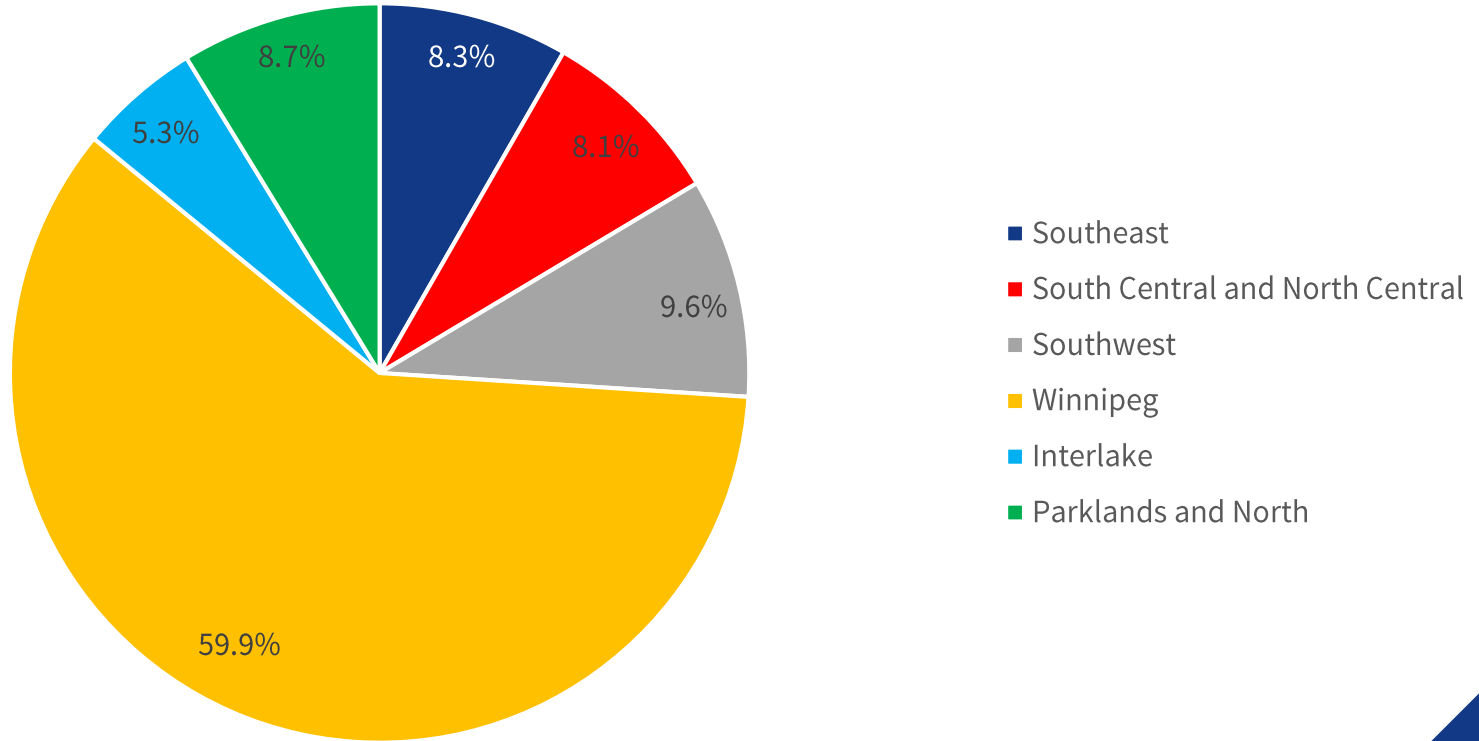
Methodology – alternative data approach

- The employment approach is very useful as it can be applied to a wide variety of industries. However, there are a number of industries that require customized solutions.
- Each approach uses alternative data to estimate shares of the location of production across the economic regions. Some examples are:
 - Manitoba Hydro dam locations with annual output used to split profits for the industry found in Supply & Use Tables
 - Manitoba Hydro PUB filings on detailed annual CAPEX
 - Oil production by well from Manitoba Petroleum Branch
 - Length/location of natural gas and oil pipelines and major Manitoba Hydro transmission lines

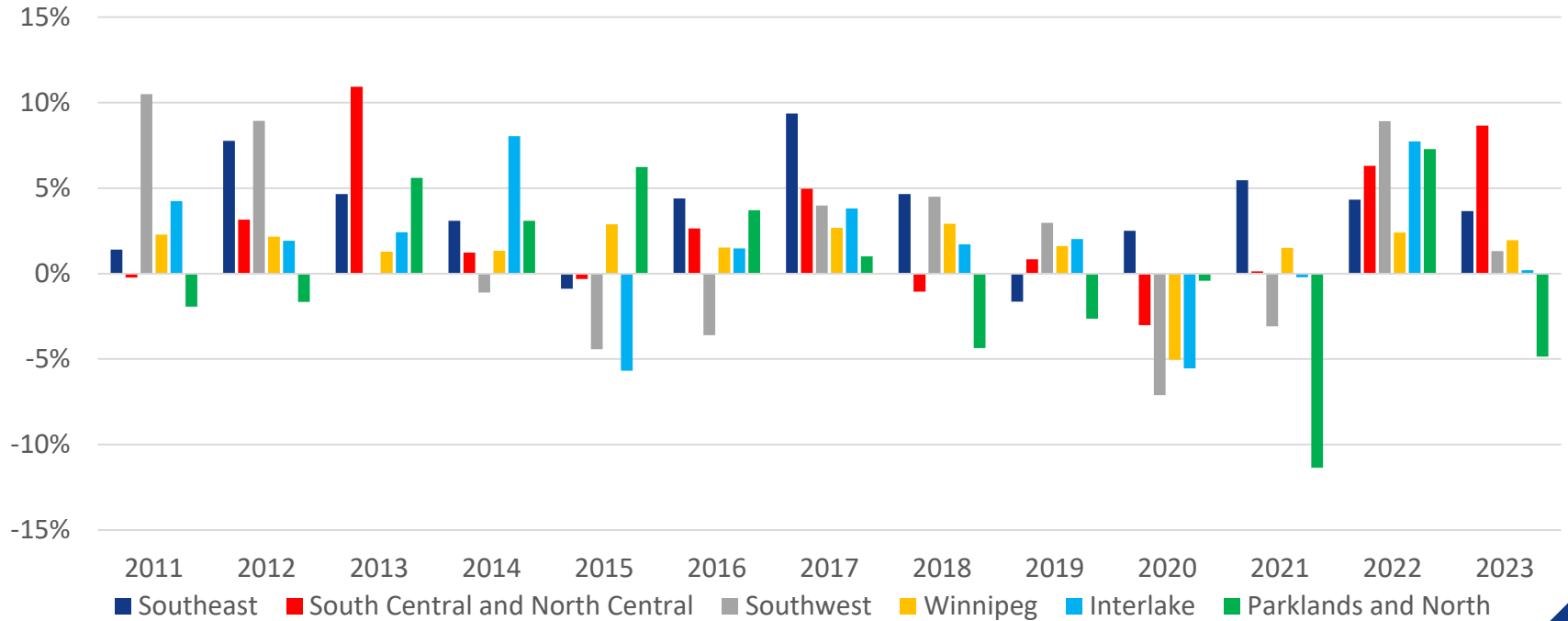
Methodology – bringing it all together

- The industry shares by economic region are applied to the corresponding nominal GDP levels for Manitoba
- Finally, using provincial implicit price indexes and the chained fisher method, real GDP at 2 digit NAICS and all industries are calculated for each economic region
 - For post-SUT years where implicit price indexes are not available, inflation rates are estimated using various data sources and applied accordingly
- Significant implicit assumptions are price levels, inflation rates and labour productivity are equal across all economic regions

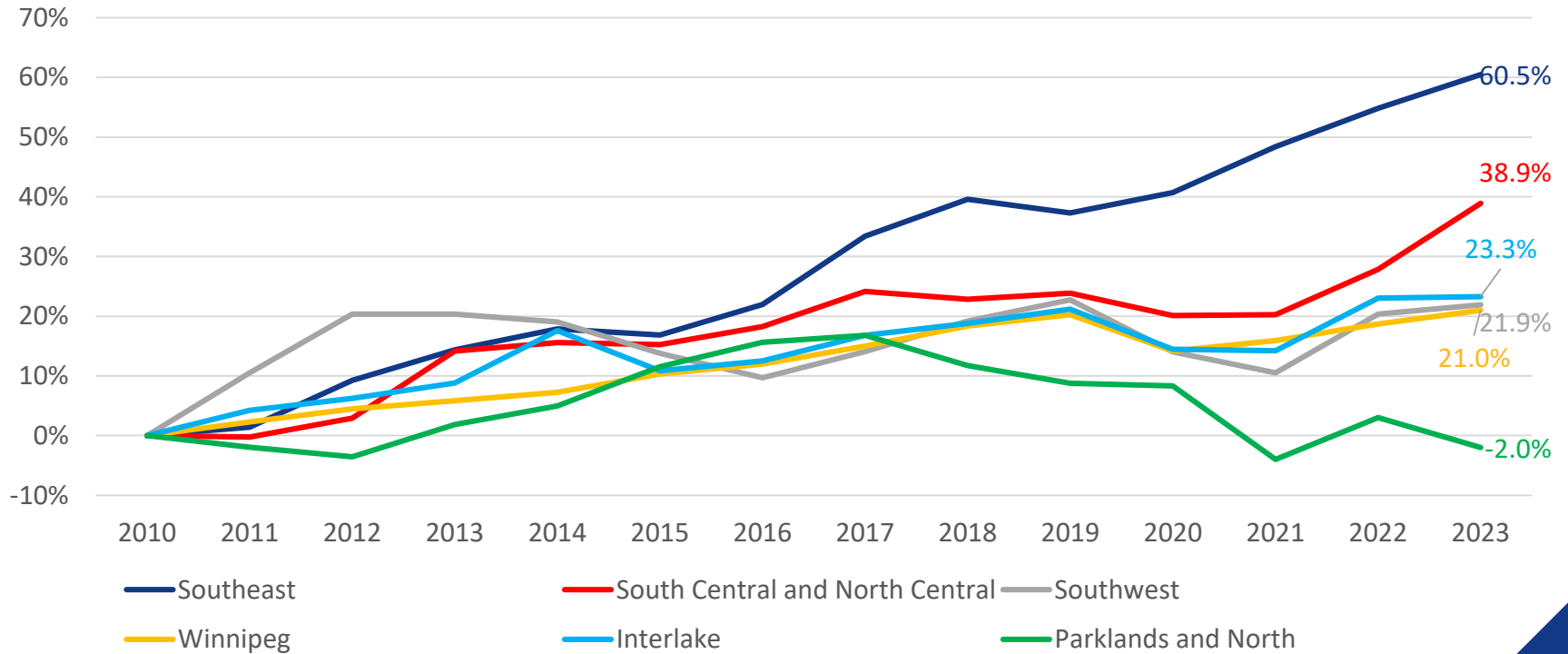
Regional results – Manitoba ERs 2021 GDP shares



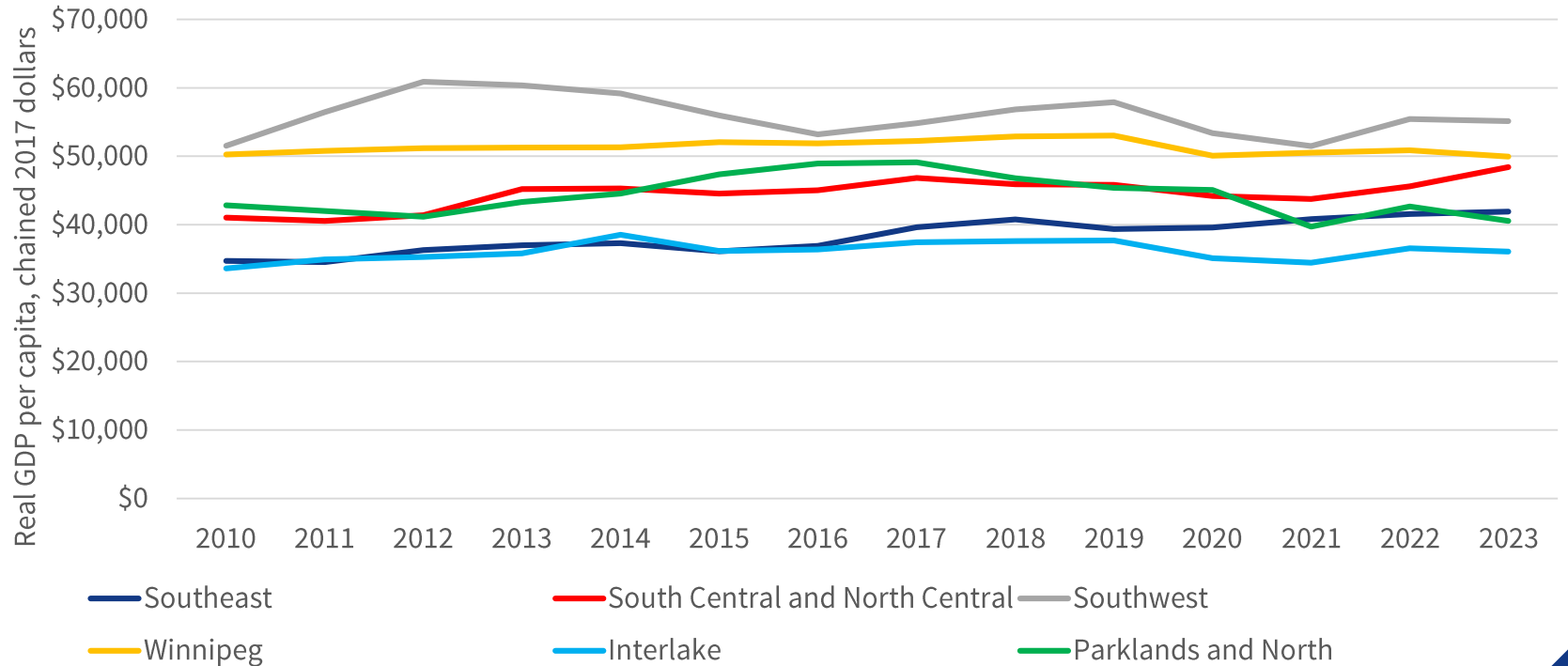
Regional results – real GDP growth by ER



Regional results – real GDP cumulative growth by ER

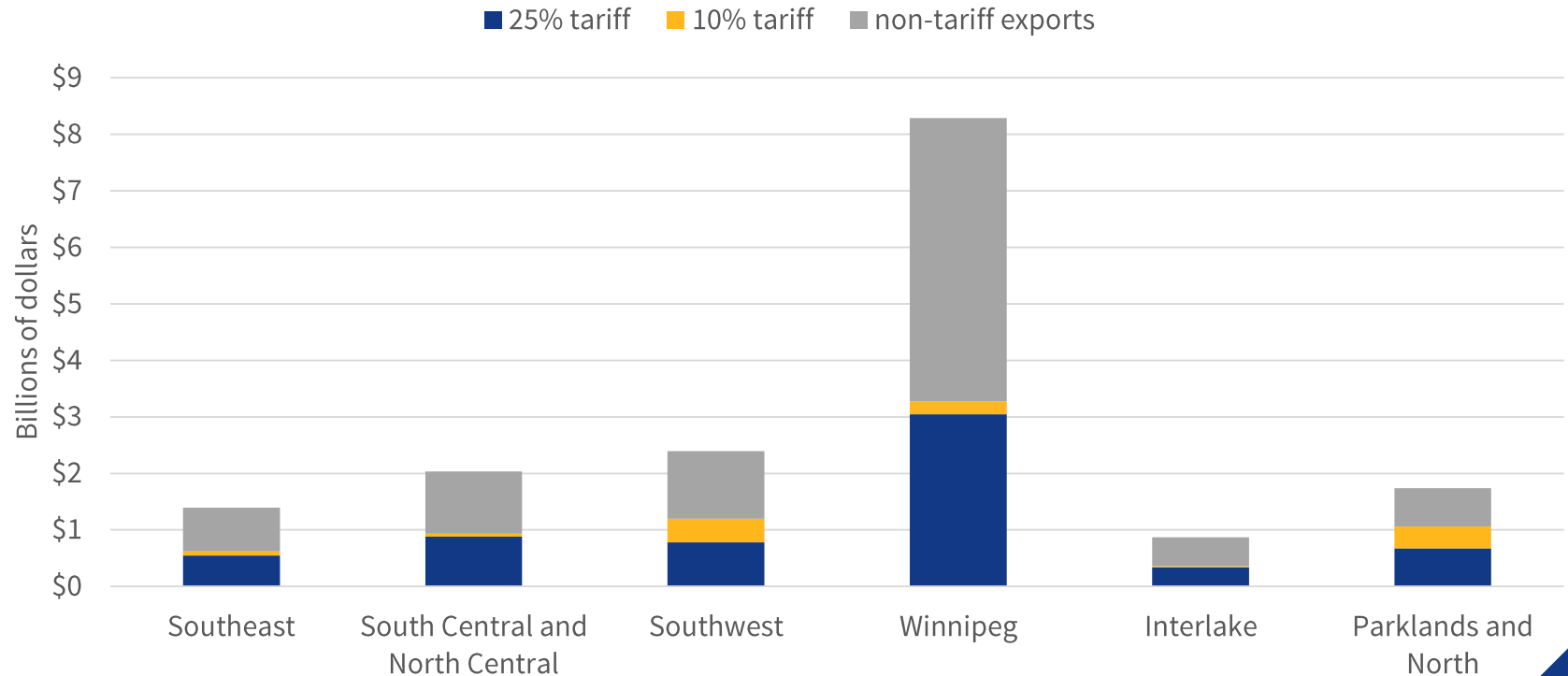


Regional results – real GDP per capita by ER

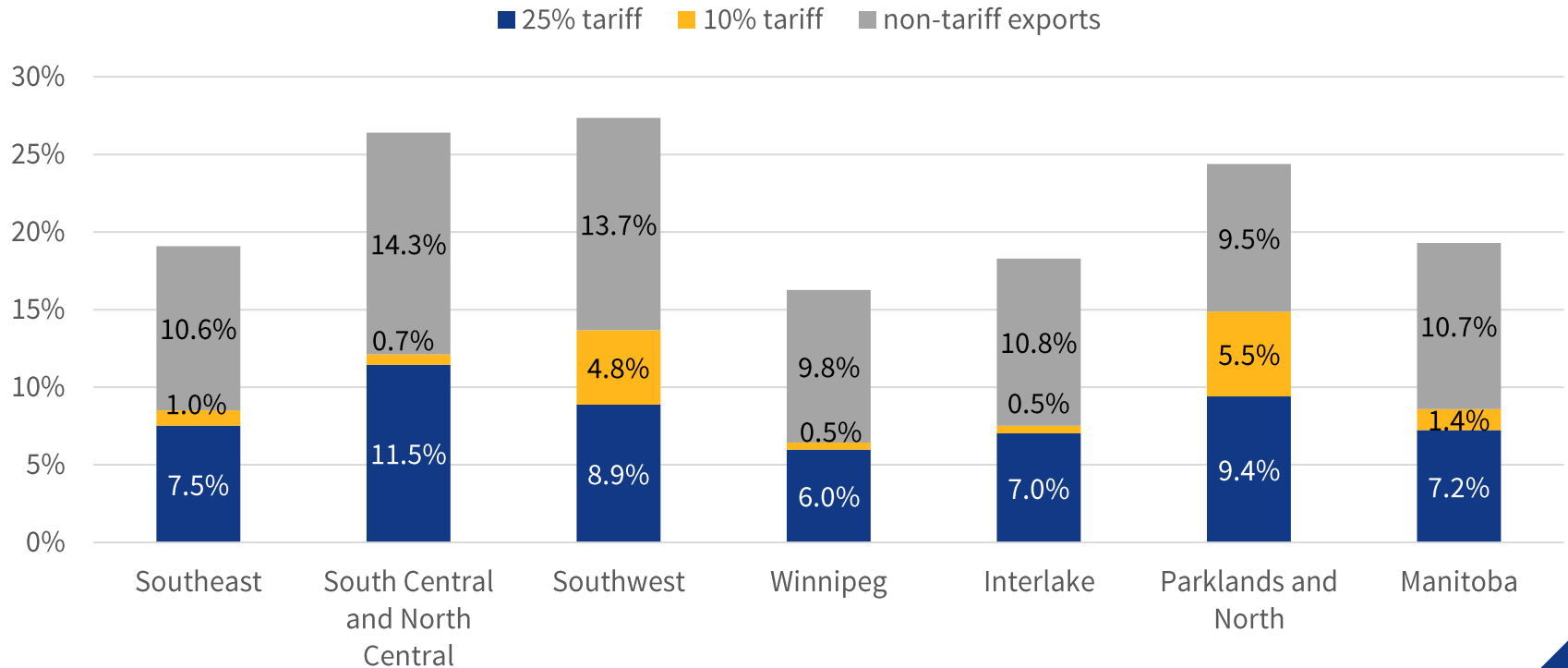


	Largest industry (2023 real GDP, 2017 dollars, 2023 nominal shares)	Noteworthy high growth industries (10 year growth rate)	Noteworthy slow/declining industries (10 year growth rate)
Southeast	Construction (\$706, 12.4%)	Wholesale and retail trade (+75.4%)	Utilities (+16.3%)
South Central & North Central	Agriculture (\$979, 15.6%)	Professional and scientific services (+119.4%)	Agriculture (+12.9%)
Southwest	Agriculture (\$943, 12.2%)	Information, culture and recreation (+89.1%)	Forestry, fishing, mining, quarrying, oil and gas (-23.6%)
Winnipeg	Health care and social services (\$4,699, 11.7%)	Transportation and warehousing (+44.4%)	Agriculture (-59.0%)
Interlake	Wholesale and retail trade (\$505, 13.5%)	Transportation and warehousing (+65.7%)	Manufacturing (-37.4%)
Parklands & North	Utilities (\$1,404, 24.1%)	Utilities (+21.1%)	Forestry, fishing, mining, quarrying, oil and gas (-41.7%)

GDP exposed to international exports by ER



Percent of GDP exposed to international exports by ER



Top 10 industries exposed to non-energy tariffs (direct and indirect), millions of dollars

Rank	Region	Industry	GDP	25% tariff	10% tariff	Non-tariff exports
1	Winnipeg	Manufacturing	\$5,450	\$1,938 (35.6%)	\$19	\$791
2	South Central & North Central	Manufacturing	\$1,232	\$416 (33.8%)	\$4	\$153
3	Winnipeg	Transportation and warehousing	\$4,037	\$310 (7.7%)	\$21	\$1,444
4	South Central & North Central	Agriculture	\$1,108	\$304 (27.4%)	\$1	\$416
5	Southwest	Agriculture	\$1,066	\$292 (27.4%)	\$1	\$396
6	Parklands & North	Forestry, fishing, mining, quarrying, oil and gas	\$668	\$255 (38.1%)	\$25	\$131
7	Southwest	Manufacturing	\$830	\$244 (29.4%)	\$2	\$181
8	Winnipeg	Wholesale and retail trade	\$5,438	\$235 (4.3%)	\$21	\$818
9	Southeast	Manufacturing	\$672	\$214 (31.8%)	\$2	\$95
10	Winnipeg	Finance, insurance and real estate	\$11,029	\$186 (1.7%)	\$32	\$515

Top 10 industries exposed to energy tariffs (direct and indirect) , millions of dollars

Rank	Region	Industry	GDP	25% tariff	10% tariff	Non-tariff exports
1	Southwest	Forestry, fishing, mining, quarrying, oil and gas	\$1,254	\$112	\$384 (30.6%)	\$126
2	Parklands and North	Utilities	\$1,720	\$126	\$359 (20.8%)	\$90
3	Winnipeg	Utilities	\$552	\$33	\$84 (15.3%)	\$27
4	Southeast	Utilities	\$270	\$19	\$54 (20.1%)	\$14
5	Winnipeg	Finance, insurance and real estate	\$11,029	\$186	\$32 (0.3%)	\$515
6	Parklands and North	Forestry, fishing, mining, quarrying, oil and gas	\$668	\$255	\$25 (3.7%)	\$131
7	Winnipeg	Transportation and warehousing	\$4,037	\$310	\$21 (0.5%)	\$1,444
8	Winnipeg	Wholesale and retail trade	\$5,438	\$235	\$21 (0.4%)	\$818
9	Winnipeg	Manufacturing	\$5,450	\$1,938	\$19 (0.4%)	\$791
10	Winnipeg	Professional and scientific services	\$2,435	\$91	\$18 (0.7%)	\$501

Source: Statistics Canada and City of Winnipeg
Economic Development and Policy Office

Top 10 industries not exposed to tariffs (direct and indirect), millions of dollars

Rank	Region	Industry	GDP	25% tariff	10% tariff	Non-tariff exports
1	Winnipeg	Transportation and warehousing	\$4,037	\$310	\$21	\$1,444 (35.8%)
2	Winnipeg	Wholesale and retail trade	\$5,438	\$235	\$21	\$818 (15.0%)
3	Winnipeg	Manufacturing	\$5,450	\$1,938	\$19	\$791 (14.5%)
4	Winnipeg	Finance, insurance and real estate	\$11,029	\$186	\$32	\$515 (4.7%)
5	Winnipeg	Professional and scientific services	\$2,435	\$91	\$18	\$501 (20.6%)
6	South Central and North Central	Agriculture	\$1,108	\$304	\$1	\$416 (37.5%)
7	Southwest	Agriculture	\$1,066	\$292	\$1	\$396 (37.2%)
8	Parklands and North	Agriculture	\$660	\$181	\$0	\$246 (37.3%)
9	Winnipeg	Information, Culture and Recreation	\$2,169	\$46	\$7	\$235 (10.8%)
10	Southwest	Transportation and warehousing	\$525	\$41	\$14	\$209 (39.8%)

Conclusion

- These new estimates provide a more refined estimate of Winnipeg's GDP and new estimates for other economic regions in Manitoba
- On our website are a report on the 2023 estimates and the methodology paper
 - Two digit NAICS GDP estimates dataset coming soon
- Special thank you to Tyler Kroeker (City of Winnipeg), Mike Wisener, Michael Apata and David Desrochers (Manitoba Bureau of Statistics) and Conrad Barber-Dueck (Statistics Canada) for their support and advice in making this project be successful



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