The Community Trends report is meant to be a compilation of various socio-economic information on Winnipeg.

Prepared by the City of Winnipeg

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Statistics Canada and the Conference Board of Canada often provide information based on Census Metropolitan Areas (CMA’s). CMA’s include the core city and any neighbouring municipalities where 50% or more of the labour force works in the core city.

In the coming pages there will be reference to Winnipeg’s CMA. The map below shows the Capital Region, with Winnipeg CMA highlighted in green. Winnipeg CMA includes the rural municipalities of:

- Ritchot
- Tache
- Springfield
- East St. Paul
- West St. Paul
- Rosser
- St. Francois Xavier
- Headingley
- St. Clements
- Brokenhead First Nation
- MacDonald
1.1 Population Change

“CITY GROWTH STAYS STEADY... Officials pleased to avoid booms and busts, but more housing needed”.

February 9, 2012  Winnipeg Free Press

Winnipeg’s population continues to grow. In 2012, Winnipeg’s population was 704,800 – an increase of over 67,000 people over the past decade. Historically Winnipeg had:

• modest population growth in the late 1980s;
• no population growth in the 1990s; and
• renewed population growth since the late 1990s.

The primary reasons for this resumed growth are a significant increase in immigration and a combination of less people leaving and more people coming to Winnipeg from other parts of Canada.

Over the last four years, the City has grown by about 10,000 people per year.

Population Forecast

According to the Conference Board of Canada’s August 2012 Population Forecast, Winnipeg’s population is expected to grow by 90,000 people in the next 10 years; and 205,000 people in the next 23 years.

Winnipeg’s population growth rate has increased recently to 1.6% which is in the range of strong growth.

• The Conference Board forecasts this to continue in the short term with an average growth rate of 1.2% over the next 5 years

The City region (CMA) is forecast to grow by 50,000 people by 2017.
1.2 Migration (people moving)

“Migration has become an increasingly important factor for population growth, and Winnipeg's ability to attract new migrants will continue to be an important determinant of its future economic potential.”

Conference Board of Canada, Winnipeg long-term forecast, 2012

Migration has been the primary factor for the increase in Winnipeg’s population.

- In 1996 Winnipeg saw a net loss of 4,600 people; but in 2012, Winnipeg saw a net gain of over 10,000 people.
- With the success of the Provincial Nominee Program, which began in 1999, Winnipeg’s immigration has quadrupled and for 2012 saw over 13,000 immigrants arrive in the City.
- Winnipeg’s immigration level is currently above the Conference Board’s forecast.

The trends in each of the three forms of migration are:

- **Intra-Provincial**: The net number of people moving to/from Winnipeg CMA and the rest of Manitoba has improved. In 2012 Winnipeg experienced a net gain of over 900 people.
- **Inter-Provincial**: The net number of people moving to/from Winnipeg CMA and the other provinces has improved from -4,700 in 1997 to -3,200 in 2012.
- **International**: The net number of people moving to/from Winnipeg and other countries has increased significantly from 2,200 in 1997 to over 12,000 in 2012.
1.3 Immigration

“MANITOBA’S IMMIGRATION RECORD HAILED Nominee Plan Envy of Nation…Manitoba has by far been the most successful user of the nominee system,…”

October 20, 2010. Winnipeg Free Press

Immigration to Winnipeg
Number of people, Winnipeg CMA

Source: Citizen and Immigration Canada, Facts and Figures 2012

Winnipeg’s immigration is 6th highest of Canadian city regions in 2012

- The Toronto area receives the largest share of Canada’s immigrants. In 2012, Toronto saw approximately 77,400 immigrants, followed by Montreal (46,800), Vancouver (29,500), Calgary (16,800), Edmonton (11,900), and then Winnipeg (11,100).

Source Countries (2012)

- In 2012, the greatest number of people immigrating to Winnipeg were from the Philippines.
- This holds true for the rest of Manitoba, the Philippines is the number one source country, but in smaller numbers.
- The difference in source countries is due to the Manitoba Government’s Provincial Nominee Program.

Manitoba Immigration – Provincial Nominee Program (2012)
The Manitoba Government’s Provincial Nominee Program has been the primary factor for the increase in immigrants moving to Winnipeg. In 2012, the Program accounted for about 72% of Manitoba’s immigration. In 2012, immigration to Manitoba decreased by 17 per cent from 2011, totaling 13,300. The decline was due to both the federal cap to the Manitoba Provincial Nominee Program and some nominees brought smaller families. The level of immigration over the last several years is above what the Conference Board of Canada is forecasting for Winnipeg. Winnipeg was the top destination in the province, receiving 83 percent of immigrants to Manitoba, totaling 11,000. Trends indicate that Manitoba’s provincial nominees are generally younger than other immigrants. In 2012, Manitoban’s median age was 38 years; the median age of immigrants was 28. For 2012, the top 5 professions were: Registered nurses, secondary school teachers, industrial butchers, accounting and other types of clerks and cooks.

Source: Manitoba Immigration Facts 2012
1.4 Aboriginal People and Visible Minorities

Aboriginal People

- The number of Aboriginal people in Winnipeg has been growing. In the City of Winnipeg, the Aboriginal people total 72,300 persons, while in the City region (CMA) the number is just above 78,400 persons.
- The City’s Aboriginal people break down into three main groups: Métis (41,200 people) North American Indian (29,500 people) and Inuit (340 people).
- The chart below shows, that compared to other cities, Winnipeg has the greatest number of Aboriginal people.
- While the table to the right indicates that as a percentage of the total population, Aboriginal people account for 11% of the population in Winnipeg.
- Thus Winnipeg has both the highest concentration and the largest number of Aboriginal people out of large Canadian cities.

Visible Minorities

- Visible minorities number 140,800 people and now account for 20% of the population of the Winnipeg city region.
- People of Asian heritage account for over 75% of visible minorities in Winnipeg.
- The Filipino community is the largest visible minority group and comprise about 56,700 people, an increase of 20,000 people.
- Relative to other large Canadian cities, Winnipeg has an average proportion of visible minority people.
- Toronto and Vancouver’s visible minorities are approaching 50% of the population.
1.5 Demographic Changes: Age Composition

“Debates on urban issues too often neglect a crucial element: demographics. Planning and development decisions have less impact on the way our cities develop than changes in the composition and needs of the population.”

David Foot (demographer and economist), 2000

Over the next 10 years, the demographic changes will be modest.

• The impact will be mostly due to the population increase and less to do with the change in the age composition of the population.
• The greatest change will occur in the older age groups with the entrance of the baby boomers.

However, in the longer term, to 2035, there will be significant change in the age composition of Winnipeg’s population.

The baby-boomers, presently aged 47 to 66, will grow older and become a smaller % of the total population.

• Today, the baby boomers make up nearly 26% of the total population. By 2023, they will make up 21%, and by 2035, only 13%. This is a result of baby boomers getting older and passing away and an increase in the younger age groups, primarily due to immigration.
• However, at the same time, the senior population will increase by 68% when compared to today.
• With higher levels of immigration, the workforce age groups will see increases in all groups.

Source: Conference Board of Canada, Winnipeg long-term forecast, 2012

<table>
<thead>
<tr>
<th>AGE GROUP</th>
<th>0 to 4</th>
<th>5 to 14</th>
<th>15 to 24</th>
<th>25 to 34</th>
<th>35 to 44</th>
<th>45 to 54</th>
<th>55 to 64</th>
<th>65 to 74</th>
<th>75+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additional People</td>
<td>6,900</td>
<td>17,800</td>
<td>-1,700</td>
<td>8,000</td>
<td>29,800</td>
<td>100</td>
<td>13,700</td>
<td>27,000</td>
<td>8,700</td>
</tr>
<tr>
<td>% Change</td>
<td>16%</td>
<td>20%</td>
<td>-2%</td>
<td>7%</td>
<td>28%</td>
<td>0%</td>
<td>14%</td>
<td>46%</td>
<td>17%</td>
</tr>
</tbody>
</table>

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<thead>
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<th>45 to 54</th>
<th>55 to 64</th>
<th>65 to 74</th>
<th>75+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additional People</td>
<td>9,400</td>
<td>29,500</td>
<td>20,600</td>
<td>13,400</td>
<td>40,300</td>
<td>34,600</td>
<td>21,400</td>
<td>40,000</td>
<td>38,300</td>
</tr>
<tr>
<td>% Change</td>
<td>22%</td>
<td>34%</td>
<td>19%</td>
<td>11%</td>
<td>38%</td>
<td>30%</td>
<td>22%</td>
<td>68%</td>
<td>74%</td>
</tr>
</tbody>
</table>

City of Winnipeg Community Trends Report
2012 continues to be strong

- In 2009, new home buyers were cautious, but in 2010 the number of housing starts rebounded.
- Last year (2012) there was a 25% increase in housing starts. Increased demand for multiples was the driving factor. In fact, multiple family dwellings outnumbered the amount of single family dwellings built.
- As of September, 2013 is tracking above 2012 activity level in both singles and multiples.

Demand for new homes strongest in South area of the City

- Overall, the majority of new homes were built in the South area of the City – south St. Boniface, south St. Vital and Fort Garry.

Average New House Price (single detached)

- Between 2000 and 2012 there was a 129% increase in the average price of a new house. ($175,500 to $402,500)
- Price increase is moderating - CMHC forecasts the average price of a new house to rise another 4% (to $420,000) over the next 2 years.

Forecast: 100,000 units over next 22 years

- Going forward, the demand for housing will significantly increase. Over the next 22 years, 100,000 dwellings will be needed.
- Winnipeg’s housing market is forecast to go through a transformation as aging baby boomers and an increased demand for affordable housing units boost the demand for multi-family units, of which a large number will be apartment units as well as townhouses.
1.6 Housing – Resale Market

“One of the hallmarks of Winnipeg’s resale market has been its relative affordability when compared with other Canadian centres. Affordability was tested in recent years due to persistent double-digit price growth from 2003 to 2008.”

Winnipeg Free Press, March 23, 2012

“Hot time for housing in the city – The only thing hotter than Winnipeg’s record-breaking spring temperatures is its red-hot resale homes market.”

Average Resale House Price in Winnipeg 2000 to 2014F

Source: CMHC, Housing Market Outlook, Spring 2013

Price increase in resale market
• Winnipeg has seen a significant increase in housing prices over the last decade.
• Between 2000 and 2012 there was a 186% increase in the average price of a resale house in Winnipeg.
• CMHC is forecasting continued price increases in the resale market; 4% in 2013 and a further 3% in 2014.

2013 Average Resale Prices in Other Cities Standard two-storey house, 1500 sq ft

Although Winnipeg has experienced significant increases in the average price of a home, when compared to other larger cities across Canada, Winnipeg continues to be a city with one of the lowest housing prices in Canada.

A two-storey home in Vancouver would cost $856,900 or 149% more than the same two-storey home in Winnipeg ($344,600).

In Calgary: $453,800, which is 32% more than in Winnipeg.

• House Prices in Winnipeg have increased 51% over the last 6 years, with the average 2 story, 1,500 sq. ft. house selling for about $344,600.
• Edmonton’s housing values have not fully recuperated since the recession. Prices are still down 10% from 2007, with a current value of $358,500.

• There is a flattening of house prices across Canada – less variance. Historically lower priced cities like Regina, Saskatoon, Quebec City, Hamilton, Halifax and Winnipeg have seen significant increases recently. The exception is Vancouver and Toronto where house prices continue to remain high.

Source: Royal LePage Survey Data, 2013, second quarter

City of Winnipeg Community Trends Report
1.6 Housing – Rental Market

“Fuelled by population growth and new household formation, demand for rental accommodation remains high….continues to post among the lowest vacancy rates in the country.

Apartment vacancy rates.
- The lowest vacancy rate occurs in the areas of Lord Selkirk, St. James and Transcona; the highest rate is in St. Boniface.
- The overall vacancy rate for Winnipeg is 1.7%.

Winnipeg has one of the lowest apartment vacancy rates in Canada.
- Winnipeg’s vacancy rate increased from 1.1% in 2011 to 1.7% in 2012. CMHC is forecasting the rate to rise to 2% in 2013.

Rental costs are relatively low in Winnipeg.
- When the average cost of a two-bedroom apartment is compared between cities, Winnipeg’s rent is at the lower end, $911 per month.
- Montreal has the lowest average rent cost at $724 per month.
- Vancouver has the highest average cost at $1,261 per month.
2.1 Economy

“Winnipeg’s economy is expected to expand by 1.4 per cent in 2013, hampered by a slow recovery in the manufacturing sector, as well as weak employment gains and fiscal austerity. By next year, increased demand for transportation equipment and stronger employment will help to boost real GDP growth by a forecast 2.1 percent.”

Conference Board of Canada, Metropolitan Outlook, Autumn 2013

Winnipeg’s economy is one of Canada’s most diversified economies. Overall, our economic indicators are positive relative to other parts of Canada.

Even though Canada was in a recession in 2009, Winnipeg’s economy was doing relatively well. Winnipeg’s economy saw a 0.5 percent decline while the national economy declined by 3.0 percent.

In 2011 and 2012, Winnipeg’s economy saw a cautious recovery with manufacturing still struggling with a high Canadian dollar and global economic uncertainty.

Over the next 5 years:
- Winnipeg’s economy is expected to create 31,000 jobs.
- Population in the Winnipeg region is forecasted to grow by 50,000 people.
- Annual housing starts are expected to increase by about 19%.
- GDP growth over the next 4 years (2014 – 2017) is forecast to average 2.6% per year.

These are strong numbers for Winnipeg.
2.1 Economy (cont’d)

“Low interest rates, together with strong population gains in recent years thanks to the provinces skilled worker nominee program, helped to fuel significant growth in Winnipeg’s housing starts over 2010 to 2012.”

Conference Board of Canada, Metropolitan Outlook, Spring 2013

Value of Building Permits (In millions of dollars)

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>$511</td>
<td>$414</td>
<td>$601</td>
<td>$623</td>
<td>$762</td>
</tr>
<tr>
<td>Non-Residential</td>
<td>$542</td>
<td>$697</td>
<td>$552</td>
<td>$536</td>
<td>$779</td>
</tr>
<tr>
<td>Total</td>
<td>$1,053</td>
<td>$1,111</td>
<td>$1,153</td>
<td>$1,159</td>
<td>$1,514</td>
</tr>
</tbody>
</table>

Source: City of Winnipeg, Building Permit Summary.

In 2012, Winnipeg saw over 1.5 billion dollars in building permit values.

• Residential permit values were up by 22%;
• The value in non-residential permits was up 45%;
• And, overall there was a 33% increase in building permit values.

2013 City Government Major Capital Investments
- six year plan (in millions)

- Sewage Disposal $997
- Roads and Bridges $465
- Transit System $306
- Water System $189
- Parks, and Community infrastructure $176
- Land Drainage & Flood Control $99
- Public Safety Infrastructure $62
- Solid Waste Disposal/Garbage Coll. $47

$2,341

Other Major Capital Investments (in millions)
- Manitoba Highways (over 5 years) $2,100
- Wuskwatim Generating Station $1,300
- Seasons of Tuxedo (IKEA) $500
- Convention Centre $180
- Bristol Aerospace $120

The City Government Infrastructure Projects over the next six years totals $2.5 billion, of which $375 million is for 2013.

These projects, along with other significant major new capital investments in Winnipeg and the rest of the Province, requires the construction industry to continue ramping up its capacity.

Labour shortages continue to exist along with upward pressures on construction wages. The result is that base construction inflation is presently in the 5% range and is expected to remain at that level for the next few years.

Cost of Doing Business
2012 KPMG Competitive Alternatives Report:
“Business costs here best in Western Canada”

“Winnipeg tops the list as the most cost-competitive city out of 25 western Canadian and Midwest U.S. cities, according to a comprehensive annual study by KPMG.”

Austin Abas, managing partner of the KPMG Winnipeg office, said having the best cost-competitiveness rating in the region is a plus for Winnipeg.”


Commercial Real Estate Markets

<table>
<thead>
<tr>
<th></th>
<th>Downtown Office Market</th>
<th>Industrial Market</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current as of 2012Q4</td>
<td>Class A Vacancy Rate</td>
<td>Average Class A Net Rent ($/sq ft)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vancouver</td>
<td>4.2%</td>
<td>$34.66</td>
</tr>
<tr>
<td>Edmonton</td>
<td>8.3%</td>
<td>$24.54</td>
</tr>
<tr>
<td>Calgary</td>
<td>5.0%</td>
<td>$40.58</td>
</tr>
<tr>
<td>Saskatoon</td>
<td>2.3%</td>
<td>$17.00</td>
</tr>
<tr>
<td>Regina</td>
<td>0.1%</td>
<td>$21.00</td>
</tr>
<tr>
<td>Winnipeg</td>
<td>9.7%</td>
<td>$16.06</td>
</tr>
<tr>
<td>Toronto</td>
<td>5.0%</td>
<td>$27.03</td>
</tr>
<tr>
<td>Ottawa</td>
<td>6.1%</td>
<td>$26.31</td>
</tr>
<tr>
<td>Montreal</td>
<td>6.9%</td>
<td>$21.41</td>
</tr>
<tr>
<td>Halifax</td>
<td>10.8%</td>
<td>$18.14</td>
</tr>
</tbody>
</table>

Source: Conference Board of Canada, Metropolitan Outlook, Autumn 2013
2.2 Jobs and Wages

“Growth in wholesale and retail trade output will continue to strengthen this year as employment improves.”

Conference Board of Canada, Metropolitan Outlook Spring 2012

Over the next five years, over 31,000 jobs will be created – on average, 6,000 additional jobs per year.

- Nearly all of the new jobs will be in the Service Sector.
- Three areas will see the most growth:
  - Non Commercial
  - Personal
  - Wholesale and Retail Trade

Winnipeg’s unemployment rate is expected to continue to hover in the 5.3% range – currently about 1.0% below the overall Canadian rate.

Winnipeg’s median hourly wage has increased 35% in the last 10 years which is above that of Canada’s increase of 30%. During this same period, inflation in Winnipeg was 20% – thus there were real wage gains in Manitoba over the decade, over 1.5% per year.

The chart to the lower right indicates the percentage difference from Manitoba shown relative to Manitoba’s median hourly wage. The provinces which compete with Manitoba for labour, all have higher wages than Manitoba – from 11% higher in Ontario to 25% higher in Alberta.

Manitoba has recently made wage gains against most provinces in Canada. The exception being Saskatchewan and Alberta. Currently wages in Ontario are only 11% higher than in Manitoba, while in 2001 they were 21% higher.

This information would further suggest that labour shortage will likely continue due to difficulty in retaining and attracting skilled labour.
2.3 Disposable Income and Cost of Living

Real disposable income is stable
- In the early 1990’s real personal disposable income decreased by 7.3%. This resulted in families having less money for discretionary spending.
- Over the last decade, Winnipeggers regained the lost real disposable income plus more for an increase of 13%.
- The Conference Board is forecasting only a 3% increase over the next 5 years. Thus, citizens will continue to have the same discretionary spending as today.

Winnipeg’s Housing Affordability
- Housing affordability improved during the 1990s as a result of flat house prices during that time. Mortgage carrying costs decreased from 30% of household income to less than 20%.
- Over the last decade, this trend has reversed. In 2012, the average household is spending 28% of their household income on mortgage costs.
- Other large Canadian cities are less affordable based on this measure.

Housing Affordability
Median House Price / Median Household Income
Even with significant increases in the price of homes over the last several years, Winnipeg continues to have affordable house prices relative to other Canadian cities.

Source: Demographia, 9th International Housing Affordability Survey: 2013 (data for 3rd quarter 2012). Used 16 largest Canadian CMA cities (Regina and larger, 200,000 plus population). Affordability categories established by Demographia.