

# Population, Housing and Economic Forecasts for the Winnipeg CMA and the City of Winnipeg

**The City of Winnipeg commissioned the Conference Board of Canada to develop a Long-Term Demographic and Economic Forecast for Winnipeg's Census Metropolitan Area (CMA).**

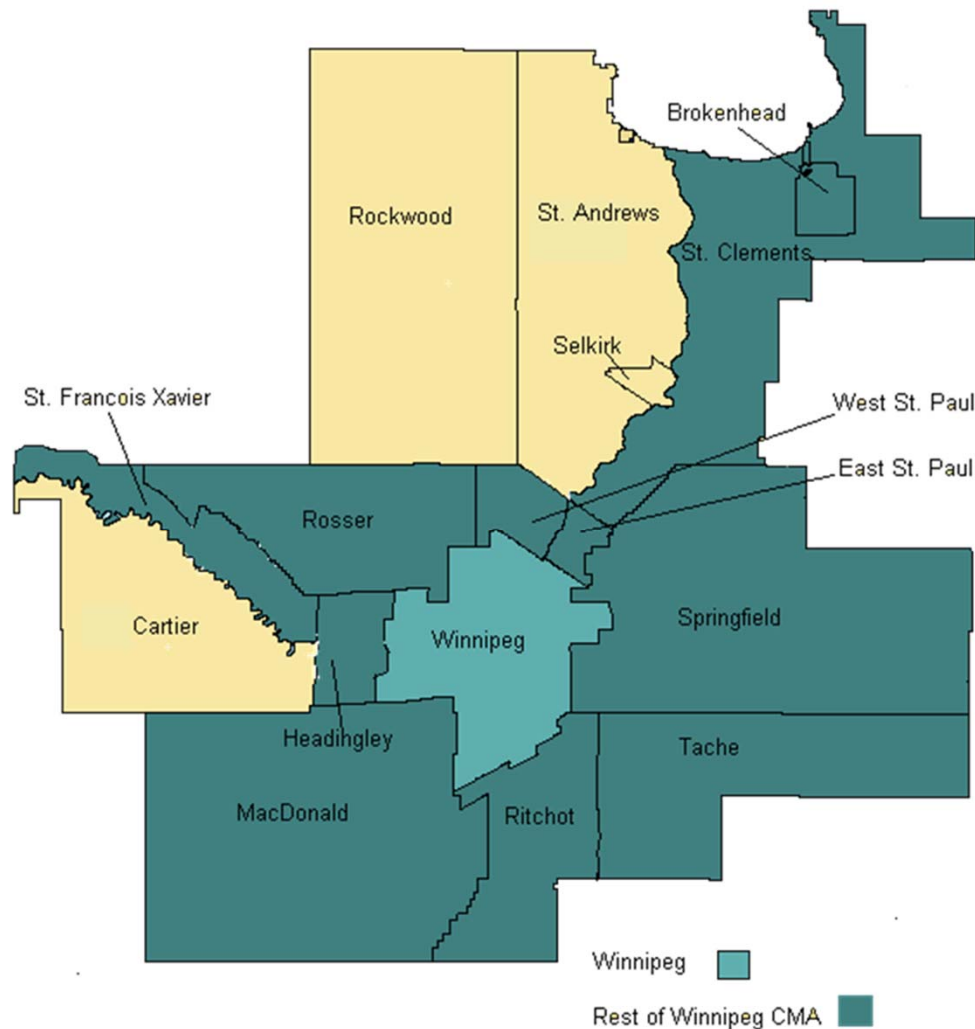
**Prepared by the City of Winnipeg  
April 2013**

# What is the Winnipeg CMA?

Simple definition:

If 50% or more of the labour force of a neighbouring municipality works in the core city, then the municipality is included in the core city's CMA.

The map of the Capital Region shows the municipalities which are part of the Winnipeg CMA (shown in green).



Thus the Winnipeg CMA includes the City of Winnipeg and the rural municipalities of Richot, Tache, Springfield, East St. Paul, West St. Paul, Rosser, St. Francois Xavier, Headingley, St. Clements, MacDonal and the Brokenhead First Nation.



## Highlights from the Conference Board's Demographic and Economic Forecast Report

- **“From 2012 to 2035, population growth is expected to average 1.2 per cent per year, while real gross domestic product (GDP) growth is forecast to average 2.3 per cent per year.”**
- **“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.”**
- **“Winnipeg is expected to attract an average of more than 9,500 net international migrants each year from 2012 to 2035.”**
- **“Although the population will age as baby boomers retire, increased levels of immigration will help support growth in Winnipeg’s labour force.”**
- **“Sound employment prospects and relative housing affordability stem the outflow of interprovincial and intercity migration from Winnipeg.”**
- **“Winnipeg’s housing market is projected to go through a transformation as aging baby boomers increase the demand for multi-family units.”**
- **“As a massive number of employees retire, firms will have little choice but to increase investment, boosting the economy’s capital-to-labour ratio.”**



# Methodology used for Forecasts

## (Population, Housing and Economic)

### By Conference Board of Canada for Winnipeg CMA forecast:

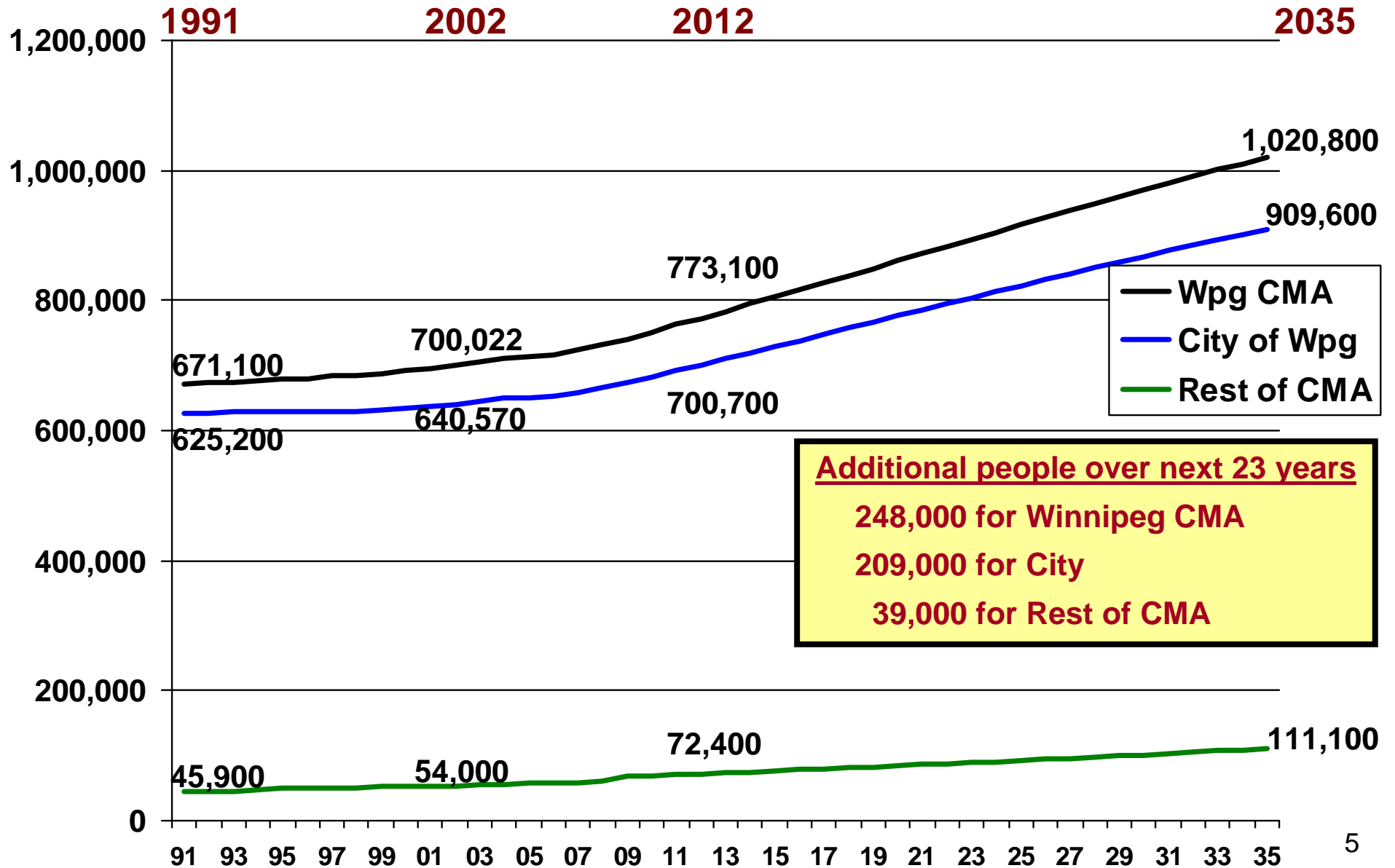
- first analyses the economy and forecasts growth using econometric model
- estimates job creation and labour market needs
- then estimates net migration components (international, interprovincial and intraprovincial)
- factors in estimates of “natural increase” (births minus deaths) using Statistics Canada’s model.

### By City of Winnipeg staff for City forecast:

- **City of Winnipeg population and housing forecast data is derived from Winnipeg CMA data.** (City staff from the Planning, Property and Development and the Corporate Finance Departments derived the split between the City of Winnipeg and the Rest of the CMA by examining land availability issues and demographic trends.)



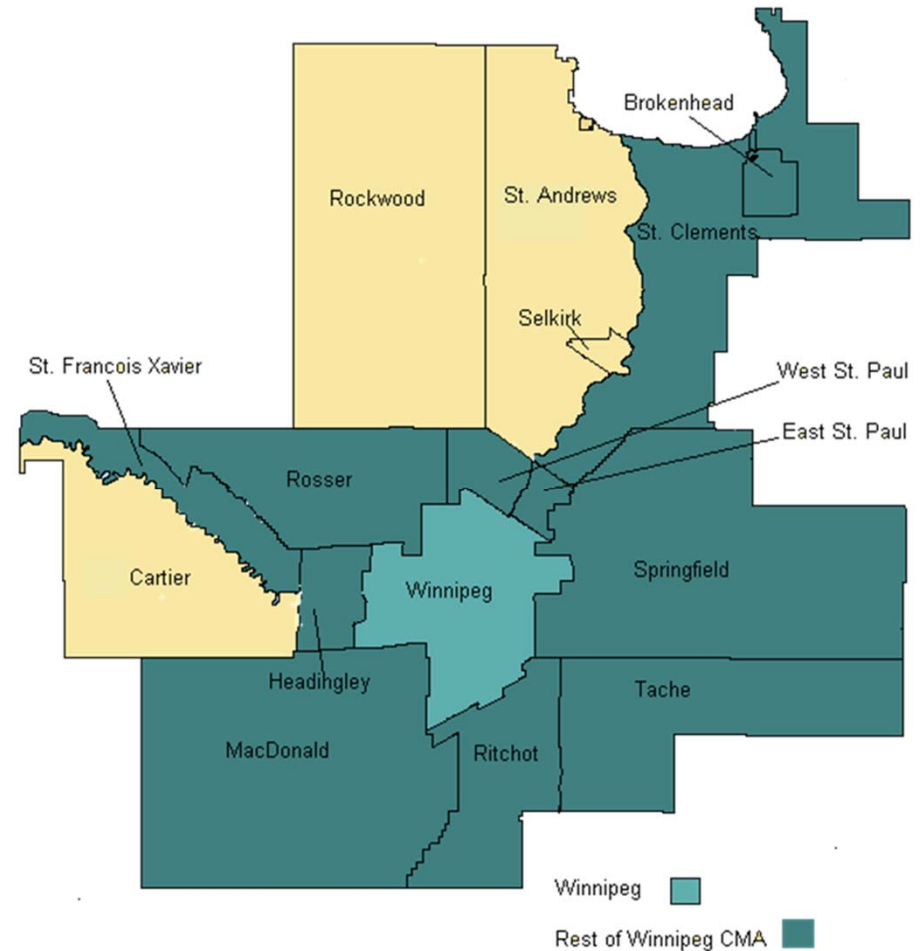
# Significant Growth Forecasted





# Population Forecast Numbers

Year	Wpg CMA	City of Wpg	Rest of CMA
<b>2011</b>	<b>762,800</b>	<b>691,800</b>	<b>71,000</b>
2012	773,100	700,700	72,400
2013	783,700	709,900	73,800
2014	794,600	719,300	75,300
2015	805,500	728,700	76,800
2016	816,500	738,200	78,300
2017	827,600	747,800	79,800
2018	838,600	757,300	81,400
2019	849,700	766,800	82,900
2020	860,700	776,100	84,500
2021	871,800	785,600	86,100
2022	882,900	795,100	87,800
2023	894,000	804,600	89,400
2024	905,100	814,000	91,100
2025	916,200	823,300	92,800
2026	927,100	832,500	94,600
2027	937,900	841,600	96,300
2028	948,700	850,600	98,100
2029	959,400	859,500	99,900
2030	969,900	868,200	101,700
2031	980,200	876,700	103,500
2032	990,500	885,100	105,400
2033	1,000,700	893,400	107,300
2034	1,010,800	901,600	109,200
2035	1,020,800	909,600	111,100



**Winnipeg Census Metropolitan Area (CMA)** includes the City of Winnipeg and the rural municipalities of Richot, Tache, Springfield, East St. Paul, West St. Paul, Rosser, St. Francois Xavier, Headingley, St. Clements, MacDonald and the Brokenhead First Nation.

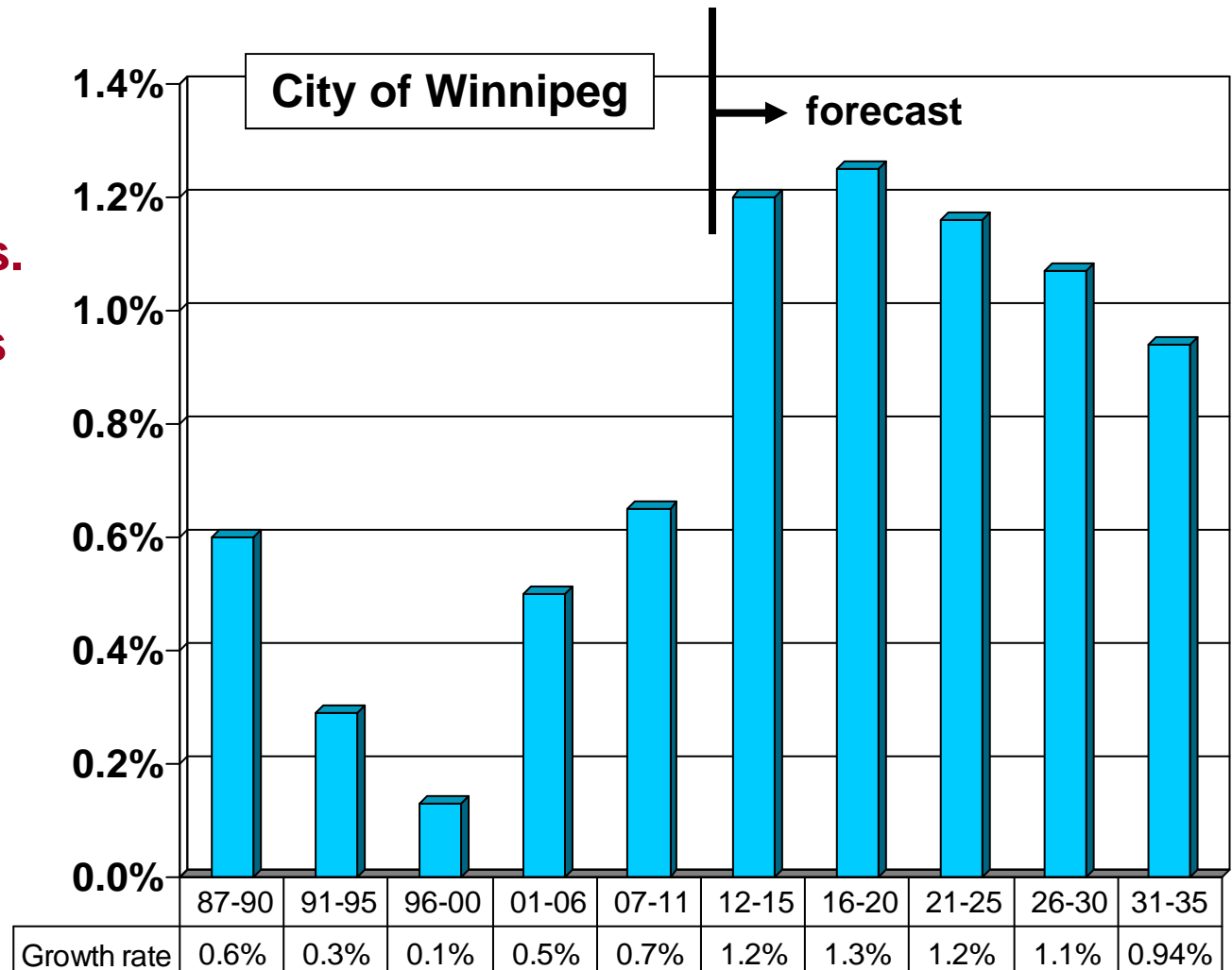


# Winnipeg's Population Growth Rate

Average Annual Growth Rate (actuals and forecast)

**Population growth has resumed after a stall in the mid 1990's.**

**Currently the city has attained a healthy population growth in the range of 1.3%. This is expected to continue for the next decade.**





# Annual Population Growth (additional number of people per year)

## Historical

Year	Wpg CMA	City of Wpg	Rest of CMA
1987	6,600	5,600	1,000
1988	4,400	3,400	1,000
1989	2,800	1,900	1,000
1990	4,700	3,900	800
1991	5,400	4,200	1,200
1992	1,700	2,200	-500
1993	2,500	2,100	400
1994	1,600	600	1,100
1995	2,700	100	2,700
1996	-1,000	-800	-200
1997	-600	-1,100	500
1998	1,000	300	700
1999	3,400	2,500	1,000
2000	4,300	3,500	800
2001	3,400	2,600	800
2002	4,100	3,500	700
2003	4,600	3,700	900
2004	6,000	4,800	1,200
2005	2,500	1,400	1,100
2006	3,300	2,900	400
2007	7,100	5,100	2,000
2008	8,100	6,300	1,800
2009	9,600	8,000	1,600
2010	10,500	9,200	1,300
2011	11,000	9,700	1,300

## Forecast

Year	Wpg CMA	City of Wpg	Rest of CMA
2012	10,400	9,000	1,400
2013	10,600	9,200	1,400
2014	10,800	9,400	1,500
2015	10,900	9,500	1,500
2016	11,000	9,500	1,500
2017	11,100	9,500	1,500
2018	11,100	9,500	1,500
2019	11,000	9,500	1,600
2020	11,000	9,400	1,600
2021	11,100	9,500	1,600
2022	11,100	9,500	1,600
2023	11,100	9,500	1,700
2024	11,100	9,500	1,700
2025	11,000	9,300	1,700
2026	10,900	9,200	1,700
2027	10,800	9,100	1,700
2028	10,800	9,000	1,800
2029	10,700	8,900	1,800
2030	10,500	8,700	1,800
2031	10,400	8,500	1,800
2032	10,300	8,400	1,900
2033	10,200	8,300	1,900
2034	10,100	8,200	1,900
2035	10,000	8,000	1,900

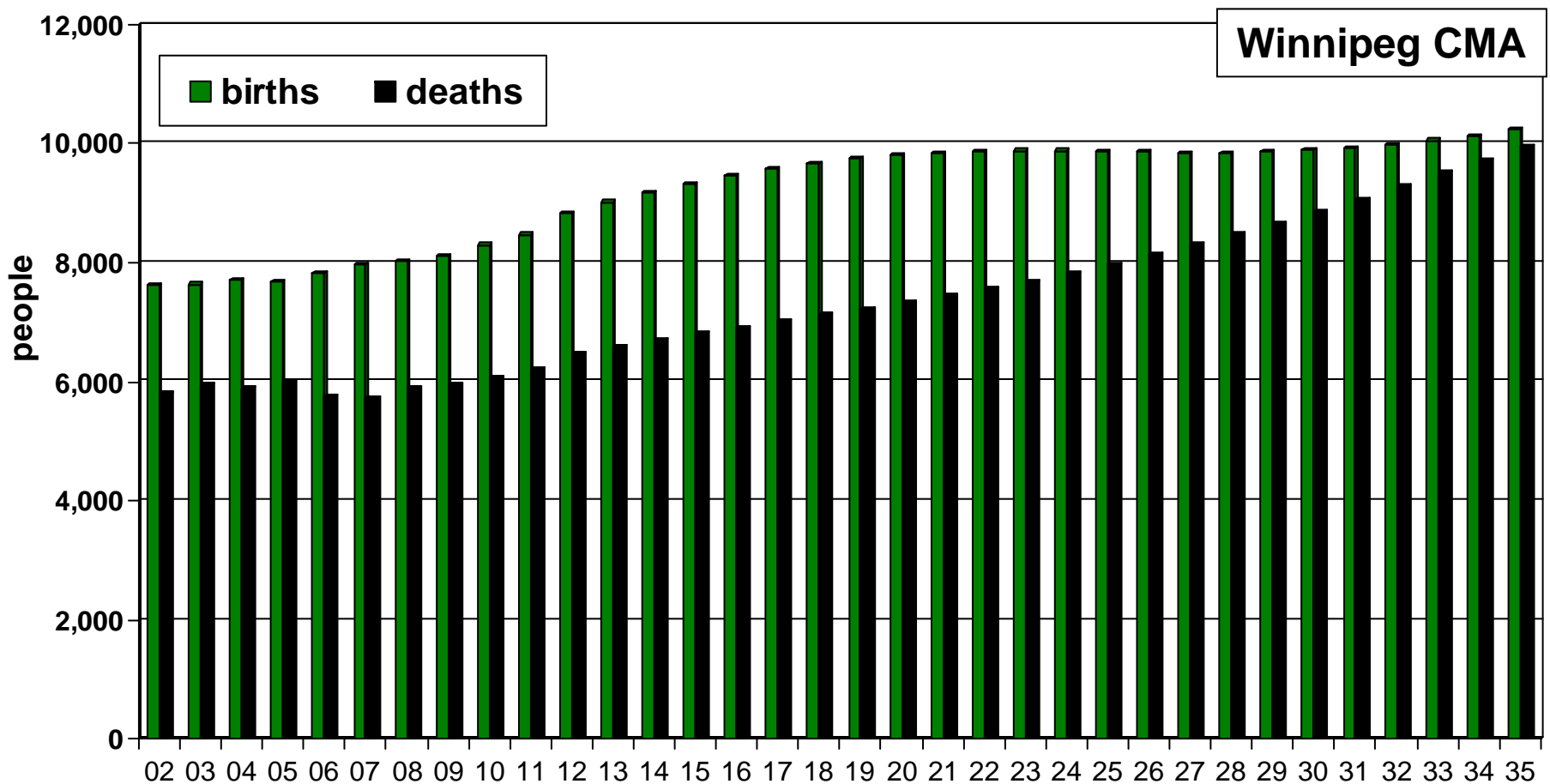
**For the City of Winnipeg, the Conference Board forecasts the population to increase by about 9,200 people in 2013 and continue to increase gradually to 9,500 people per year in the medium term.**



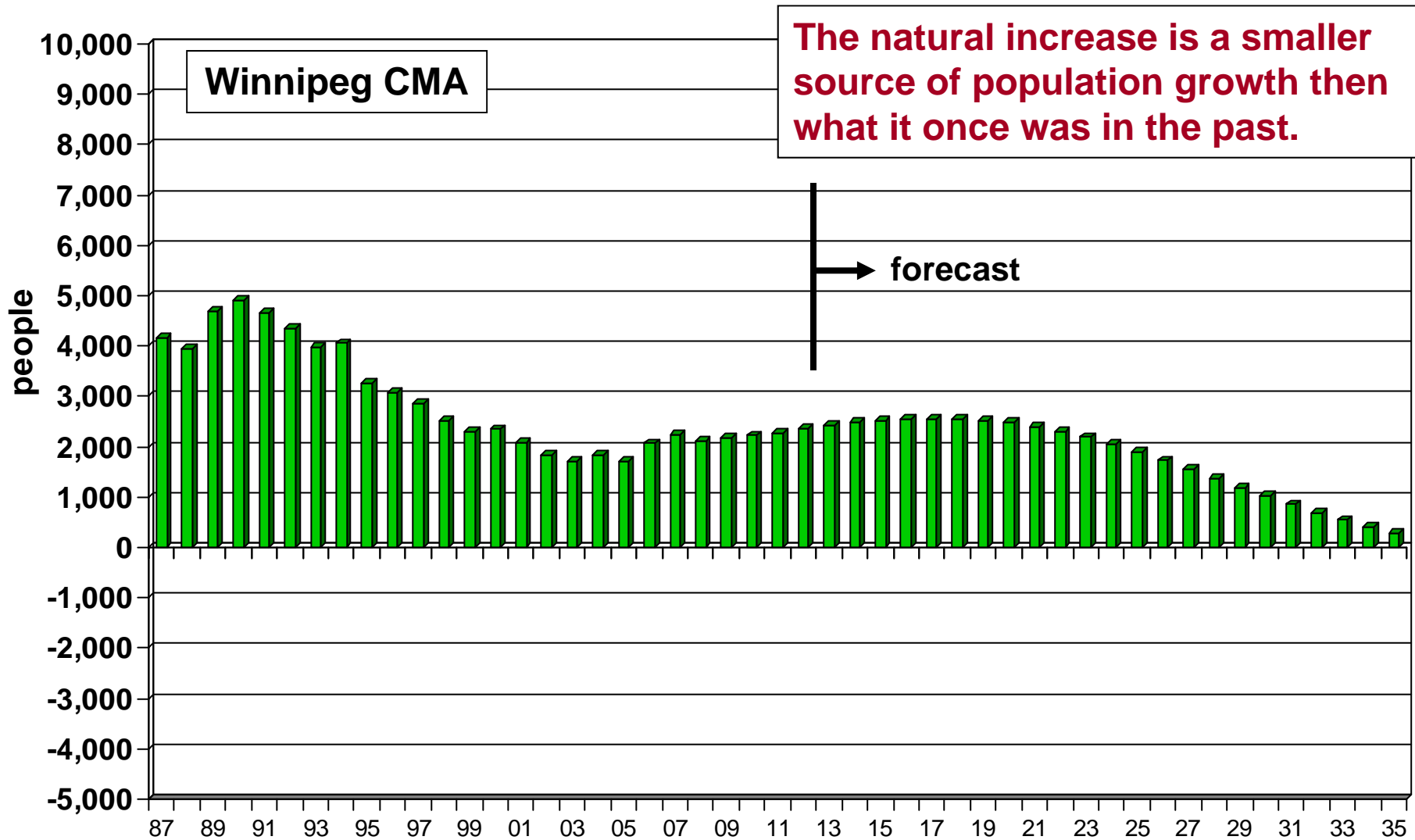
# Births and Deaths

Interestingly, both births and deaths are forecasted to increase.

Although, with the aging baby boomers, deaths will increase at a faster rate than births resulting in a decrease in the natural change.



# Natural Increase (births minus deaths)





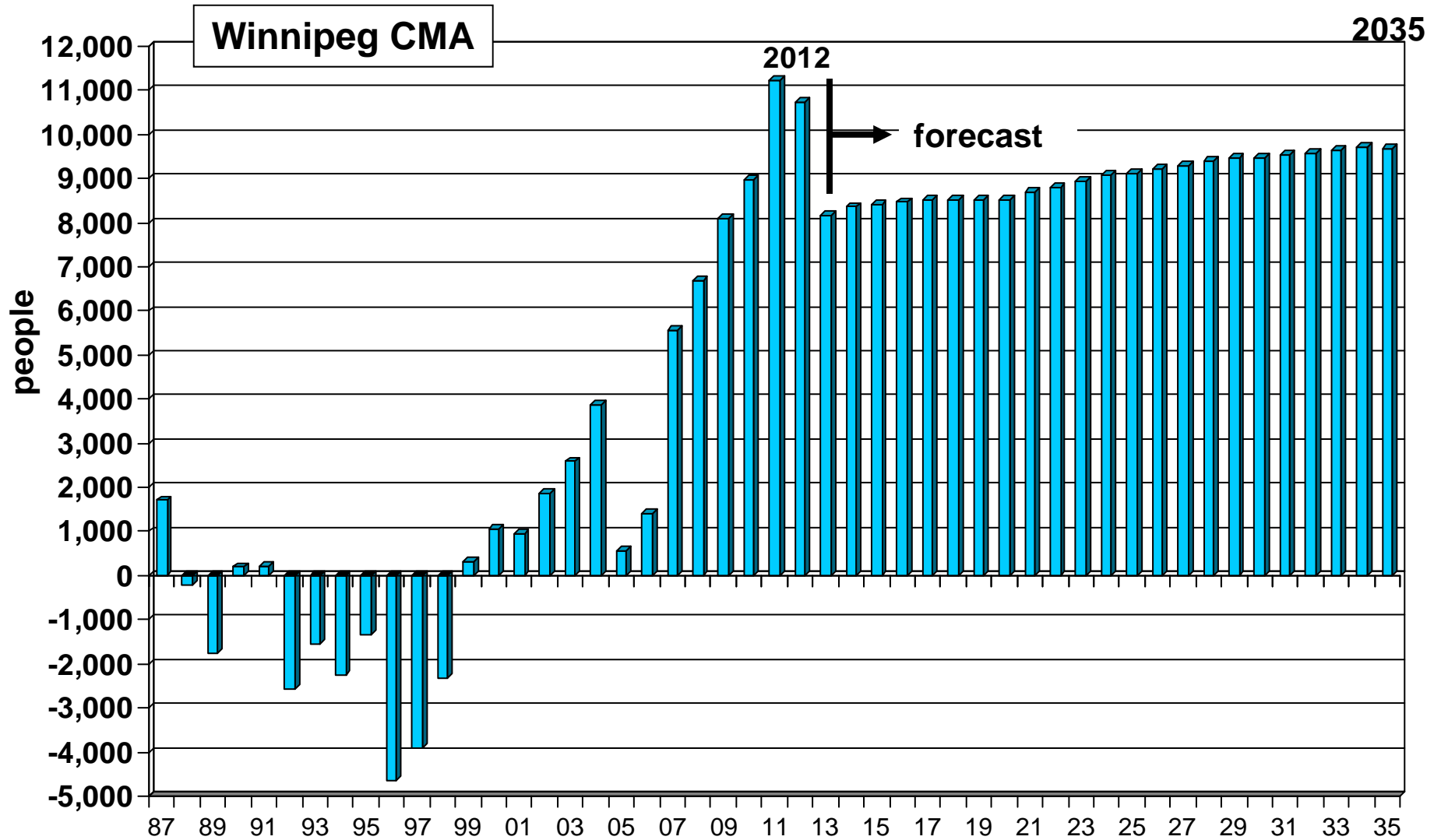
# Main Source of Population Growth

## Changes in Migration Trends

- **During the 1990s, Winnipeg lost population to migration – more people were leaving Winnipeg compared to people moving to Winnipeg.**
- **In the late 1990s the migration trend began to change and that by 2004 the net migration was now a positive, over 3,000 people.**
- **The combination of lower interprovincial out-migration and increased intercity migration is expected to boost Winnipeg’s population. Total population in the census metropolitan area (CMA) is expected to reach about 783,700 inhabitants by the end of 2013, based on relatively sound growth of 1.4 per cent in both 2012 and 2013.**
- **The Conference Board states in its report that “Fortunately in the case of Winnipeg, policies to attract new migrants are already in place, and international migration to the CMA, which has been trending upward is expected to continue to do so, allowing for sound population growth over the entire forecast horizon.”**



# Main Source of Population Growth Net Migration

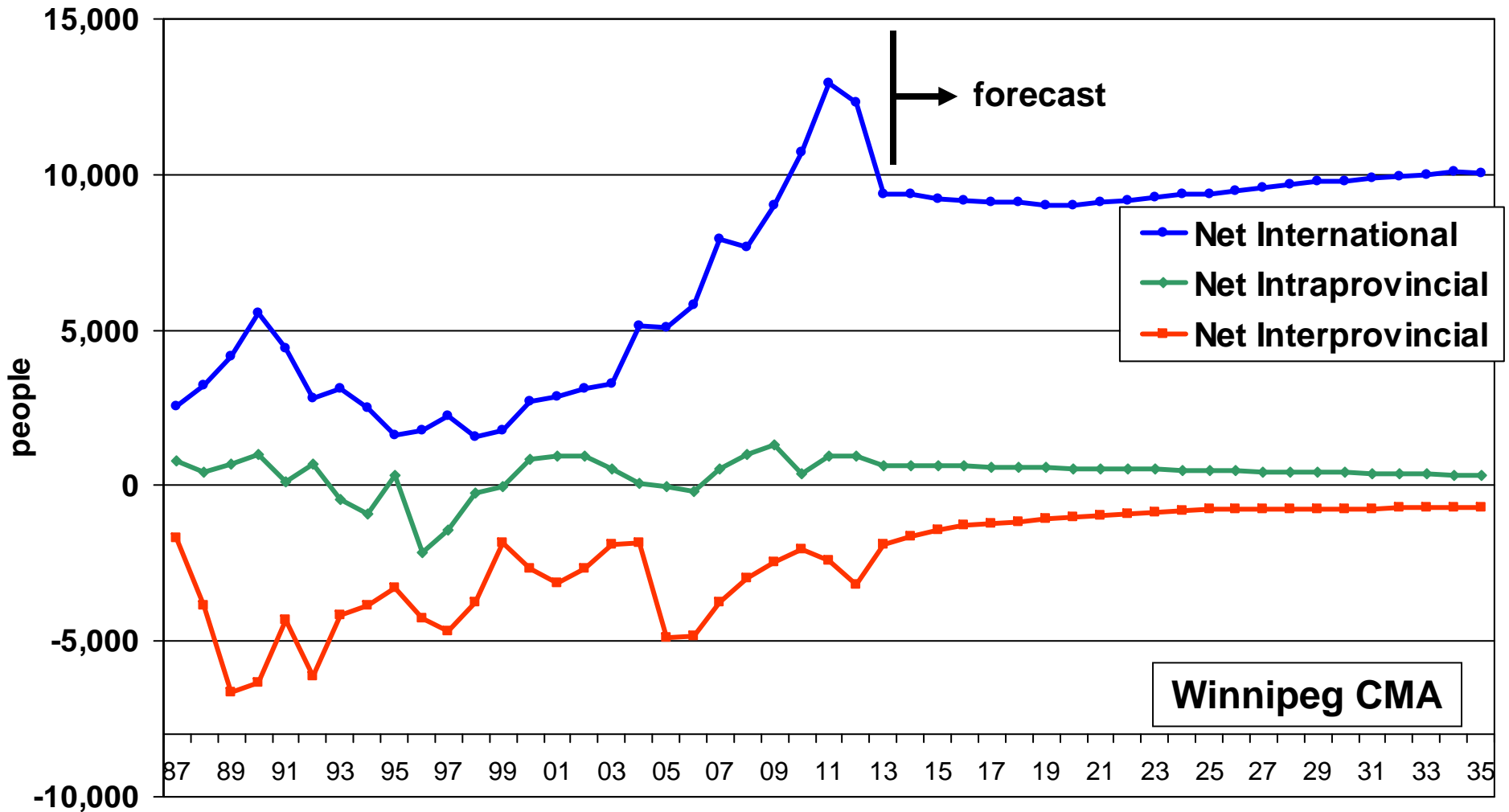


Note: Historical data adjusted by City of Winnipeg using Statistics Canada data as of February 2013



# Components of Migration - Forecast

The Conference Board forecasts that net international migration will continue in the 9,000 to 10,000 immigrants level and that the net interprovincial migration also improves and averages in the -1,000 range.



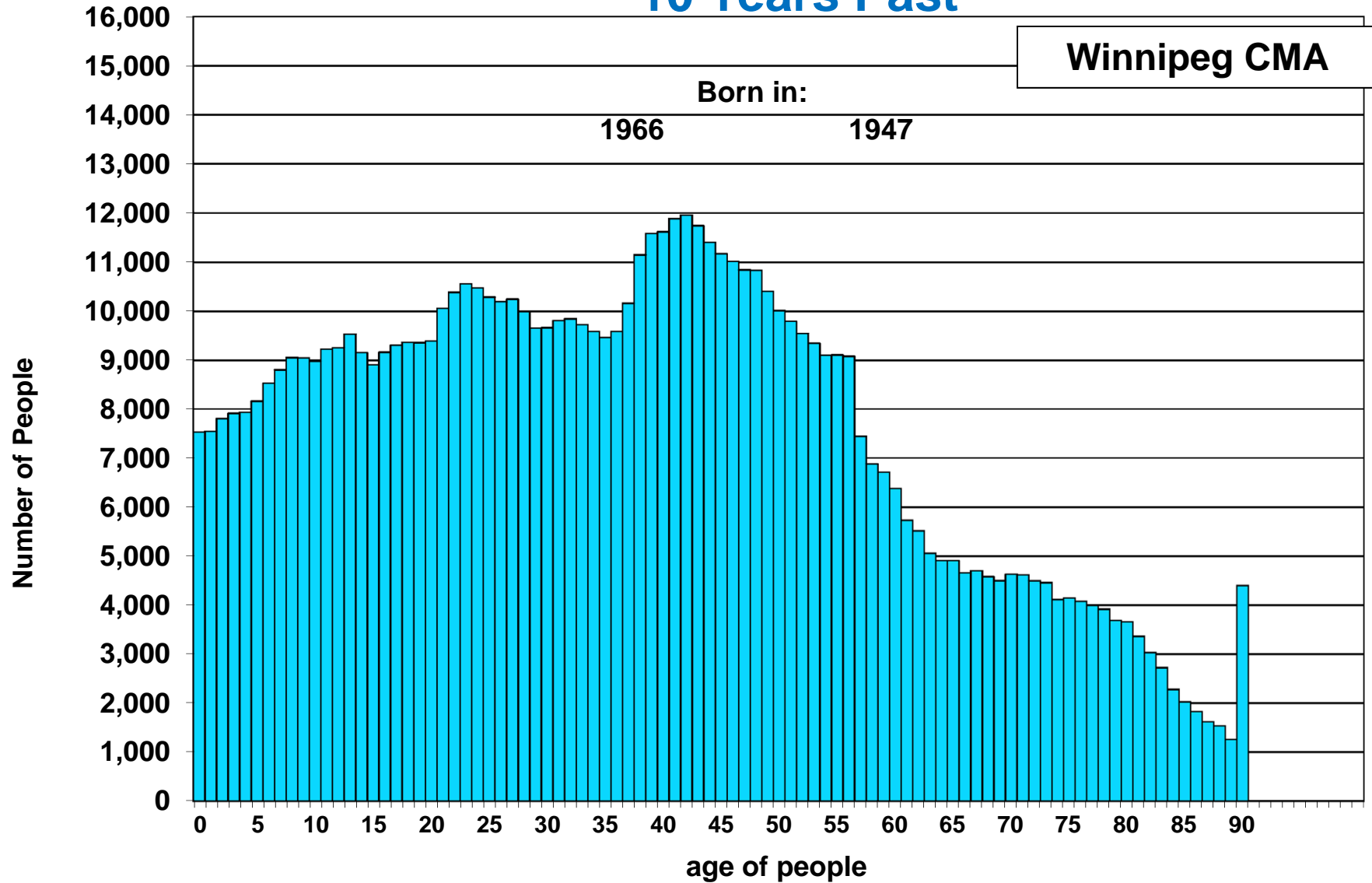
Note: Historical data adjusted by City of Winnipeg using Statistics Canada data as of February 2013



# 2003 Population Distribution

## Population by Single Age

### 10 Years Past

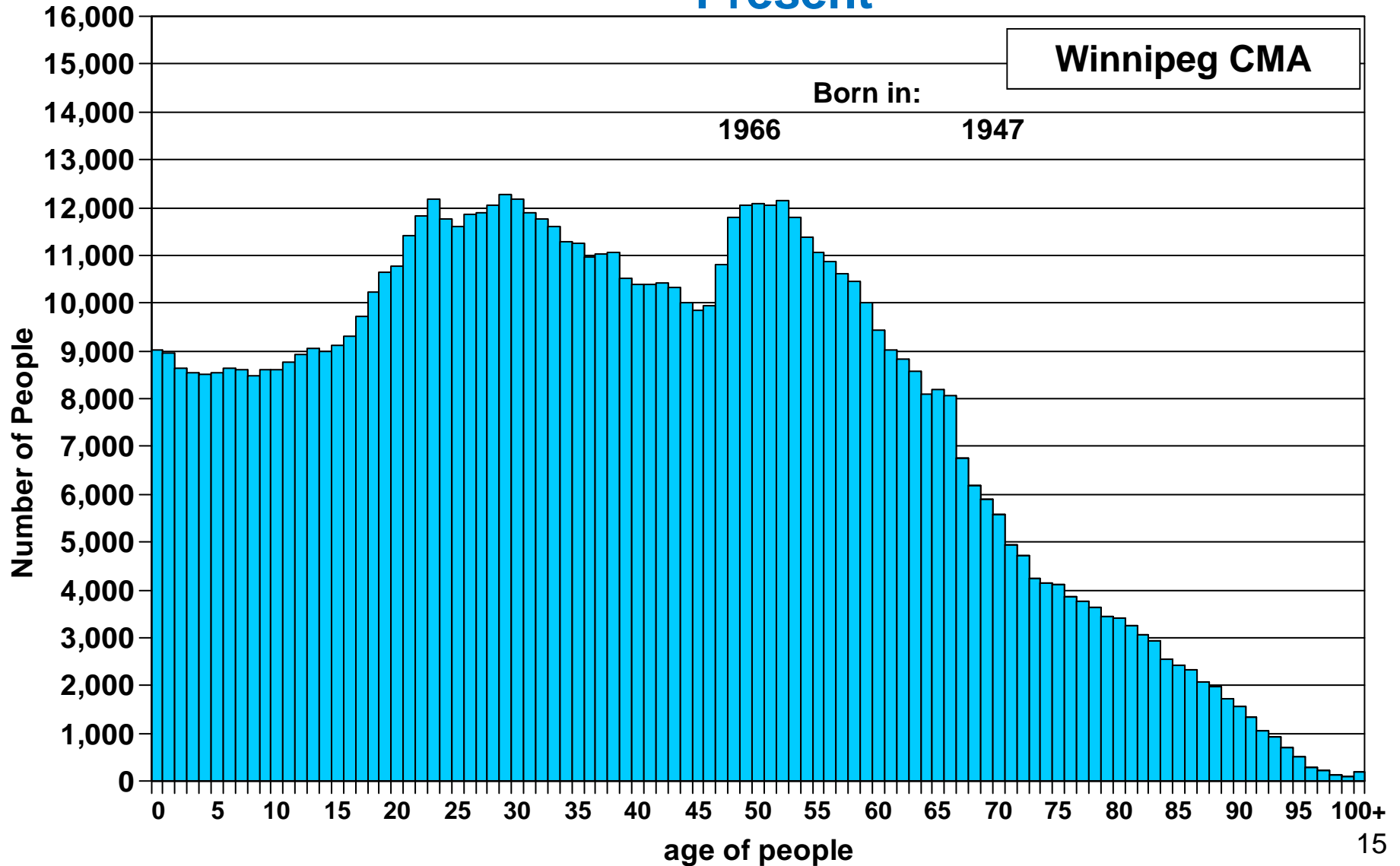




# 2013 Population Distribution

## Population by Single Age

### Present

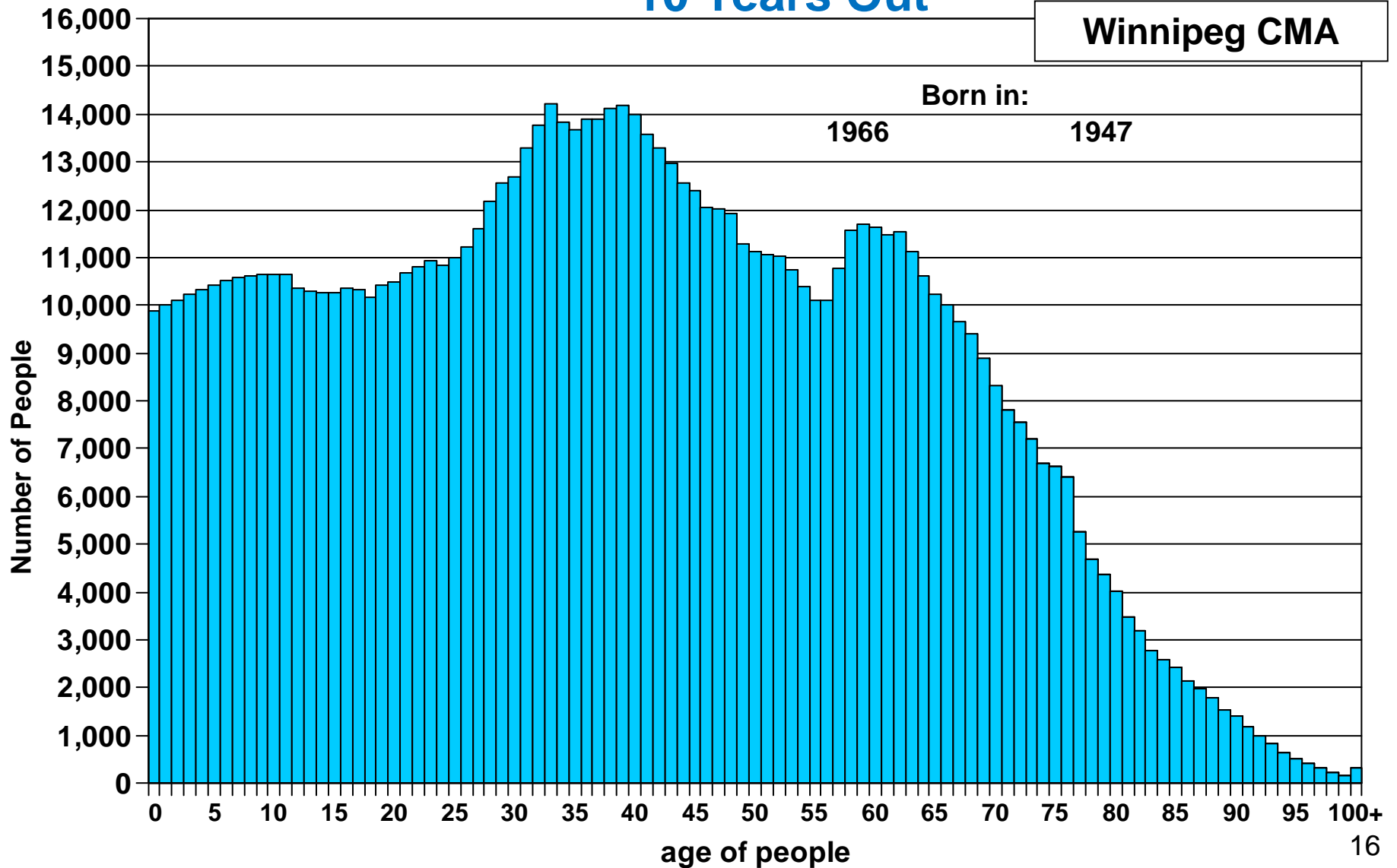




# 2023 Population Distribution

## Population by Single Age

### 10 Years Out



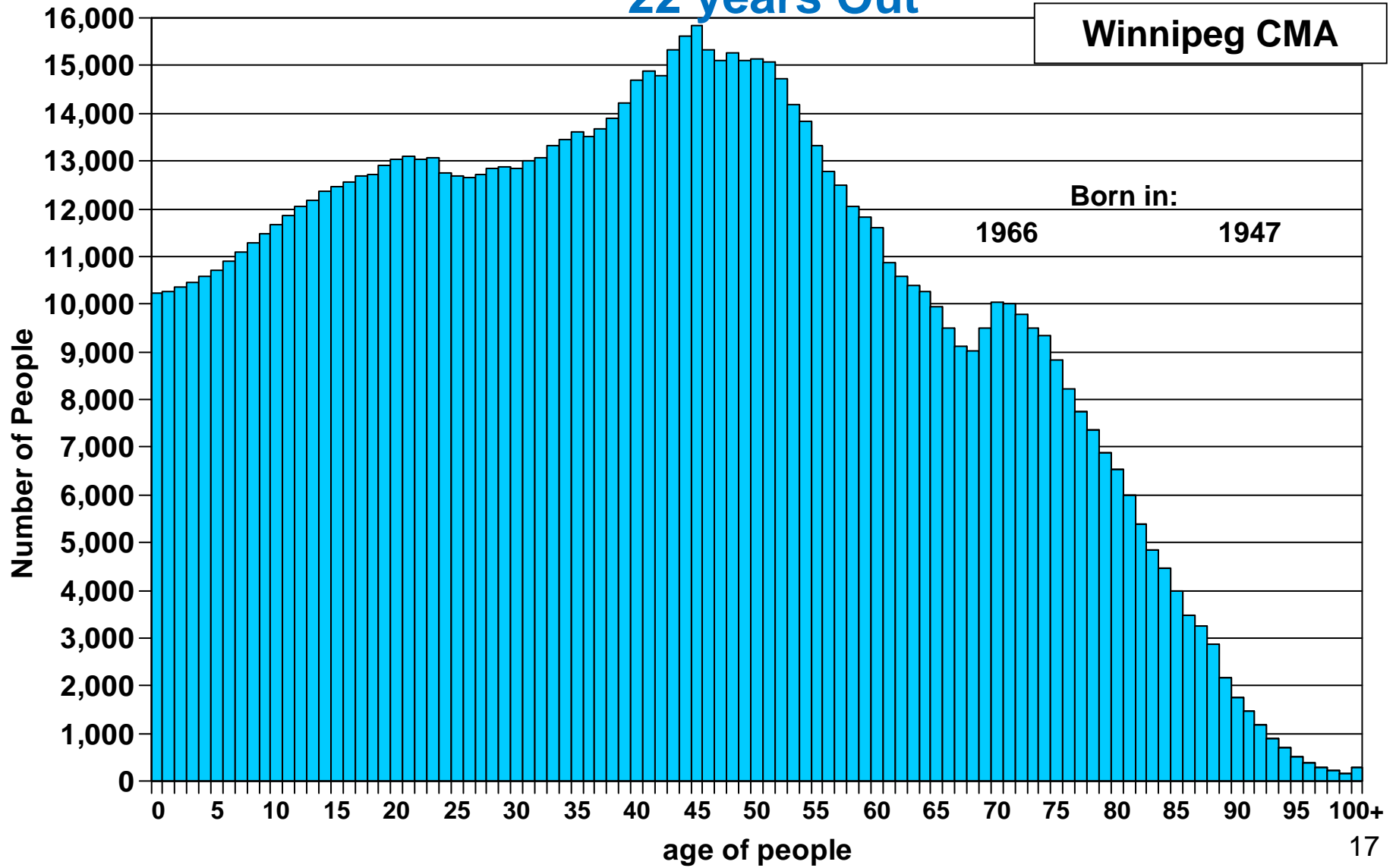




# 2035 Population Distribution

## Population by Single Age

22 years Out





# Change in Number of People by Age Group Compare 10 Years Out and 22 Years Out

## City of Winnipeg

### CHANGE IN THE NEXT DECADE (2013 TO 2023)

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

### LONG TERM CHANGE (2013 TO 2035)

AGE GROUP	0 to 4	5 to 14	15 to 24	25 to 34	35 to 44	45 to 54	55 to 64	65 to 74	75+
Additional People	9,400	29,500	20,600	13,400	40,300	34,600	21,400	40,000	38,300
% Change	22%	34%	19%	11%	38%	30%	22%	68%	74%



# Historical Housing Starts

**In 1987, the number of dwelling units constructed was nearly 6,000.**

**By 1995, the housing activity had declined to under 1,000 dwelling units.**

**In 2012, housing starts were over 3,500 dwelling units.**

## City of Winnipeg - Construction of Dwelling Units

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Singles</b>	898	937	1,212	1,319	1,489	1,474	1,360	1,357	1,409	1,194	1,524	1,653	1,853
<b>Semis</b>	6	30	14	55	32	88	41	14	47	15	36	59	121
<b>Rows</b>	21	36	5	41	20	100	152	117	101	55	160	276	332
<b>Apartment</b>	119	287	220	793	794	515	1736	1579	1089	547	1017	988	1,268
<b>TOTAL</b>	<b>1,044</b>	<b>1,290</b>	<b>1,451</b>	<b>2,208</b>	<b>2,335</b>	<b>2,177</b>	<b>3,289</b>	<b>3,067</b>	<b>2,646</b>	<b>1,811</b>	<b>2,737</b>	<b>2,976</b>	<b>3,574</b>

Source: City of Winnipeg, Planning, Property and Development Department



# Demand for Multi-family Dwellings will Increase

## **Excerpt from Conference Board report explaining change in housing for Winnipeg CMA:**

**“Residential investment is expected to stay healthy in the long run. Population growth will remain sound, increasing at an average annual rate of 1.2 per cent from 2017 to 2035. To satisfy demographic requirements, housing starts are expected to increase further, coming in at about 5,800 units by 2035.” (Prior to 2012, average 3,200 units per year)**

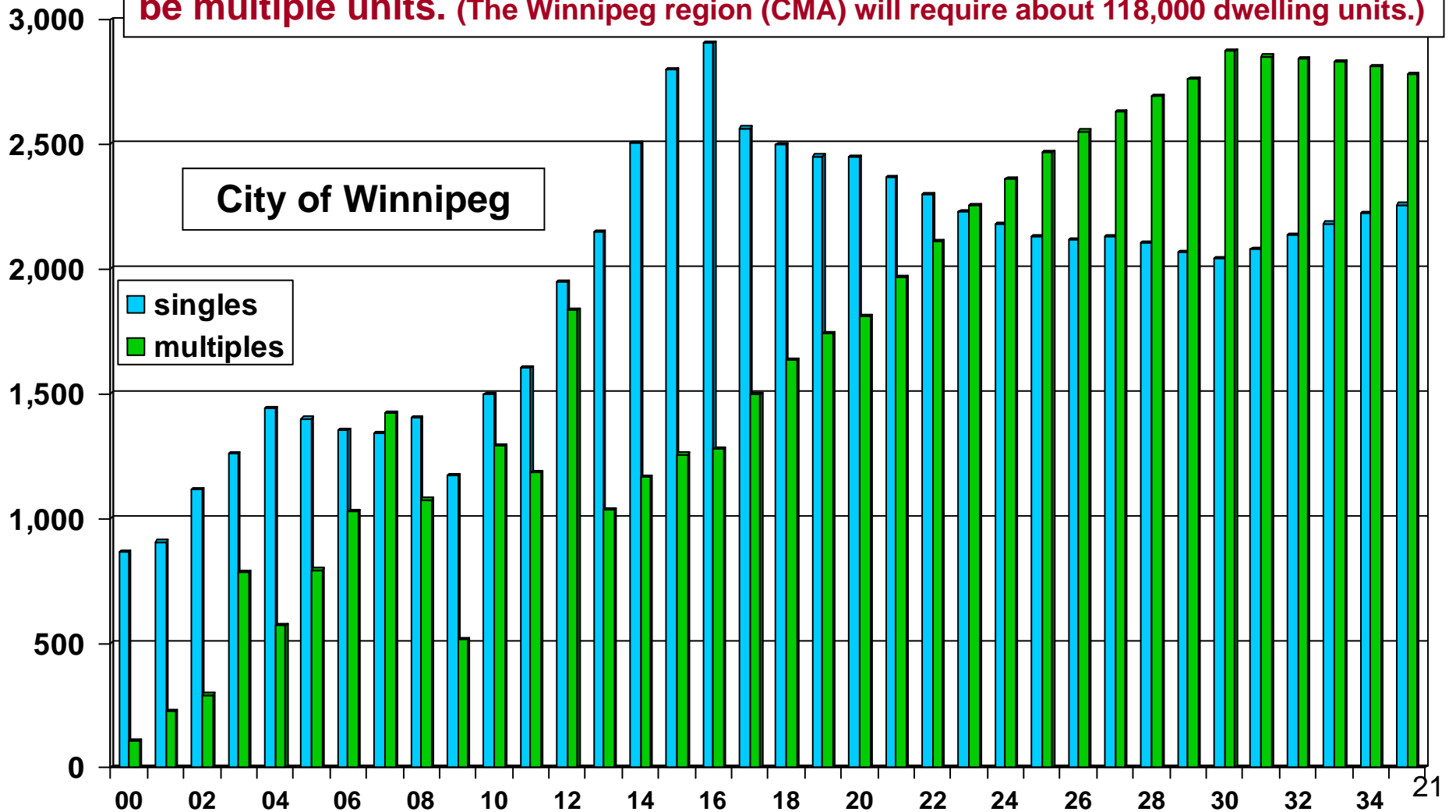
**Moreover, a structural adjustment will be required in the face of an aging population, as most elderly people will opt to live in apartment buildings or retirement homes. Thus, the demand for multi-family dwellings will increase, while the demand for single-family dwellings will start to fall off. Sometime before the end of 2026, the number of new multiple starts is expected to surpass the number of new single starts. Indeed, multiple starts are expected to make up 52 per cent of total housing starts in Winnipeg by the end of the forecast.**

**But it is interesting to note that the makeup of multi-family starts is projected to change in the long run. By 2035, more and more retirees will continue to downsize to an apartment. For that reason, the demand for multi-family apartment units will escalate further in the long run. At the same time, higher quality row housing and townhouse type buildings are expected to boost the number of row units. In fact, apartment complexes and row housing will account for about 97 per cent of all multiple starts in Winnipeg in 2035, with construction starting on more than 2,400 new apartment units and nearly 475 new row units—half of all new housing starts.**



# Significant Change in Housing Demand

**Cumulatively, from 2012 to 2035, the City of Winnipeg will need approximately 103,000 additional dwelling units of which about half will be multiple units. (The Winnipeg region (CMA) will require about 118,000 dwelling units.)**



# Economic Forecast

## **Gross Domestic Product (average of 2.3% per year)**

**“Winnipeg is expected to enjoy a relatively healthy economy until 2035, in good part thanks to a diversifying manufacturing sector, robust construction activity, an expanding services sector and solid employment growth. Strong domestic demand will continue to bolster economic activity, as personal income growth is expected to be steady over the entire forecast period.”**

## **Labour Market**

**“Employment growth in Winnipeg is expected to be relatively strong over the forecast, coming in at an annual average rate of 1.1 per cent. In level terms, this amounts to about 4,900 new jobs being created each year between 2012 and 2035. But Winnipeg’s labour force is expected to undergo major changes in the long term, partly because of the aging population... Given the expected growth in employment, the unemployment rate is forecast to fall from 5.7 per cent in 2012 to 4.9 per cent in 2035.”**



# Immigration supports Labour Force

## **Excerpt from Conference Board report:**

**“Although Winnipeg’s population outlook calls for stable growth going forward, the underlying age structure of the population remains an issue for the labour force. As the baby-boom generation grows older, so does the probability of a labour shortage.”**

**“However, labour force growth is expected to match employment growth in the medium term, so significant labour shortages are not expected soon in Winnipeg.”**

**“Fortunately, immigration to Winnipeg has been very strong the past few years as a result of the provincial nominee program... Since Winnipeg’s new policy has already attracted more migrants (international immigration already broke the 10,000 person threshold in 2010 and 2011), the city is well-positioned to limit labour shortages.”**



# Winnipeg will continue to experience significant growth

## City of Winnipeg

Year	Population	Population Growth	Housing Starts	New Jobs
2011	<b>691,800</b>	9,700	2,800	350
2012	700,700	9,000	3,800	5,700
2013	709,900	9,200	3,200	8,100
2014	719,300	9,400	3,700	6,300
2015	728,700	9,500	4,100	5,800
2016	738,200	9,500	4,200	5,700
2017	747,800	9,500	4,100	5,300
2018	757,300	9,500	4,130	4,900
2019	766,800	9,500	4,200	4,900
2020	776,100	9,400	4,300	4,900
2021	785,600	9,500	4,300	4,800
2022	795,100	9,500	4,400	4,800
2023	804,600	9,500	4,500	4,700
2024	814,000	9,500	4,500	4,700
2025	823,300	9,300	4,600	4,600
2026	832,500	9,200	4,700	4,600
2027	841,600	9,100	4,800	4,500
2028	850,600	9,000	4,800	4,500
2029	859,500	8,900	4,800	4,400
2030	868,200	8,700	4,900	4,500
2031	876,700	8,500	4,900	4,300
2032	885,100	8,400	5,000	4,200
2033	893,400	8,300	5,000	4,200
2034	901,600	8,200	5,000	4,100
2035	909,600	8,000	5,000	4,000

**Winnipeg is going from a no growth period during the 1990s...**

**Followed by modest population growth and modest housing starts...**

**To recent stronger population growth which is expected to continue.**





# Long-Term Demographic and Economic Forecast for Winnipeg's Census Metropolitan Area

**August 2012**

## HIGHLIGHTS

- 
- From 2012 to 2035, population growth is expected to average 1.2 per cent per year, while real gross domestic product (GDP) growth is forecast to average 2.3 per cent per year.
  - 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.
  - Winnipeg is expected to attract an average of more than 9,500 net international migrants each year from 2012 to 2035.
  - Although the population will age as baby boomers retire, increased levels of immigration will help support growth in Winnipeg's labour force.
  - Sound employment prospects and relative housing affordability stem the outflow of interprovincial and intercity migration from Winnipeg.
  - Winnipeg's housing market is projected to go through a transformation as aging baby boomers increase the demand for multi-family units.
  - As a massive number of employees retire, firms will have little choice but to increase investment, boosting the economy's capital-to-labour ratio.
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## OVERVIEW

In the more than 65 years since the end of the Second World War, Winnipeg's population has increased considerably. The sources and disposition of that growth, however, have changed significantly. The most prominent demographic development following the end of the Second World War was the jump in birth rates (the number of births per thousand people), giving rise to the baby-boom generation. In fact, Canada had the largest baby boom, proportionally, of any industrialized country in the world. The Canadian fertility rate peaked between 1960 and 1964 at almost four children per woman. Since the baby-boom generation includes every Canadian born between 1947 and 1966, the high number of births during that period had a significant impact on overall population growth.

Starting in 1966, the fertility rate—the number of children born to the average woman over her lifetime—began to fall. As a result, the baby boom started to subside. This fall in the fertility rate can be linked to many factors, including the availability of new methods of birth control, increased participation of women in the labour force, and higher education levels among females, which have also led to higher incomes for women. The fertility rate has now fallen well below the standard replacement rate of 2.1, leading to a drastic slowdown in overall population growth. And the long-term growth profile for income, trends in female labour force participation, the aging phenomenon and enrolment in post-secondary institutions are all expected to maintain the fertility rate fairly below the standard replacement rate over the forecast period.

The trends in population growth over the last 65 years are key determinants of future demographic developments. In particular, as the baby-boom generation ages, the average age of Winnipeg's population is expected to rise significantly. Therefore, the aging of the population is a direct consequence of the baby boom. Moreover, the baby boomers—who now represent about 27.3 per cent of total population—are just starting to enter their retirement years. Consequently, the changing needs and requirements of this group will have major consequences on the Winnipeg economy.

## **WINNIPEG'S DEMOGRAPHIC TRENDS**

Demographic trends play a central role in long-term economic forecasting. The growth and changing age structure of the population are major determinants of the labour force. In turn, the labour force is a vital component of an economy's potential output. In addition, the age profile of the population shapes overall demand, thereby influencing the relative strengths and weaknesses of various sectors of the economy. Winnipeg's population profile is determined by four factors: the natural rate of increase (births minus deaths), intercity migration, interprovincial migration and international migration.

### ***Short Term***

Even with positive net international migration, the combination of increased interprovincial and intercity out-migration led to stagnant population growth in Winnipeg during the mid-1990's. However, net migration has increased gradually since then, especially on the intercity and international fronts. In 1999, Winnipeg's total population reached 688,200 and has been rising steadily ever since, increasing by an average of 0.8 per cent per year the past thirteen years. Clearly, international migration was the largest contributor to the growth in population, ballooning to nearly 11,200 people in 2011 alone, almost double the number achieved in 2006. The Manitoba Provincial Nominee Program is the main reason why migration has been so strong in Winnipeg. The program helps speed up the immigration process by selecting skilled workers with the intention to become permanent residents in Manitoba. In 2010, the Provincial Nominee Program accounted for about 77% of all of Manitoba's immigration. To be fair, significant improvements were also made on the interprovincial and intercity fronts. By the end of 2011, total population reached just over 762,800 people. Since the positive trend in migration is forecast to continue, stable population gains are expected in Winnipeg over the near term.

One of the reasons why population growth is expected to be stable over the short term is continued improvement in net interprovincial migration, which is on track to become even less negative in 2012. After interprovincial migration suffered net losses of nearly 5,000 people in 2005 and 2006, results have been better. Indeed, in the next two years, net losses from interprovincial migration are expected to drop below 2,000 people. Thanks to the city's highly diversified economy, the global recession and corresponding slowdown in the U.S.

economy, as well as the struggles of Canada's manufacturing sector, had a relatively smaller impact on Winnipeg. To be sure, Winnipeg's economy saw employment fall by a mere 200 positions in 2009—a time when most other economies suffered much heavier job losses. In fact, employment growth, which came in at an average of 1.2 per cent per year from 2000 to 2011, will stay healthy, reaching an average annual rate of 1.7 per cent in 2012 and 2013. This has made Winnipeg both more attractive to residents of other Canadian provinces and better able at keeping its residents.

Secondly, Winnipeg will continue to attract people from all across Manitoba. Workers throughout the province are expected to come to the city to take advantage of increased employment opportunities. As services-producing industries become more prominent and the reliance on primary industries continues to decline, more and more people are expected to move to the city. Therefore, net intercity migration, which soared in 2008 and 2009, is projected to stay positive, climbing to an impressive 663 inhabitants by 2013.

Lastly, although the city's labour market became increasingly tight before the global economic slowdown (the unemployment rate hit 4.3 per cent in 2008), things have eased since then. However, Winnipeg's unemployment rate, which came in at 5.7 per cent in 2011, remains one of the lowest in the country (behind only Quebec City, Regina and Edmonton among Canada's largest metropolitan centres). Although a tighter labour market and corresponding skills shortage can be problematic for the economy, it can benefit workers over the short run. It provides people with more choices and more flexibility in the job market, which is advantageous in two ways: it increases the likelihood of people staying in the city and gives workers bargaining power. It is also attractive for a non-resident looking in, encouraging further intercity and interprovincial migration.

The combination of lower interprovincial out-migration and increased intercity migration is expected to boost Winnipeg's population. Total population in the census metropolitan area (CMA) is expected to reach about 783,700 inhabitants by the end of 2013, based on relatively sound growth of 1.4 per cent in both 2012 and 2013.

### ***Medium Term***

Winnipeg's diversified and stable economy will serve as a foundation for steady population growth over the medium term (2014 to 2016). The city's healthy manufacturing and high-tech sectors, together with relatively low housing prices, are expected to lead to a strong flow of migrants, boosting population growth to 816,500 by 2016. For example, solid demand will result in continued strength in aerospace and transit bus manufacturing. As well, Canada's first major inland port has been established in Winnipeg, consolidating the CMAs geographic advantage. Investments made to develop both the transportation sector and the province's infrastructure over the past few years will help the province's competitiveness over the next decade. Meanwhile, Manitoba farmers are expected to benefit from rising demand for food (from rapidly emerging countries in part) and from stronger food prices, thereby leading to better opportunities in the food-processing sector. Over the medium term, these initiatives are poised to create well-paying jobs and lead to spin-off opportunities in the services sector. This, in turn, will keep highly educated people in the city and attract new migrants. Traditionally, Winnipeg had trouble retaining skilled labour and has often been overlooked by workers in favour of cities in other Canadian provinces, such as Ontario, Alberta and British Columbia. However, that has not been the case in recent years, as evidenced by Winnipeg's improved migration performance and resulting strong population growth. Thus, given its recent economic success, the city is able to attract and keep its highly educated and highly skilled population.

Furthermore, Winnipeg's relatively low cost of living and low business costs make it an attractive place for people and businesses considering relocation within Canada and from abroad. In fact, according to the 2012 KPMG *Competitive Alternatives* report, Winnipeg enjoys one of the lowest costs for doing business in North America (see Chart 1). Residential costs are also relatively cheap, with the average

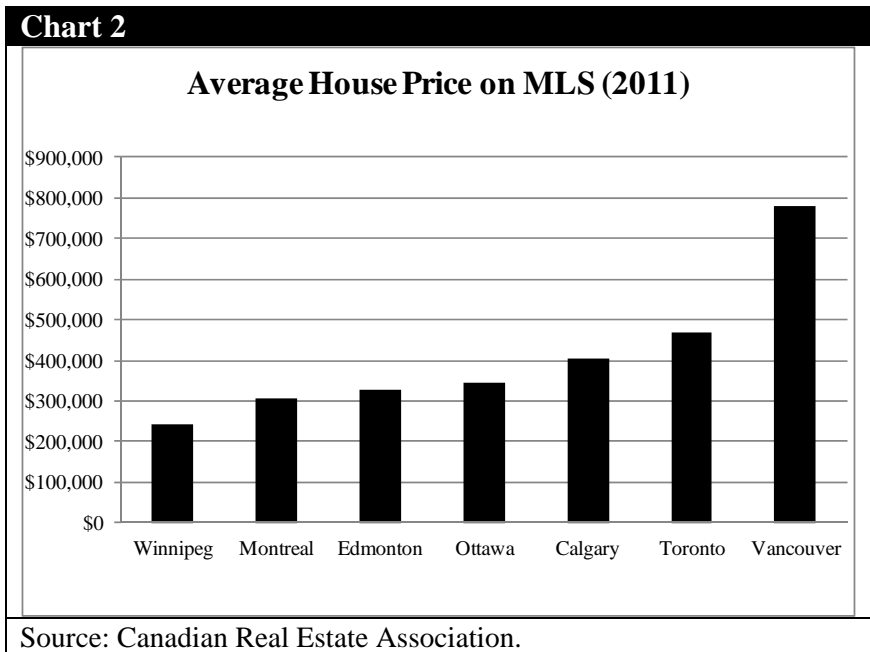


house price in Winnipeg the lowest among the major urban centres in Canada (see Chart 2).

Given all these considerations, Winnipeg's population base is expected to expand at an average rate of 1.4 per cent per year over the medium term, reaching 816,500 people by 2016.

**Long Term**

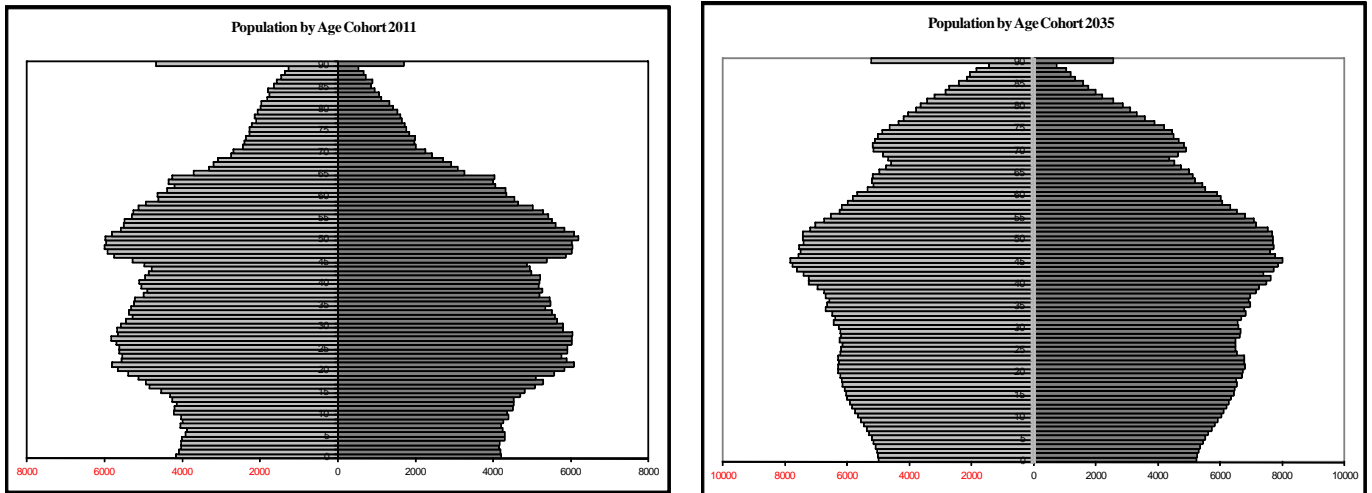
The aging of the baby-boom generation will be the most significant demographic development confronting Winnipeg in the long term. The accompanying change in the



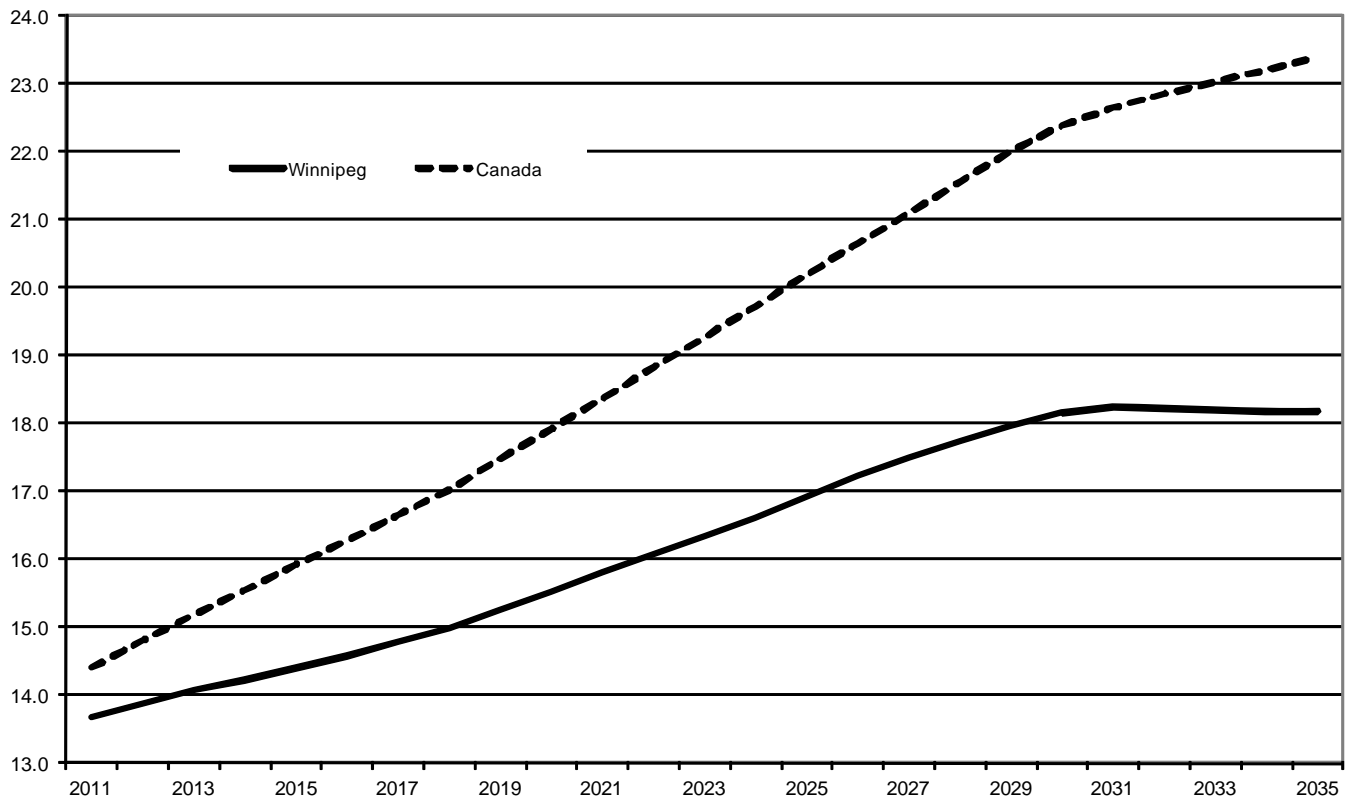
age structure of the population is best illustrated by Chart 3. In 2011, the baby boomers represented the big bulge in the middle of the population pyramid—roughly 27 per cent of

total population. As the baby boomers grow older, this age cohort will shift the bulge in the population pyramid upward. In turn, the proportion of people aged 65 and over is expected to climb from 13.7 per cent in 2011 to 18.2 per cent in 2035.

**Chart 3**



**Percentage of Population Aged 65 and Over**



Sources: The Conference Board of Canada; Statistics Canada.



The other noticeable change in the structure of the population is an increase in the number of echo boomers (the children of the baby boomers, born from 1980 to 1995). As a result of falling fertility rates, this age cohort is much smaller, in proportion, than that of their parents. However, because the echo boomers are the most mobile demographic group and because migration constitutes such a significant portion of the city's population growth, the echo boomers will become more numerous in Winnipeg in 2035 than would have otherwise been the case. In fact, thanks to a sound migration forecast, the proportion of echo boomers to baby boomers will rise from 86 per cent to 173 per cent by the end of the forecast.

To better understand Winnipeg's population growth dynamic over the long run, total growth should be viewed in the context of its four components: natural increase (births minus deaths), net intercity migration, net interprovincial migration and net international migration. Table 1 provides a complete breakdown of the components of Winnipeg's population.

As the baby boomers age, the natural increase of the population is expected to decline. At the moment, the last segment of baby boomers has now moved out of its prime childbearing years. Naturally, other generations will enter into their prime childbearing years. These include the baby-bust generation (those born from 1967 to 1979) and the echo-boom generation (those born from 1980 to 1995). As their names imply, these cohorts are considerably smaller than the baby-boom generation.

On top of having fewer potential mothers, Winnipeg's fertility rate, as it is the case across the country, is low. By way of contrast, Manitoba's fertility rate, which now stands at about 1.96, is the second highest provincial fertility rate in the country. But since fertility rates are generally lower in major urban centres, we can expect Winnipeg's fertility rate to be below the provincial rate. In any case, all three rates—Canada's, Manitoba's and Winnipeg's—remain below 2.1, the standard replacement rate. And there is no improvement in sight. In fact, Winnipeg's birth rate is expected to decline even further throughout the forecast.

With the aging of the baby-boom generation, the number of deaths per thousand people will inevitably rise over the forecast period. Despite the fact that life expectancy will continue to

improve over the forecast, the aging of the population rules out a declining aggregate death rate. As a result, the overall death rate is expected to climb, causing a further slowdown in the natural rate of increase.

Nevertheless, Winnipeg is expected to benefit from population movements within Manitoba. It remains the metropolitan heart of the province, and given its stable economic output and solid job opportunities, people will continue to be drawn to the city. Thus, net intercity migration is expected to remain positive, ranging from between 335 and 610 people annually until 2035.

Although interprovincial migration continues to be a drain on Winnipeg's population, fewer and fewer people are leaving Manitoba. While the short term still sees net losses go below 2,000 people, net interprovincial migration is expected to improve further over the forecast, becoming less and less negative, thanks to sound employment opportunities and government measures to retain and attract young people. Hence, net interprovincial migration is expected to improve from a net outflow of roughly 1,200 people in 2017 to a net outflow of only 700 people in 2035.

Finally, net international migration is expected to strengthen over the forecast period. Because of declining fertility rates, the federal government now sets the total number of immigrants to Canada at between 240,000 and 265,000 per year. Historically, Winnipeg has received only a small share of this total, since, for the most part, immigrants land in cities such as Toronto, Montréal and Vancouver. However, given that the total number of immigrants to Canada is projected to rise to 351,000 per year by 2035, and given the anticipated tightness in labour markets across the country, the Conference Board expects all Canadian CMAs to put considerable effort into attracting more newcomers. And the Winnipeg CMA will not be an exception. We expect Winnipeg to absorb about 9,500 international immigrants per year between 2017 and 2035. All in all, total population growth is set to average 1.2 per cent per year over the long term, a rate faster than the 1 per cent expected for Canada as a whole.

**Table 1****Winnipeg: Long-Term Population Forecast by Component**

<b>Year</b>	<b>Total population</b>	<b>Natural change</b>	<b>Net intercity migration</b>	<b>Net interprovincial migration</b>	<b>Net international migration</b>
1997	683,782	2,845	-1,404	-4,696	1,725
1998	684,747	2,507	-243	-3,771	1,240
1999	688,187	2,303	-10	-1,823	1,697
2000	692,480	2,345	843	-2,683	2,492
2001	695,885	2,074	930	-3,148	2,728
2002	700,022	1,830	937	-2,686	3,217
2003	704,623	1,696	517	-1,901	3,476
2004	710,620	1,833	51	-1,845	5,193
2005	713,101	1,701	-55	-4,899	5,056
2006	716,447	2,067	-188	-4,846	5,970
2007	723,544	2,238	558	-3,745	8,046
2008	731,654	2,121	1,009	-2,954	7,934
2009	741,264	2,167	1,305	-2,435	8,573
2010	751,747	2,221	394	-2,049	9,917
2011	762,759	2,275	394	-2,848	11,191
2012	773,146	2,363	676	-2,019	9,367
2013	783,738	2,423	663	-1,866	9,373
2014	794,570	2,477	644	-1,655	9,366
2015	805,506	2,518	638	-1,446	9,226
2016	816,514	2,545	617	-1,291	9,138
2017	827,570	2,553	609	-1,201	9,094
2018	838,640	2,547	587	-1,162	9,099
2019	849,688	2,521	573	-1,067	9,021
2020	860,679	2,473	557	-1,022	8,983
2021	871,760	2,402	543	-950	9,087
2022	882,876	2,306	528	-905	9,188
2023	894,014	2,189	513	-848	9,285
2024	905,149	2,051	498	-793	9,379
2025	916,168	1,893	483	-749	9,392
2026	927,101	1,723	468	-744	9,487
2027	937,930	1,548	454	-756	9,583
2028	948,689	1,369	439	-731	9,681
2029	959,352	1,191	424	-732	9,781
2030	969,851	1,019	409	-737	9,808
2031	980,234	853	394	-730	9,867
2032	990,514	694	379	-728	9,934
2033	1,000,702	546	365	-725	10,001
2034	1,010,808	409	350	-721	10,069
2035	1,020,765	283	335	-718	10,058

Sources: The Conference Board of Canada; Statistics Canada.

## **ECONOMIC FORECAST**

### ***Gross Domestic Product***

Winnipeg is expected to enjoy a relatively healthy economy until 2035, in good part thanks to a diversifying manufacturing sector, robust construction activity, an expanding services sector and solid employment growth. Strong domestic demand will continue to bolster economic activity, as personal income growth is expected to be steady over the entire forecast period. Therefore, consumer spending will remain healthy, as retail sales are projected to grow by a sound 3.5 per cent per year from 2012 to 2035. The province's mining and electricity-generating potential will lead to other megaprojects being developed over the next decade, which will also benefit Winnipeg's economy. The CMA will also be helped by stable provincial government spending, as public spending commitments to upgrade infrastructure (like hospitals, sewage systems and roads) will support Winnipeg's investment forecast. Overall, real GDP is expected to grow by an average annual compound growth rate of 2.3 per cent over 2012–35. (See Appendix)

### ***Labour Market***

Employment growth in Winnipeg is expected to be relatively strong over the forecast, coming in at an annual average rate of 1.1 per cent. In level terms, this amounts to about 4,900 new jobs being created each year between 2012 and 2035. But Winnipeg's labour force is expected to undergo major changes in the long term, partly because of the aging population. In fact, baby boomers (residents born between 1947 and 1966) have already started retiring, and will continue to do so en masse over the next few years. This will only intensify throughout the forecast horizon. Moreover, the rapid growth in the number of women entering the labour force will come to an end. Combined, these factors will lead to a declining labour force participation rate, particularly over the medium and long term. The lower participation rate will translate into compound annual labour force growth of 1.3 per cent from 2012 to 2019 and of 0.9 per cent between 2020 and 2035. Given the expected growth in employment, the unemployment rate is forecast to fall from 5.7 per cent in 2012 to 4.9 per cent in 2035.

### **Investment**

In recent years, Winnipeg’s construction sector has posted some remarkable results. In fact, total construction output increased by more than 6.8 per cent per year from 2006 to 2011. Both residential and non-residential activity contributed positively to this result. In the medium term, non-residential activity is expected to stay healthy, led by work on some large projects, including the Canadian Museum for Human Rights, as well as work at the University of Winnipeg and the University of Manitoba.

Construction activity is also expected to get a boost in the medium term from the residential sector. Since total population growth is forecast to average 1.3 per cent growth per year until 2016, steady growth in the number of new housing starts will be maintained to meet demographic requirements. Therefore, builders are projected to break ground on roughly 4,300 units per year from 2012 to 2016. Currently, single starts make up about 60 per cent of total housing starts in Winnipeg. This share is forecast to rise to almost 72 per cent by 2016. As baby boomers retire, the demand for apartments is expected to increase. By 2035, we expect that the bulk of residential construction activity will take place in the multiples segment of the market, as the share of multiples to total housing starts will then stand at 52 per cent.

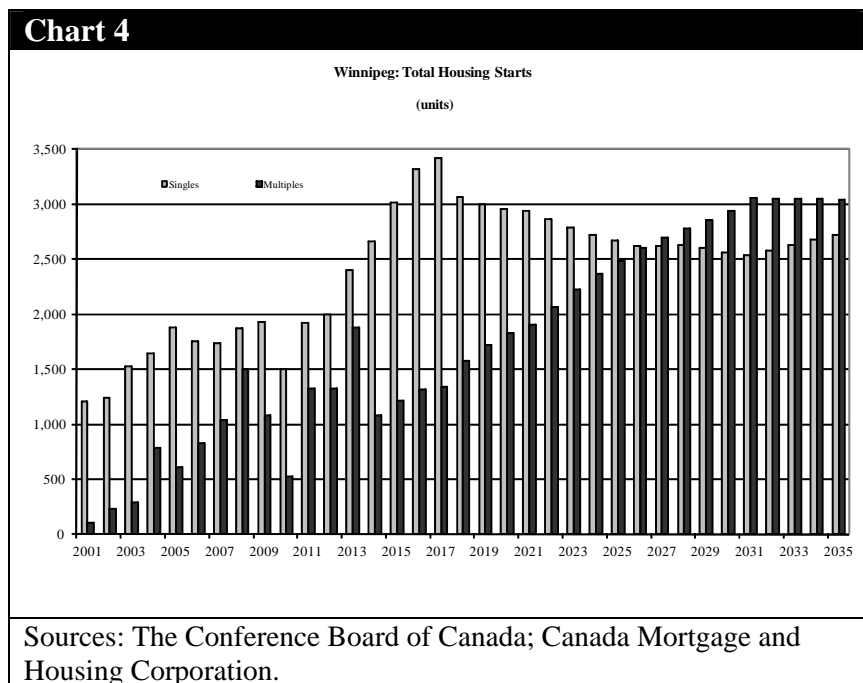
<b>Table 2</b>																
<b>Winnipeg: Number of Households (000s)</b>																
<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
272.3	274.9	277.9	279.7	281.8	287.2	293.2	299.9	307.0	314.5	318.8	324.0	329.2	334.5	339.7	344.9	350.0
<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>	<b>2035</b>
355.1	359.9	364.9	369.9	374.8	379.8	384.7	389.7	394.6	399.5	404.4	409.3	414.2	418.9	423.6	428.4	433.2

Source: Statistics Canada.

As Table 2 indicates, the number of households has risen steadily in Winnipeg over the past decade. In 2002, there were about 272,300 households in the CMA, with about 2.57 people per household. By 2011, thanks to both healthy population growth and a slow decline in the number of people per household, the number of households in Winnipeg had risen to an estimated 314,500. With baby boomers now in their retirement years, they are expected to leave their single-family homes and settle in apartment complexes and eventually retirement residences. As a result, the average number of persons per household is expected to slowly

decline in the medium term. At the same time, people belonging to the baby-bust and echo-boom generations are getting established, moving out of their rental apartments and into single-family homes. Therefore the total number of households is projected to be 339,700 in 2016.

Over the long term (2017 to 2035), an aging population will mean investment spending will be primarily focused on health care, with the construction of new hospitals, the conversion of old hospitals to long-term care facilities and the purchase of new equipment. Meanwhile, public spending on primary and secondary education will decline as the echo generation—the children of the baby boomers—leave high school. Spending on post-secondary education will be the focus, and is expected to expand to keep pace with increased demand, as more members of the echo generation enroll in post-secondary education. The provincial and local governments will also need to spend money on upgrading and improving Winnipeg’s infrastructure, such as sewage systems, waterlines and roads—especially since adaptation to climate change will likely require infrastructure investment.



Residential investment is expected to stay healthy in the long run. Population growth will remain sound, increasing at an average annual rate of 1.2 per cent from 2017 to 2035. To satisfy demographic requirements, housing starts are expected to increase further, coming in at about 5,800 units by 2035. Moreover, a structural adjustment will be required in the face of an aging

population, as most elderly people will opt to live in apartment buildings or retirement homes. Thus, the demand for multi-family dwellings will increase, while the demand for single-family dwellings will start to fall off. (See Chart 4) Sometime before the end of 2026, the number of new multiple starts is expected to surpass the number of new single starts. Indeed, multiple starts are expected to make up 52 per cent of total housing starts in Winnipeg by the end of the forecast. But it is interesting to note that the makeup of multi-family starts is projected to change in the long run. By 2035, more and more retirees will continue to downsize to an apartment. For that reason, the demand for multi-family apartment units will escalate further in the long run. At the same time, higher quality row housing and townhouse type buildings are expected to boost the number of row units. In fact, apartment complexes and row housing will account for about 97 per cent of all multiple starts in Winnipeg in 2035, with construction starting on more than 2,400 new apartment units and nearly 475 new row units—half of all new housing starts.

While the aging phenomenon will alter the characteristics of Winnipeg's households significantly, the overall household count will continue to rise, in line with healthy population growth and a declining average number of persons per household. Specifically, the number of households is forecast to reach 433,200 by 2035, with the total number of persons per household sliding to 2.36 by the end of the forecast. In the long run, the baby-bust and the echo-boom generations will support demand for singles units, while the baby boomers will bring about a sharp increase in demand for multiples. Accordingly, both single and multiple housing starts are expected to stay strong over the entire forecast period.

## **ECONOMIC IMPLICATIONS**

### ***Labour Shortages***

Although Winnipeg's population outlook calls for stable growth going forward, the underlying age structure of the population remains an issue for the labour force. As the baby-boom generation grows older, so does the probability of a labour shortage. However, labour force growth is expected to match employment growth in the medium term, so significant labour shortages are not expected soon in Winnipeg.

In the long term, the proportion of the population aged 65 and over is expected to rise sharply, reaching 18.2 per cent in 2035. This is considerably lower than the expected Canadian

share of 23.4 per cent. With senior people generally retiring and leaving the labour force, tensions in the labour market will become more apparent. Thus, wage pressures will intensify. This, in turn, is expected to encourage people to remain in the labour force longer than they normally would. As a result, adjustments in the labour market will have to take place to accommodate an older workforce. An example of such adjustment includes more flexible working schedules. Another adjustment that will take place is capital intensification of production processes, as the relatively more expensive labour will be replaced by machinery. Hence, investment into the Winnipeg economy is projected to be relatively robust in both the medium and long term and lead to remarkable improvements in labour productivity.

Fortunately, immigration to Winnipeg has been very strong the past few years as a result of the provincial nominee program. Indeed, population growth averaged 1.4 per cent per year from 2009 to 2011. Strong in-migration is expected to continue over the long term, providing much-needed support to labour force growth. International immigration will lead the way: by 2035, roughly 10,000 net new international migrants are expected each year. This is on top of improved results expected for both intercity and interprovincial migration. Since Winnipeg's new policy has already attracted more migrants (international immigration already broke the 10,000 person threshold in 2010 and 2011), the city is well-positioned to limit labour shortages.

### ***Consumer Spending***

At the provincial level, spending on consumer-related goods and services will be relatively robust over the long term. Nominal consumption of goods and services will increase at an average compound annual rate of 3.7 per cent over 2012–35. While spending will remain strong, there will be a structural change in spending patterns. As the baby boomers approach and then reach retirement age, they will gradually spend more of their disposable income on services (such as health care and travel) and less on durable goods (such as cars and large appliances). Specifically, the proportion of total consumption expenditures on goods is expected to fall from 45 per cent in 2011 to 34.7 per cent in 2035.

Since many baby boomers are well established, they are no longer looking to buy new homes. Instead, they will be paying down debt and accumulating savings in preparation for



their retirement. This will allow the savings rate to trend upward in the medium term. However, once baby boomers start to retire, the savings rate will fall again.

### ***Government Spending***

Manitoba's provincial government successfully tackled its deficit with spending cuts in the early 1990s. The effort paid off with a string of balanced budgets. However, Manitoba was not immune to the impact of the global recession and posted a deficit of \$555 million in fiscal 2009–10. To ensure continued spending on front-line services and infrastructure, the government took a five-year approach to restoring fiscal balance. However, factors outside the province's control—namely severe spring flooding in 2010 and 2011—have made it difficult to stay on track. Initially a \$438-million deficit was forecast for fiscal year 2011, but greater-than-expected costs for fighting the floods have led to a revised estimate of \$989-million. However, the government remains committed to balancing its books by fiscal 2014–15.

In 1999, a period of long-term growth in government spending began. In fact, the annual compound growth rate of nominal government spending on goods and services—a hefty 6.1 per cent from 1999 to 2010—is projected to remain strong throughout the forecast, coming in at an average of 4.2 per cent from 2011 to 2035. Much of the spending will be directed toward health care to meet the demands of the aging population. This growth in spending will be financed in part by the federal government through significant increases in transfer payments, particularly the Canada Health and Social Transfer.

## **CONCLUSION**

Winnipeg's population growth will strengthen over the entire forecast period (2012 to 2035). The CMA's population is projected to reach just over 773,100 people in 2012, then about 816,500 in 2016 and about 1,020,800 by 2035. The average growth rate of the population during this time is expected to be 1.2 per cent per year.

However, this stable population growth hides a key change in the underlying age structure of the population. As the baby boomers grow older, the average age of the population is

expected to rise from 38.6 years in 2011 to 40.7 years in 2035. Moreover, the proportion of population aged 65 and over is expected to increase significantly in the latter half of the forecast period. People aged 65 and older now make up about 13.7 per cent of Winnipeg's population. By 2016, the proportion will rise to 14.6 per cent and trend to 18.2 per cent by 2035.

The aging of the population will bring about a steady decline in the natural increase of the population. Immigration will then have to pick up the slack. Fortunately in the case of Winnipeg, policies to attract new migrants are already in place, and international migration to the CMA, which has been trending upward, is expected to continue to do so, allowing for sound population growth over the entire forecast horizon. This will be a blessing to the CMA's economic potential, as sound demographics are critical to an area's economic wealth. All in all, real GDP growth in Winnipeg is forecast to average 2.3 per cent per year from 2012 to 2035. In contrast, real GDP growth averaged 1.7 per cent per year from 1987 to 2011, when population growth was much lower.

## APPENDIX

TABLE 1: KEY ECONOMIC INDICATORS: WINNIPEG

	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
REAL GDP (MILLIONS \$ 2002)	19,340	20,076 3.8	20,398 1.6	21,159 3.7	21,517 1.7	21,912 1.8	22,053 0.6	22,575 2.4	23,295 3.2	24,035 3.2	24,782 3.1	25,585 3.2	25,442 -0.6
POTENTIAL OUTPUT (MILLIONS \$ 2002)	19,389	20,230 4.3	20,535 1.5	21,496 4.7	21,691 0.9	22,098 1.9	22,387 1.3	22,836 2.0	23,459 2.7	24,325 3.7	25,100 3.2	25,591 2.0	25,638 0.2
RETAIL SALES (MILLIONS \$)	5,083	5,219 2.7	5,477 4.9	5,722 4.5	6,106 6.7	6,550 7.3	6,846 4.5	7,298 6.6	7,780 6.6	8,151 4.8	8,784 7.8	9,270 5.5	9,137 -1.4
EMPLOYMENT ('000s)	336	347 3.4	351 1.1	358 2.1	365 1.9	375 2.6	374 -0.2	381 1.9	378 -0.8	386 2.1	395 2.4	401 1.5	401 0.0
UNEMPLOYMENT RATE	7.2	5.7	5.8	5.3	5.2	5.2	5.1	5.5	4.8	4.5	4.7	4.3	5.5
POPULATION ('000s)	684	685 0.1	688 0.5	692 0.6	696 0.5	700 0.6	705 0.7	711 0.9	713 0.3	716 0.5	724 1.0	732 1.1	741 1.3
HOUSING STARTS ('000s)	15	16 3.8	18 12.5	13 -25.7	15 11.8	18 23.6	2.4 33.4	2.5 2.4	2.6 3.9	2.8 7.4	3.4 21.4	3.0 -10.7	2.0 -32.4
SINGLES ('000s)	12	12	12	12	12	15	16	19	18	17	19	19	15
MULTIPLES ('000s)	0.3	0.4	0.6	0.1	0.2	0.3	0.8	0.6	0.8	1.0	1.5	1.1	0.5
SEMI ('000s)	0.09	0.06	0.05	0.01	0.03	0.02	0.05	0.05	0.03	0.09	0.02	0.03	0.04
ROW ('000s)	0.02	0.05	0.01	0.03	0.03	0.01	0.04	0.03	0.10	0.05	0.09	0.11	0.09
APARTMENT ('000s)	0.22	0.28	0.51	0.07	0.17	0.26	0.71	0.53	0.69	0.90	1.39	0.93	0.40
HOUSHOLDS ('000s)	262.6	263.7	265.6	267.8	270.0	272.3	274.9	277.9	279.7	281.8	287.2	293.2	299.9
PERSONAL INCOME (MILLIONS \$)	16,641	17,500 5.2	18,008 2.9	18,869 4.8	19,401 2.8	19,943 2.8	20,590 3.2	21,632 5.1	22,562 4.3	24,001 6.4	25,379 5.7	26,570 4.7	26,788 0.8
PERSONAL INCOME PER CAPITA (MILLIONS \$)	24,337	25,556 5.0	26,167 2.4	27,248 4.1	27,880 2.3	28,489 2.2	29,221 2.6	30,440 4.2	31,638 3.9	33,499 5.9	35,069 4.7	36,290 3.5	36,084 -0.6
PERSONAL DISPOSABLE INCOME (MILLIONS \$)	12,946	13,677 5.6	14,131 3.3	14,704 4.1	15,241 3.7	15,715 3.1	16,242 3.4	17,082 5.2	17,668 3.4	18,941 7.2	19,960 5.4	21,046 5.4	21,340 1.4
PERSONAL DISPOSABLE INCOME PER CAPITA (MILLIONS \$)	18,933	19,973 5.5	20,533 2.8	21,233 3.4	21,901 3.1	22,449 2.5	23,051 2.7	24,038 4.3	24,777 3.1	26,438 6.7	27,581 4.3	28,744 4.2	28,746 0.0
CONSUMER PRICE INDEX (1992=10)	0.90	0.92 1.4	0.94 2.0	0.96 2.5	0.99 2.9	1.00 1.5	1.02 1.8	1.04 1.9	1.06 2.6	1.09 1.9	1.11 2.1	1.13 2.3	1.14 0.6

**TABLE 1: KEY ECONOMIC INDICATORS: WINNIPEG**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
REAL GDP (MILLIONS \$ 2002)	26,033 2.3	26,463 1.7	27,100 2.4	27,799 2.6	28,483 2.5	29,191 2.5	29,831 2.2	30,531 2.3	31,248 2.3	31,994 2.4	32,759 2.4	33,521 2.3	34,292 2.3
POTENTIAL OUTPUT (MILLIONS \$ 2002)	26,199 2.2	26,798 2.3	27,462 2.5	28,230 2.8	28,928 2.5	29,725 2.8	30,388 2.2	31,001 2.0	31,542 1.7	32,127 1.9	32,677 1.7	33,219 1.7	33,751 1.6
RETAIL SALES (MILLIONS \$)	9,669 5.8	10,051 3.9	10,588 5.3	11,039 4.3	11,471 3.9	11,871 3.5	12,275 3.4	12,698 3.4	13,130 3.4	13,580 3.4	14,042 3.4	14,522 3.4	15,019 3.4
EMPLOYMENT ('000s)	408 1.9	409 0.1	414 1.4	422 2.0	429 1.5	435 1.3	440 1.3	445 1.2	450 1.1	455 1.1	460 1.1	465 1.0	470 1.0
UNEMPLOYMENT RATE	5.7	5.7	5.6	5.5	5.4	5.4	5.2	5.2	5.2	5.1	5.1	5.1	5.1
POPULATION ('000s)	752 1.4	763 1.5	773 1.4	784 1.4	795 1.4	806 1.4	817 1.4	828 1.4	839 1.3	850 1.3	861 1.3	872 1.3	883 1.3
HOUSING STARTS ('000s)	3.2 59.6	3.3 2.7	4.3 28.5	3.7 -12.5	4.2 13.1	4.6 9.5	4.8 2.7	4.6 -2.5	4.7 1.5	4.8 1.5	4.8 1.2	4.9 1.8	5.0 1.6
SINGLES ('000s)	1.9	2.0	2.4	2.7	3.0	3.3	3.4	3.1	3.0	3.0	2.9	2.9	2.8
MULTIPLES ('000s)	1.3	1.3	1.9	1.1	1.2	1.3	1.3	1.6	1.7	1.8	1.9	2.1	2.2
SEMI ('000s)	0.04	0.04	0.06	0.03	0.04	0.04	0.04	0.05	0.05	0.06	0.06	0.06	0.07
ROW ('000s)	0.14	0.33	0.34	0.21	0.23	0.25	0.25	0.29	0.32	0.33	0.34	0.37	0.40
APARTMENT ('000s)	1.14	0.96	1.48	0.84	0.95	1.03	1.05	1.23	1.35	1.44	1.50	1.64	1.76
HOUSHOLDS ('000s)	307.0	314.5	318.8	324.0	329.2	334.5	339.7	344.9	350.0	355.1	359.9	364.9	369.9
PERSONAL INCOME (MILLIONS \$)	27,726 3.5	28,623 3.2	29,409 2.7	30,656 4.2	31,973 4.3	33,297 4.1	34,684 4.2	36,095 4.1	37,546 4.0	39,043 4.0	40,609 4.0	42,224 4.0	43,908 4.0
PERSONAL INCOME PER CAPITA (MILLIONS \$)	36,792 2.0	37,473 1.9	38,019 1.5	39,128 2.9	40,310 3.0	41,489 2.9	42,737 3.0	43,726 2.3	44,914 2.7	46,129 2.7	47,399 2.8	48,693 2.7	50,029 2.7
PERSONAL DISPOSABLE INCOME (MILLIONS \$)	22,263 4.3	22,830 2.6	23,289 2.0	24,187 3.9	25,138 3.9	26,106 3.9	27,131 3.9	28,175 3.8	29,247 3.8	30,357 3.8	31,518 3.8	32,715 3.8	33,962 3.8
PERSONAL DISPOSABLE INCOME PER CAPITA (MILLIONS \$)	29,543 2.8	29,890 1.2	30,108 0.7	30,872 2.5	31,693 2.7	32,529 2.6	33,431 2.8	34,132 2.1	34,987 2.5	35,867 2.5	36,789 2.6	37,727 2.6	38,696 2.6
CONSUMER PRICE INDEX (1992=1.0)	1.15 0.8	1.18 2.9	1.20 1.6	1.23 2.2	1.25 2.2	1.28 2.1	1.31 2.2	1.34 2.3	1.37 2.3	1.40 2.3	1.43 2.3	1.46 2.3	1.50 2.3

**TABLE 1: KEY ECONOMIC INDICATORS: WINNIPEG**

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>	<u>2035</u>
REAL GDP (MILLIONS \$ 2002)	35,080 2.3	35,870 2.3	36,663 2.2	37,472 2.2	38,306 2.2	39,161 2.2	40,028 2.2	40,908 2.2	41,796 2.2	42,721 2.2	43,644 2.2	44,612 2.2	45,604 2.2
POTENTIAL OUTPUT (MILLIONS \$ 2002)	34,347 1.8	34,956 1.8	35,571 1.8	36,187 1.7	36,832 1.8	37,521 1.9	38,235 1.9	38,972 1.9	39,693 1.8	40,453 1.9	41,221 1.9	42,007 1.9	42,800 1.9
RETAIL SALES (MILLIONS \$)	15,526 3.4	16,056 3.4	16,605 3.4	17,161 3.4	17,751 3.4	18,342 3.3	18,954 3.3	19,566 3.2	20,193 3.2	20,840 3.2	21,493 3.1	22,178 3.2	22,892 3.2
EMPLOYMENT ('000s)	474 1.0	479 1.0	484 1.0	488 0.9	493 0.9	497 0.9	502 0.9	506 0.9	510 0.8	515 0.8	519 0.8	523 0.8	527 0.8
UNEMPLOYMENT RATE	5.1	5.1	5.1	5.1	5.1	5.1	5.0	4.9	4.9	4.9	4.9	4.9	4.9
POPULATION ('000s)	894 1.3	905 1.2	916 1.2	927 1.2	938 1.2	949 1.1	959 1.1	970 1.1	980 1.1	991 1.0	1,001 1.0	1,011 1.0	1,021 1.0
HOUSING STARTS ('000s)	5.1 1.6	5.2 1.2	5.2 1.3	5.3 1.7	5.4 1.8	5.5 1.0	5.5 0.7	5.6 1.8	5.6 0.5	5.7 0.9	5.7 0.8	5.8 0.7	5.8 0.1
SINGLES ('000s)	2.7	2.7	2.6	2.6	2.6	2.6	2.6	2.5	2.6	2.6	2.7	2.7	2.8
MULTIPLES ('000s)	2.4	2.5	2.6	2.7	2.8	2.9	2.9	3.1	3.0	3.0	3.0	3.0	3.0
SEMI ('000s)	0.07	0.07	0.08	0.08	0.08	0.08	0.09	0.09	0.09	0.09	0.09	0.09	0.08
ROW ('000s)	0.42	0.43	0.45	0.46	0.47	0.48	0.49	0.50	0.50	0.49	0.49	0.48	0.47
APARTMENT ('000s)	1.88	1.98	2.07	2.16	2.23	2.29	2.36	2.46	2.46	2.47	2.47	2.47	2.46
HOUSHOLDS ('000s)	374.8	379.8	384.7	389.7	394.6	399.5	404.4	409.3	414.2	418.9	423.6	428.4	433.2
PERSONAL INCOME (MILLIONS \$)	45,617 3.9	47,378 3.9	49,164 3.8	51,010 3.8	52,929 3.8	54,900 3.7	56,921 3.7	58,997 3.6	61,164 3.7	63,404 3.7	65,709 3.6	68,093 3.6	70,551 3.6
PERSONAL INCOME PER CAPITA (MILLIONS \$)	51,356 2.7	52,706 2.6	54,050 2.5	55,427 2.5	56,850 2.6	58,292 2.5	59,753 2.5	61,239 2.5	62,786 2.5	64,375 2.5	65,993 2.5	67,655 2.5	69,359 2.5
PERSONAL DISPOSABLE INCOME (MILLIONS \$)	35,225 3.7	36,521 3.7	37,828 3.6	39,178 3.6	40,576 3.6	42,008 3.5	43,472 3.5	44,970 3.4	46,529 3.5	48,132 3.4	49,776 3.4	51,472 3.4	53,213 3.4
PERSONAL DISPOSABLE INCOME PER CAPITA (MILLIONS \$)	39,657 2.5	40,628 2.4	41,588 2.4	42,570 2.4	43,582 2.4	44,604 2.3	45,635 2.3	46,679 2.3	47,763 2.3	48,869 2.3	49,991 2.3	51,141 2.3	52,314 2.3
CONSUMER PRICE INDEX (1992=1.0)	1.53 2.2	1.56 2.2	1.60 2.2	1.63 2.1	1.67 2.1	1.70 2.1	1.74 2.1	1.78 2.1	1.81 2.1	1.85 2.1	1.89 2.1	1.93 2.1	1.97 2.1

**Population Forecast for Winnipeg CMA by the Conference Board of Canada, August 2012**  
**For the City of Winnipeg and the Rest of CMA forecasts, derived by City of Winnipeg, November 2012**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Change 2012 to 2035
<b>Population</b>																												
Winnipeg CMA	741,264	751,747	762,759	773,100	783,700	794,600	805,500	816,500	827,600	838,600	849,700	860,700	871,800	882,900	894,000	905,100	916,200	927,100	937,900	948,700	959,400	969,900	980,200	990,500	1,000,700	1,010,800	1,020,800	247,600
City of Winnipeg	672,850	682,055	691,778	700,700	709,900	719,300	728,700	738,200	747,800	757,300	766,800	776,100	785,600	795,100	804,600	814,000	823,300	832,500	841,600	850,600	859,500	868,200	876,700	885,100	893,400	901,600	909,600	208,900
Rest of CMA	68,414	69,692	70,981	72,400	73,800	75,300	76,800	78,300	79,800	81,400	82,900	84,500	86,100	87,800	89,400	91,100	92,800	94,600	96,300	98,100	99,900	101,700	103,500	105,400	107,300	109,200	111,100	38,700
<b>Population Growth</b>																												
Winnipeg CMA	9,610	10,483	11,012	10,341	10,600	10,900	10,900	11,000	11,100	11,000	11,100	11,000	11,100	11,100	11,100	11,100	10,900	10,900	10,800	10,800	10,700	10,500	10,300	10,300	10,200	10,100	10,000	247,600
City of Winnipeg	7,988	9,205	9,723	8,922	9,200	9,400	9,400	9,500	9,600	9,500	9,500	9,300	9,500	9,500	9,500	9,300	9,200	9,200	9,100	9,000	8,900	8,700	8,500	8,400	8,300	8,200	8,000	208,900
Rest of CMA	1,622	1,278	1,289	1,419	1,400	1,500	1,500	1,500	1,500	1,600	1,500	1,600	1,600	1,700	1,600	1,700	1,700	1,800	1,700	1,800	1,800	1,800	1,800	1,900	1,900	1,900	1,900	38,700
<b>Households</b>																												
Winnipeg CMA			314,540	318,800	324,000	329,200	334,500	339,700	344,900	350,000	355,100	359,900	364,900	369,900	374,800	379,800	384,700	389,700	394,600	399,500	404,400	409,300	414,200	418,900	423,600	428,400	433,200	114,400
City of Winnipeg			290,178	293,900	298,600	303,200	308,000	312,700	317,300	321,800	326,300	330,600	335,000	339,400	343,700	348,000	352,300	356,700	361,000	365,300	369,500	373,700	377,900	381,900	386,000	390,100	394,100	100,200
Rest of CMA			24,362	24,800	25,400	25,900	26,500	27,100	27,600	28,200	28,800	29,400	29,900	30,500	31,100	31,700	32,300	33,000	33,600	34,300	34,900	35,600	36,300	36,900	37,600	38,300	39,100	14,200
<b>Population per Household</b>																												
Winnipeg CMA			2.43	2.43	2.42	2.41	2.41	2.40	2.40	2.40	2.39	2.39	2.39	2.39	2.39	2.38	2.38	2.38	2.38	2.37	2.37	2.37	2.37	2.36	2.36	2.36	2.36	0.07
City of Winnipeg			2.38	2.38	2.38	2.37	2.37	2.36	2.36	2.35	2.35	2.35	2.35	2.34	2.34	2.34	2.34	2.33	2.33	2.33	2.33	2.32	2.32	2.32	2.31	2.31	2.31	0.07
Rest of CMA			2.91	2.91	2.91	2.90	2.90	2.89	2.89	2.88	2.88	2.88	2.88	2.88	2.87	2.87	2.87	2.87	2.87	2.86	2.86	2.86	2.85	2.85	2.85	2.85	2.85	0.19
<b>Housing Starts</b>																												
Winnipeg CMA	2,033	3,244	3,331	4,280	3,740	4,230	4,630	4,760	4,640	4,710	4,780	4,840	4,930	5,010	5,090	5,160	5,220	5,320	5,410	5,460	5,500	5,600	5,630	5,680	5,720	5,760	5,770	117,630
City of Winnipeg	1,688	2,787	2,789	3,780	3,180	3,670	4,050	4,180	4,060	4,130	4,190	4,260	4,330	4,410	4,480	4,540	4,590	4,670	4,760	4,800	4,830	4,910	4,930	4,980	5,010	5,030	5,030	103,020
Rest of CMA	345	457	542	500	560	570	580	580	580	580	590	590	600	610	610	620	630	650	650	670	670	690	700	700	710	730	740	14,610
<b>Housing Starts</b>																												
Winnipeg CMA																												
Total	2,033	3,244	3,331	4,280	3,740	4,230	4,630	4,760	4,640	4,710	4,780	4,840	4,930	5,010	5,090	5,160	5,220	5,320	5,410	5,460	5,500	5,600	5,630	5,680	5,720	5,760	5,770	117,630
Singles	1,505	1,921	2,002	2,400	2,660	3,020	3,320	3,420	3,070	3,000	2,950	2,940	2,860	2,790	2,720	2,670	2,620	2,620	2,630	2,600	2,560	2,540	2,580	2,630	2,680	2,720	2,750	64,360
Multiples	528	1,323	1,329	1,880	1,080	1,220	1,320	1,350	1,570	1,720	1,830	1,910	2,070	2,220	2,370	2,490	2,600	2,700	2,780	2,860	2,940	3,060	3,050	3,050	3,050	3,040	3,020	53,270
City of Winnipeg																												
Total	1,688	2,787	2,789	3,780	3,180	3,670	4,050	4,180	4,060	4,130	4,190	4,260	4,330	4,410	4,480	4,540	4,590	4,670	4,760	4,800	4,830	4,910	4,930	4,980	5,010	5,030	5,030	103,020
Singles	1,171	1,499	1,605	1,950	2,150	2,510	2,800	2,910	2,560	2,500	2,450	2,450	2,370	2,290	2,230	2,180	2,130	2,120	2,130	2,100	2,070	2,040	2,080	2,140	2,180	2,220	2,260	52,840
Multiples	517	1,288	1,184	1,830	1,030	1,160	1,260	1,280	1,500	1,640	1,740	1,810	1,970	2,110	2,250	2,360	2,460	2,550	2,630	2,690	2,760	2,870	2,850	2,840	2,830	2,810	2,780	50,180
Rest of CMA																												
Total	345	457	542	500	560	570	580	580	580	580	590	590	600	610	610	620	630	650	650	670	670	690	700	700	710	730	740	14,610
Singles	334	422	397	450	510	510	520	510	510	500	510	490	500	500	490	490	500	500	500	500	500	500	500	490	500	500	500	11,520
Multiples	11	35	145	40	50	50	60	70	70	80	90	90	100	110	120	130	140	150	160	170	170	190	200	200	220	230	240	3,090
<b>Cumulative Population Growth</b>																												
Winnipeg CMA				10,600	21,400	32,400	43,400	54,400	65,500	76,500	87,500	98,600	109,700	120,900	132,000	143,000	154,000	164,800	175,500	186,200	196,700	207,100	217,400	227,600	237,700	247,600		
City of Winnipeg				9,200	18,500	28,000	37,500	47,000	56,500	66,000	75,400	84,900	94,300	103,800	113,300	122,600	131,800	140,900	149,900	158,700	167,400	176,000	184,400	192,700	200,900	208,900		
Rest of CMA				1,400	2,900	4,400	5,900	7,400	9,000	10,500	12,100	13,700	15,400	17,000	18,700	20,400	22,200	23,900	25,700	27,500	29,300	31,100	33,000	34,900	36,800	38,700		
<b>Cumulative Housing Starts Growth</b>																												
Winnipeg CMA				3,740	7,980	12,610	17,370	22,020	26,730	31,520	36,360	41,290	46,310	51,400	56,560	61,780	67,100	72,510	77,970	83,470	89,070	94,700	100,370	106,100	111,860	117,630		
City of Winnipeg				3,180	6,850	10,900	15,090	19,150	23,280	27,470	31,730	36,060	40,470	44,950	49,490	54,080	58,750	63,500	68,300	73,130	78,040	82,970	87,940	92,950	97,990	103,020		
Rest of CMA				560	1,130	1,710	2,290	2,870	3,450	4,050	4,630	5,230	5,840	6,450	7,070	7,710	8,350	9,010	9,670	10,340	11,030	11,730	12,430	13,140	13,870	14,610		
City of Winnipeg																												
Total				3,180	6,850	10,900	15,090	19,150	23,280	27,470	31,730	36,060	40,470	44,950	49,490	54,080	58,750	63,500	68,300	73,130	78,040	82,970	87,940	92,950	97,990	103,020		
Singles				2,150	4,650	7,450	10,360	12,920	15,420																			

**Population Projection by 5 Year Age Group  
Winnipeg CMA**

Year	Total	0 to 4	5 to 9	10 to 14	15 to 19	20 - 24	25 - 29	30 - 34	35 - 39	40 - 44	45 - 49	50 to 54	55 to 59	60 to 64	65 to 69	70 to 74	75 to 79	80 to 84	85 to 89	90 to 94	95 to 99	100 to 104	105 to 110
2011	762,800	41,300	41,300	43,700	50,700	57,700	58,300	54,900	52,000	49,900	58,300	57,600	50,200	42,600	30,400	22,200	19,100	15,200	11,000	5,100	1,100	160	6
2012	773,100	42,400	42,100	44,000	49,700	58,000	59,300	56,800	53,200	50,700	56,400	58,600	51,700	43,100	33,000	22,700	18,900	15,200	10,800	5,400	1,100	160	9
2013	783,700	43,700	42,900	44,400	49,000	58,000	59,700	58,700	54,800	51,600	54,500	59,500	53,000	44,000	35,100	23,600	18,800	15,200	10,500	5,600	1,300	170	11
2014	794,600	44,900	43,700	44,800	48,300	57,700	60,100	60,800	56,400	52,500	52,800	60,100	54,000	45,500	36,700	24,800	18,800	15,200	10,300	5,600	1,400	180	9
2015	805,500	46,100	44,600	45,100	47,900	56,800	61,100	62,400	57,800	53,700	51,700	60,100	55,100	47,000	38,500	26,100	18,800	15,100	10,200	5,600	1,600	170	11
2016	816,500	47,200	45,500	45,700	48,000	55,800	61,900	63,600	59,500	54,900	51,700	58,900	56,500	48,400	40,100	27,500	19,100	14,900	10,100	5,500	1,600	180	12
2017	827,600	47,900	46,600	46,400	48,300	54,700	62,200	64,700	61,300	56,200	52,500	57,100	57,400	49,900	40,600	29,900	19,600	14,800	10,100	5,400	1,700	190	13
2018	838,600	48,600	47,800	47,200	48,600	54,100	62,200	65,100	63,300	57,800	53,500	55,200	58,300	51,100	41,400	31,800	20,300	14,800	10,100	5,200	1,800	220	13
2019	849,700	49,100	49,100	48,000	49,100	53,400	62,000	65,600	65,400	59,400	54,400	53,600	59,000	52,200	42,900	33,300	21,400	14,800	10,100	5,100	1,800	240	14
2020	860,700	49,600	50,200	48,900	49,400	53,000	61,200	66,500	67,000	60,800	55,600	52,500	59,000	53,200	44,300	35,000	22,500	14,700	10,000	5,100	1,700	260	15
2021	871,800	50,000	51,300	49,800	49,900	53,100	60,100	67,300	68,300	62,500	56,800	52,600	57,800	54,500	45,600	36,300	23,700	15,000	9,900	5,100	1,700	270	15
2022	882,900	50,300	52,100	50,900	50,700	53,400	59,100	67,700	69,300	64,400	58,100	53,400	56,100	55,500	47,000	36,800	25,800	15,400	9,800	5,100	1,700	280	15
2023	894,000	50,500	52,800	52,200	51,500	53,800	58,600	67,800	69,800	66,400	59,700	54,300	54,200	56,300	48,200	37,600	27,400	16,000	9,800	5,100	1,600	290	18
2024	905,100	50,700	53,400	53,500	52,300	54,300	57,900	67,700	70,300	68,500	61,300	55,300	52,700	57,000	49,200	38,900	28,600	16,800	9,800	5,000	1,600	290	20
2025	916,200	50,800	53,900	54,700	53,300	54,700	57,600	66,900	71,400	70,100	62,700	56,500	51,600	57,000	50,200	40,200	30,000	17,700	9,800	5,000	1,600	290	22
2026	927,100	50,800	54,400	55,900	54,300	55,300	57,700	65,900	72,200	71,400	64,400	57,700	51,700	55,900	51,400	41,400	31,200	18,700	10,000	5,000	1,600	280	23
2027	937,900	50,800	54,700	56,700	55,400	56,100	58,100	65,000	72,700	72,500	66,300	59,000	52,500	54,200	52,300	42,700	31,600	20,300	10,300	4,900	1,600	270	24
2028	948,700	50,800	55,000	57,400	56,700	57,000	58,500	64,500	72,800	73,000	68,300	60,600	53,400	52,400	53,100	43,700	32,300	21,600	10,700	4,900	1,600	270	25
2029	959,400	50,800	55,200	58,000	58,100	57,800	59,100	63,900	72,700	73,600	70,400	62,200	54,300	50,900	53,700	44,600	33,400	22,600	11,300	4,900	1,600	260	25
2030	969,800	50,800	55,300	58,600	59,300	58,900	59,500	63,600	72,000	74,600	72,100	63,600	55,600	49,900	53,700	45,500	34,500	23,600	11,800	4,900	1,600	260	25
2031	980,200	50,900	55,400	59,100	60,500	59,800	60,100	63,800	71,000	75,500	73,400	65,300	56,700	50,000	52,700	46,600	35,600	24,500	12,500	5,000	1,600	260	25
2032	990,500	51,000	55,400	59,500	61,300	61,000	61,000	64,200	70,200	76,000	74,500	67,200	58,000	50,800	51,100	47,400	36,600	24,900	13,600	5,200	1,500	260	24
2033	1,000,700	51,200	55,400	59,800	62,100	62,400	61,900	64,700	69,700	76,100	75,000	69,200	59,500	51,700	49,400	48,200	37,500	25,400	14,500	5,400	1,500	260	24
2034	1,010,800	51,500	55,400	60,000	62,700	63,700	62,700	65,300	69,100	76,000	75,600	71,200	61,100	52,500	48,000	48,700	38,300	26,300	15,100	5,700	1,500	260	24
2035	1,020,800	51,900	55,500	60,100	63,300	65,000	63,800	65,700	68,900	75,300	76,600	72,900	62,500	53,700	47,100	48,700	39,100	27,200	15,800	6,000	1,500	260	25

Source: Conference Board of Canada Long-Term Demographic and Economic Forecast for Winnipeg's Census Metropolitan Area Report, August 2012