

# MANITOBA



Diverse  
Dynamic  
Energetic



# STRENGTH IN DIVERSITY

Manitoba has one of Canada's most diverse and dynamic economies. Our economic diversity makes the overall economy one of the strongest and most stable in Canada.

Manitoba's economic success is based on its unique combination of competitive costs and taxes, a skilled and committed labour force, advanced infrastructure, and a quality of living that is unsurpassed in the world. We have:

- extremely competitive business expenses, including affordable office and land costs, low construction costs and affordable taxes
- North America's lowest electricity costs through highly reliable, renewable and environmentally-desirable hydroelectricity
- a well-educated, productive and multilingual labour force
- advanced and extensive electronic connectivity, including over 75,000 strand kilometres of fibre-optic cabling and a high-speed, high-density broadband infrastructure
- a solid and extensive network of research and development facilities, supporting innovation and technology diffusion
- an excellent mid-continent location in the North American central time zone
- flexible and cost-effective transportation links and intermodal facilities providing shipping by rail, air, road and sea
- reliable and accessible public services, including quality public health care and education
- clean and uncongested communities, extensive cultural and artistic opportunities and an unblemished natural environment – all of which contribute to an unsurpassed quality of life



## Manitoba Hydro

CLEAN, RELIABLE, AFFORDABLE

Manitoba Hydro is one of North America's premier hydroelectric utilities. For 50 years, this Crown-owned company has provided customers with environmentally desirable, inexpensive and reliable electrical energy.

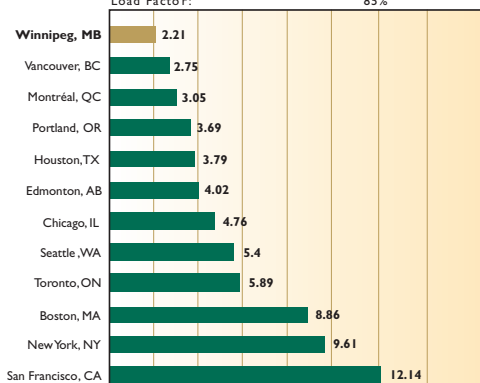
Manitoba Hydro offers its customers stable and exceptionally affordable rates. Manitobans benefit from having the lowest overall electricity rates in North America.

Virtually all of Manitoba's electrical energy is produced by clean, environmentally-desirable hydro facilities. Manitoba Hydro has 5,000 MW of installed generating capacity, with an additional 5,000 MW of capacity yet to be developed.

### Comparative Prices of Energy in North America

Average prices on April 1, 2004 in cents per kWh (US currency)

Power: 50,000 kW  
Consumption: 30,600,000 kWh  
Voltage: 120 kV  
Load Factor: 85%



Source: Hydro Quebec.  
Amounts are in U.S. currencies and do not include taxes.  
Exchange rate \$1 Cdn = U.S. \$0.7633

THE PREMIER OF MANITOBA,

GARY DOER



Manitoba's economy has long been recognized for its steady economic performance. Our \$35 billion economy is well diversified, leading to its being one of the most stable in Canada. That's one reason Manitoba has proven to be a great place to live, work and invest.

Our province offers a business environment that is as competitive as any in the world. A highly educated labour force, competitive business costs and taxes, and a superb transportation, telecommunications and innovation infrastructure are all important factors underlying Manitoba's economic success.

One of Manitoba's other key advantages is its quality of life. Very affordable housing and other living costs, extensive and rich cultural opportunities, quality education and health care services, and a pristine and readily accessible natural environment (lakes, forests and 120 golf courses!) all combine to make Manitoba a great place to live.

We invite you to find out more about Manitoba's advantages and come join in our success!

A handwritten signature of Gary Doer in black ink. The signature is stylized and cursive, written over a faint background map of North America.

Gary Doer  
Premier

# MANITOBA FACTS

**POLITICAL LEADER:**

*Premier Gary Doer*

**AREA:**

*649,947 square kilometres  
(250,946 square miles)*

**TOTAL POPULATION:**

*1,170,300*

**CAPITAL CITY:**

*Winnipeg – population 702,400  
(Mayor, His Worship Sam Katz)*

**GROSS DOMESTIC PRODUCT (2004):**

*\$35.4 billion*

**MANUFACTURING SHIPMENTS (2004):**

*\$12.6 billion*

**FARM CASH RECEIPTS (2004):**

*\$3.9 billion*

**MAJOR INDUSTRIES:**

*agri-food, transportation equipment, resource-based industries, chemicals, machinery and equipment, furniture and building products, paper products, fabricated metal products, plastics, printing, apparel, electronics, information technology and telecommunications, aerospace, farm equipment, electric power generation, health care products, environmental services, culture and tourism*

**REAL GDP (% GROWTH) 2004:**

*2.8%*

**EXPORTS (2004):**

*\$9.9 billion CDN*

**NATURAL RESOURCES:**

*Abundant fresh water, hydroelectricity, base metals (nickel, copper, zinc), fishing, forestry, oil, other minerals*

**AGRICULTURAL COMMODITIES:**

*Hogs, Canola, Wheat, Beef Cattle, Dairy Products, Oats, Poultry, Eggs, Flaxseed, Barley*



## OUTSTANDING ECONOMIC PERFORMANCE

Manitoba's \$35 billion economy is based on a rich mix of robust enterprises. No single industry dominates the economic landscape – rather, the provincial economy has many strengths, and Manitoba continues to broaden its economic base with exciting new investments.

Service industries account for 74 per cent of the GDP, lending stability to the economy. These industries tend to be less susceptible to fluctuations in the business cycle.

Manitoba is building a reputation as an excellent location for film and television production resulting in a burgeoning industry. Manitoba has also established itself as a financial services centre. Canada's largest mutual fund company, largest insurance company and fastest-growing wealth management firm are all headquartered here.

Manufacturing is the province's largest industry, producing a wide variety of goods for markets across Canada and around the world. Aerospace equipment, processed foods, electronics, chemicals, urban and intercity buses, and furniture are among Manitoba's major manufactured goods exports.

Manitoba's primary industries include a large and long-established minerals sector, a highly diversified and modern \$3.9 billion agriculture industry, and a rapidly-growing and highly competitive hydroelectric energy sector.

## BUILDING FOR THE FUTURE: FINANCIAL MANAGEMENT

Manitoba's 2005 Budget charts a sound and sustainable financial course: Strategic forward-looking investments, more new tax reductions and continued progress in reducing debt and debt costs.

Budget 2005 projects a positive balance of \$3 million under balanced budget legislation. For the sixth straight year, the Province has committed to paying down the debt and pension liability, and has increased its budgeted payment from \$96 million to \$110 million.

Continued improvement in the Province's financial position has given Manitoba one of Canada's highest quality provincial credit rankings. Manitoba's net general debt, at 16 per cent of GDP, is at its lowest level in over twenty years. Manitoba's public debt cost relative to revenue is, at 3%, one of the lowest in Canada.

This year's budget continues to significantly reduce taxes for both individuals and corporations. Tax reductions in the last six budgets have reduced the income tax burden for the average family by over 18 per cent. Budget 2005 announced further cuts to income taxes for both large and small businesses.

Over the past several years, the government has taken important steps to increase transparency and accountability in financial reporting. These include improved accounting practices for capital acquisitions and the presentation of annual budgets for the entire government entity. Additional measures to improve financial reporting have also been introduced this year.

Manitoba's medium-term fiscal framework projects a balanced budgetary position into the future, continuing debt repayment and controlling the pension liability.



## CURRENT ECONOMIC INDICATORS

(Per cent change unless noted)

	2001	2002	2003	2004
Real GDP	0.9	2.4	1.6	2.8
Retail Sales	5.8	7.0	3.6	6.7
Exports	10.3	-1.8	-2.6	7.7
Manufacturing Shipments	-0.6	-1.0	1.3	10.1
Farm Cash Receipts	17.5	4.1	-7.4	9.4
Capital Investment	5.1	3.6	2.5	9.9
Employment	0.5	2.4	0.6	0.9
Unemployment Rate (%)	5.0	5.1	5.0	5.3
Consumer Price Index	2.6	1.6	1.8	2.0

SOURCES: Statistics Canada and Manitoba Bureau of Statistics



# THIS IS MANITOBA



Manitoba's people and economy are as diverse as its geography. Located in the geographical centre of North America, Manitoba has a population of more than one million and an area of approximately 650,000 square kilometres. The province has been enriched both economically and culturally by generations of immigrants from around the world.

Manitoba's economy is multifaceted with strong sectors in aerospace, mining and hydroelectric generation, agriculture, food processing, garment industries, film and sound, commercial printing, transportation, and information and communication technologies. Manitoba is a competitive location for doing business and offers an exceptional quality of life for its citizens.

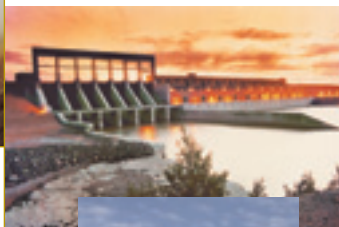


Photo: R. Barrow



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