

Manitoba’s Manufacturing Sales Stronger during the April Lockdowns than Canadian Average

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Bottom Line

Statistics Canada released the **April 2020** Survey of Manufacturing on June 15, 2020. **Canada’s manufacturing sales fell thirty-six per cent in April compared to February 2020.** Transportation equipment and petroleum sectors were responsible for bringing down the Canadian average. **Manitoba’s manufacturing industry fell eleven per cent in the same period.** When we compare Manitoba’s manufacturing industries to Canada, in every case, Manitoba’s manufacturing sales were higher than the figures for Canada. This was due in part to Manitoba manufacturing companies quickly changing their policies and protocols to ensure social distancing on the worksite and being classified as essential businesses by the Manitoba government. This made it possible for many manufacturing businesses to work through the lockdown period.

COVID-19 and the related lockdown was primarily responsible for the drop in activity. We expect to see the beginning of recovery in the May 2020 numbers.

Canada Analysis

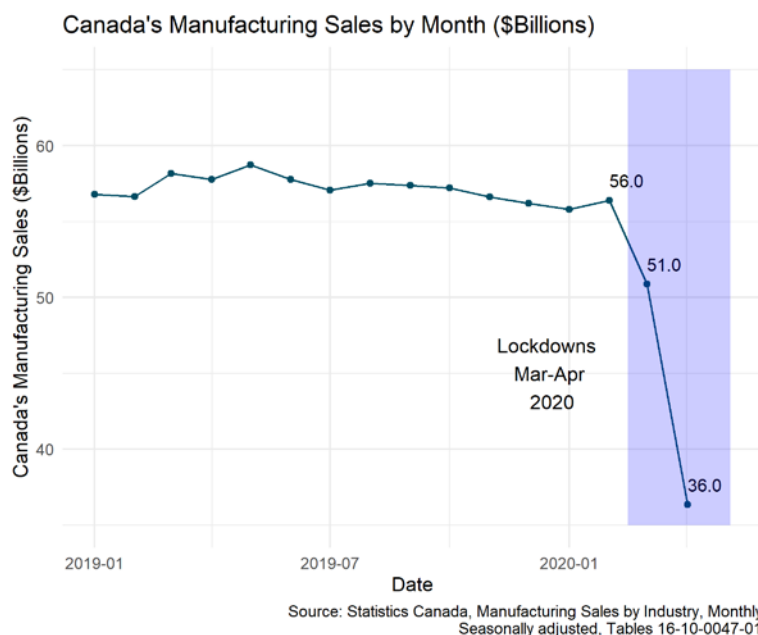


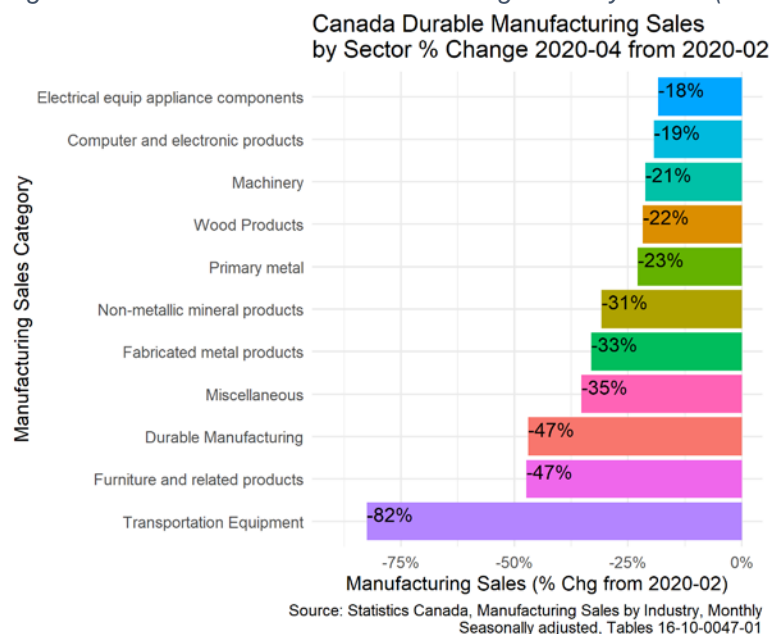
Figure 1: Canada’s Manufacturing Sales by Month (\$Billions)

Canada’s seasonally adjusted manufacturing sales in April fell to thirty-six billion dollars, from fifty-six billion dollars in February 2020,¹ or down thirty-six per cent (Figure 1).

- **The durable manufacturing aggregate fell forty-seven per cent (Apr/Feb 2020).**
- **Meanwhile, the non-durable manufacturing aggregate fell twenty-three per cent (Apr/Feb 2020).**

¹ We are using February 2020 as our break point for analysis, since this is the last full month before COVID-19 lockdowns started in Canada.

Figure 2: Canada's **Durable** Manufacturing Sales by Sector (Percentage Change Apr/Feb)

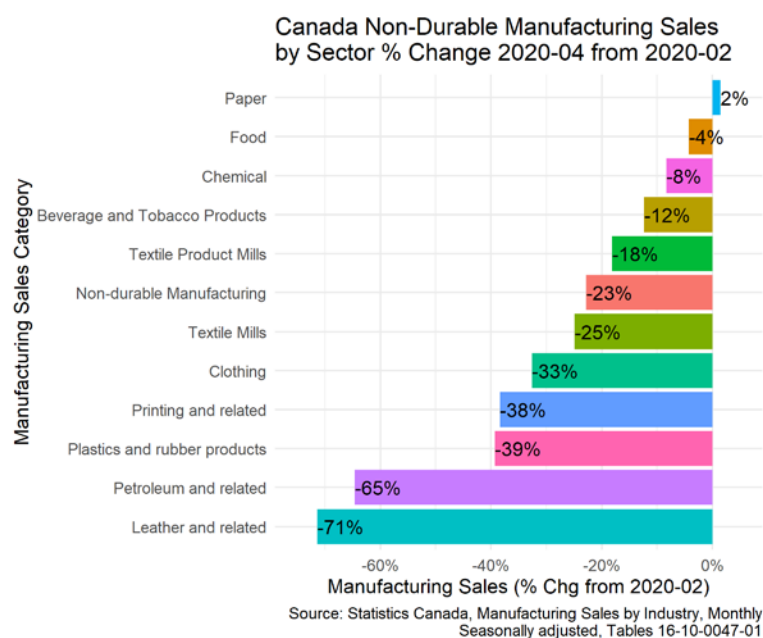


All ten of Canada's durable goods manufacturing industries were down in April versus February (**Figure 2**).

The Canadian durable goods with the largest percentage declines were:

- Transportation equipment declined 82% to \$1.9 billion.²
- Furniture and related products declined by 47% to \$0.6 billion.

Figure 3: Canada's **Non-Durable** Manufacturing Sales by Sector (Percentage Change Apr/Feb)



Ten of Canada's eleven non-durable manufacturing industries declined in April when compared with February 2020 results (**Figure 3**). The paper industry was the only sector to show a small gain of two per cent.

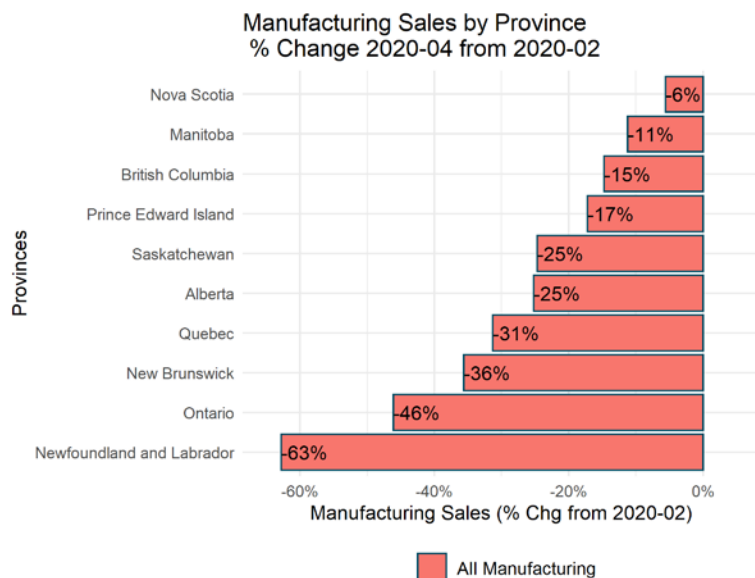
The four biggest contributors to the manufacturing decline include:

- **Petroleum and related, down 65% to \$2 billion,**
- **Plastics and rubber products, down 39% to \$1.6 billion,**
- **Printing and related, down 38% to \$0.5 billion, and**
- **Leather and allied manufacturing, down 71% to seven million dollars.**

² Canada's seasonally adjusted manufacturing sales for Feb 2020 was \$10.7 billion. The transportation equipment industry dragged lower by motor vehicles and motor vehicle parts. See [Monthly Survey of Manufacturing, April 2020](#), or Table 16-10-0047-01.

Provincial Analysis

Figure 4: Manufacturing Sales by Province (Percentage Change Apr/Feb 2020)

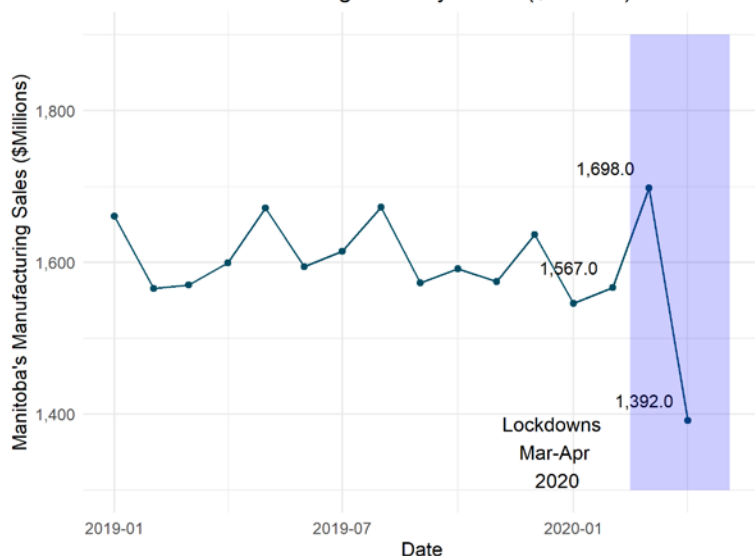


Source: Statistics Canada, Manufacturing Sales by Industry and Province, Monthly Seasonally adjusted, Tables 16-10-0048-01

The change in manufacturing sales April/February 2020 by province, we see that Manitoba had the second smallest decline (-11%). Only Nova Scotia decline was smaller.

Manitoba’s seasonally adjusted manufacturing sales fell to \$1.4 billion in April, down from \$1.6 billion in February, or down eleven per cent (Figure 5).

Manitoba's Manufacturing Sales by Month (\$Millions)



Source: Statistics Canada, Manufacturing Sales by Industry and Province, Monthly Seasonally adjusted, Tables 16-10-0048-01

Figure 5: Manitoba's Manufacturing Sales by Month (\$Millions)

- Manitoba’s durable manufacturing aggregate fell seventeen per cent (Apr/Feb 2020).
- Meanwhile, the non-durable manufacturing aggregate fell six per cent (Apr/Feb 2020).
- In both cases, the decline in Manitoba was well below the Canadian average.

When we look at the ten industries that are classified as durable goods manufacturing, three in Manitoba are suppressed for confidentiality

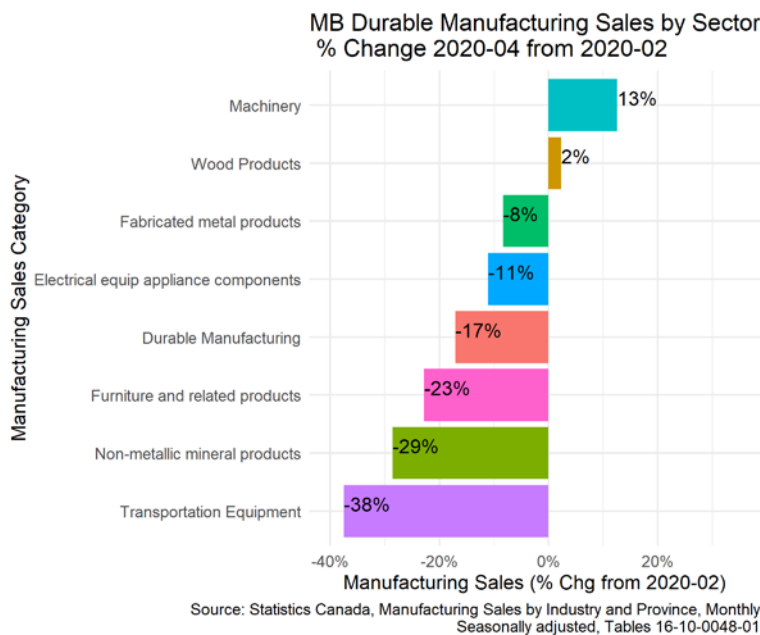
reasons. Six of the eleven non-durable goods manufacturing industries in Manitoba are also suppressed for confidentially reasons.³ Two of Manitoba’s durable goods industries saw an increase in manufacturing sales (Apr/Feb 2020):

- **Machinery: up thirteen per cent to \$168 million.**

³ Please see Table 16-10-0048-01 for Manitoba.

- **Wood products: up two per cent to \$42 million.**

Figure 6: Manitoba's **Durable** Manufacturing Sales by Sector (Percentage Change Apr/Feb)

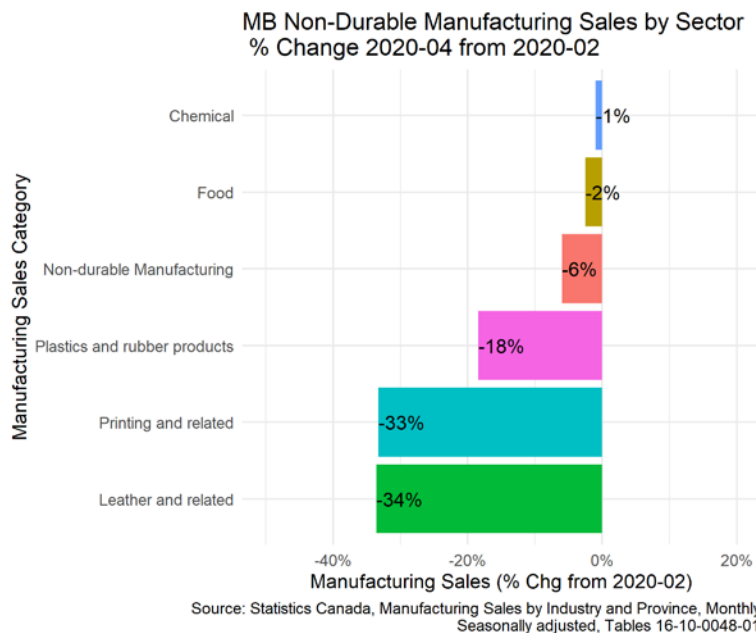


There are three durable goods manufacturing industries that declined more than Manitoba's all manufacturing decline of eleven per cent.

- **Transportation equipment, down thirty-eight per cent to \$148 million.**
- **Furniture, down twenty-three per cent to \$37 million.**
- **Non-metallic mineral product, down twenty-nine per cent, to \$19 million.**

In Manitoba, the downturn in transportation equipment includes local transportation manufacturers, which elected to idle their factories for a time.

Figure 7: Manitoba's **Non-Durable** Manufacturing Sales by Sector (Percentage Change Apr/Feb)



There are three non-durable goods manufacturing industries with above average declines over the Manitoba manufacturing average decline of eleven per cent.

- **Plastics and rubber products down eighteen per cent to \$59 million.**
- **Printing and related, down thirty-three per cent to \$36 million.**
- **Leather and related, down thirty-four per cent, to \$0.8 million.**

Food production is the largest manufacturing industry in Manitoba, so its relative strength helped buoy the overall number, along with other industries whose percentage declines were less than the eleven per cent decline.

When we compare Manitoba's manufacturing industries to Canada, in every case, Manitoba's manufacturing sales were at least a few percentage points higher than Canada (see figures 2, 3, 6 and 7). This was due in part to Manitoba manufacturing companies quickly changing their policies and protocols to ensure social distancing on the worksite. Also being classified as essential businesses by the Manitoba government, thus making it possible for many manufacturing businesses to work through the lockdown period.

EDW Contacts for Assistance or Inquiries:

- **For Winnipeg businesses looking for help accessing government programs, please reach out to our Yes! Winnipeg Team** through our [Help us help you form](#) if you are not sure who to contact on the Y!W team.
- For general inquires please email wpginfo@edwinnipeg.com.
- For Marketing & Communications Inquiries, please email marketingandbranding@edwinnipeg.com.