



MEDIA Release

FOR IMMEDIATE RELEASE

October 25, 2004

Manitoba as a place to live: a mixed message

Manitoba has a mixed but generally favourable showing as a place to live, according to the Institute of Chartered Accountants of Manitoba” (ICAM) third annual assessment, MB Check-Up.

Between 1998 and 2003, Manitoba fared very well in two key indicators of quality of life, with the largest increase of any jurisdiction measured in health care spending and the second lowest increase in personal debt per capita.

Gary Hannaford, CEO of ICAM, said Manitoba’s 37.3% increase in health care expenditures since 1998 was nearly 50% higher than the next highest province, British Columbia. In absolute terms, Manitoba now spends \$2,097 per person on health care, which is the second highest amount of all jurisdictions considered in the study.

“This may be reflected by the recently released Fraser Institute’s report which indicates that Manitoba has the shortest wait times in the country,” Hannaford said. “Nevertheless, despite increased spending across the country on health care, the confidence of Canadians in their ability to access health care services has dropped by 6 per cent since 1998 according to the Canadian Council on Social Development . Our record is strong but health care remains a major public concern.”

He also pointed to a bright spot in the level of per capita personal debt, which, in absolute terms, remains the lowest of all jurisdictions for the third straight year. It is about half the level of the other provinces, except for Saskatchewan. This is due, in large part, to the lower cost of housing which results in lower mortgages in Manitoba and Saskatchewan.

During the five-year period studied, average real disposable income in Manitoba increased from \$17,799 to \$18,585, an overall increase of 4.4 per cent. “While this was certainly a positive development, it was not unique and, in fact, Manitoba’s gain in real disposable income was among the lowest of the jurisdictions we studied,” Hannaford noted. “Only Ontario showed a slower growth rate.”

According to the study, two factors appear to have suppressed growth. One is the loss of higher paying, goods-producing jobs resulting in lower average wages and the second is less dramatic cuts to personal tax levels in Manitoba, relative to other jurisdictions.

ICAM President Charles Henaire indicated that “Manitoba has cut its personal taxes per capita by 7.3 per cent over the past five years, however, this is well below Saskatchewan, Alberta, and British Columbia which reduced personal taxes by 10.1 to 15.3 per cent over the same time frame.”

Mr. Hannaford said the small turnaround of 1.2% in goods producing employment in 2003 is welcomed, but will have to be sustained over several years to make a consequential difference.

Finally, Manitoba’s crime rate continues to be a concern. Manitoba had the second highest increase rising by 6.4 per cent over the last five years and 9.2 per cent in 2003. Only Saskatchewan fared worse in these time periods.

MB Check-Up is published each year by ICAM. It provides an independent factual comparison of the four Western provinces, together with Ontario and the Canadian average. It uses 15 key indicators applied to all of the measured jurisdictions, creating a profile of each as a place to live, a place to work, and a place to invest. The full report, as well as further details from the research documents, will be available on the Internet at www.icam.mb.ca once all three sections of the report have been released.

One instalment of the report, dealing with Manitoba as a place to work, remains to be released.

- 30 -

For further information contact:

Gary Hannaford, FCA, Chief Executive Officer

Tel: (204) 942-8248 / 1-888-942-8248, ext. 201 E-mail: ghannaford@icam.mb.ca

