Laurentian Bank Securities
ECONOMIC RESEARCH AND STRATEGY

The Provincial Monitor – September 2019

As usual, we offer in this edition of *The Provincial Monitor* our economic, housing and fiscal insights for each Canadian province. Our detailed economic forecasts are available at the end of the report.

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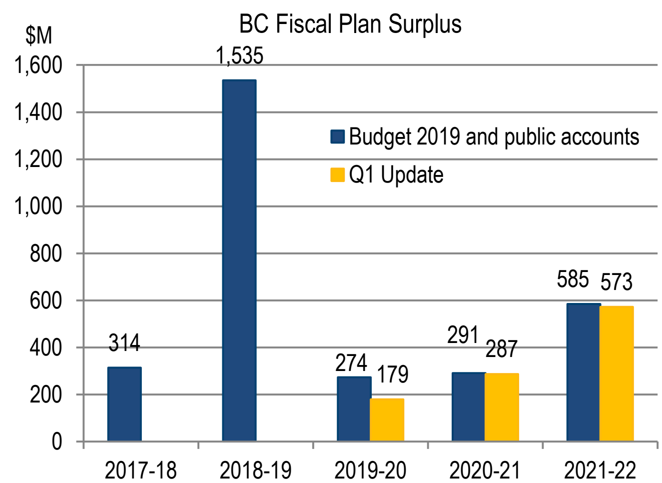
British Columbia: LNG, housing transition and resilient public finances

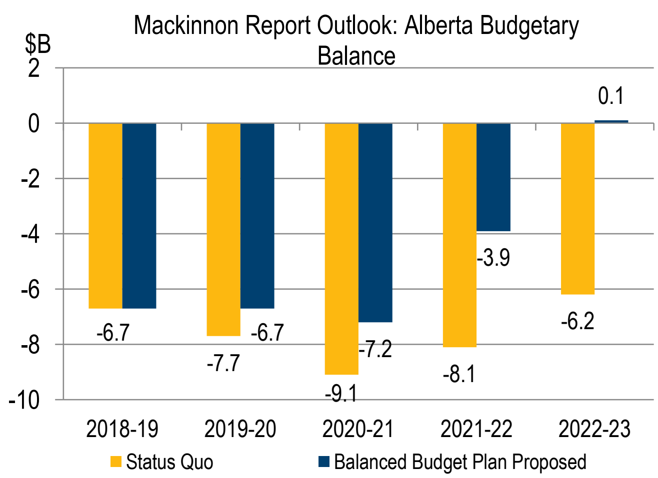
Since the publication of our *Provincial Monitor* last February, our economic outlook for BC has been revised a notch to the downside. Conditions in the West Vancouver, Burnaby and Richmond housing markets, more exposed to foreign ownership during the 2013-2016 period, are much softer today than the Langley and Surrey markets, according to a research paper from Simon Fraser University published last June. This disinvestment phase does not appear to be over. In contrast, demand for rentals and starter homes are healthy, influenced by very robust job creation. Overall, the intended cooling in housing speculative activity led to lower home prices, creating a negative wealth effect for households. Furthermore, the Province's nominal shipments to China stopped growing last year. The stagnation in BC's nominal exports is also attributed to U.S. tariffs on Canadian softwood lumber and some softness in residential construction observed south of the border. Altogether, the less favourable economic environment does not pose a threat to BC's balanced budget according to the *First Quarterly Report* released on September 10th. The cooling in housing conditions, triggered by investors fleeing the Vancouver market, unambiguously bites into fiscal revenues. Property transfer tax revenues fell $475M to $1.4B relative to the February budget estimate, the largest single revision to revenues in FY 2019-20. On the spending side, the contingencies allocation intended to help manage unexpected cost pressures was revised down by $300M to $450M. The $500M annual forecast allowance and conservative real GDP annual growth forecasts below 2% for both 2019 and 2020 are large fiscal buffers. The government reiterates that ICBC's financial challenge is still a downside risk to the outlook. The government plans to turn around the direction of the insurance crown corporation that has been registering large net income losses since FY 2015-16. The main takeaway is that BC's public finances are resilient given the fading momentum observed in China and the U.S. The government forecasts a $179M (0.1% of GDP) surplus for FY 2019-20, down $95M from the February's budget estimate (see chart). Beyond these short-term issues, the Province's long term outlook is very bright due to the LNG sector. The Coastal GasLink pipeline and LNG Canada's massive export facility in Northern BC are under construction. A second facility, the $1.6B Woodfibre LNG project, could be announced later in September. All in all, BC is well positioned to benefit from the global shift to a low-carbon economy.



Source: BC First Quarterly Update Report and Public Accounts.

Alberta: A Pivotal Fall Budget

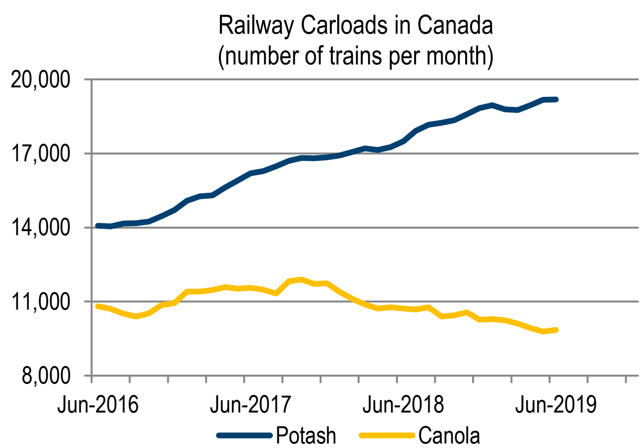
First of all, we revised down our 2020 year-end forecast for WTI crude oil prices from US$67 to US$58 due to a gloomier global outlook. The decline in U.S. rig counts is expected to lower production of shale oil in the quarters ahead. It remains to be seen if softer-than-expected global demand for oil in 2020 will push OPEC+ to announce additional crude output cuts. Meanwhile, the consolidation in the Canadian oil industry continues. The delay to Enbridge's Line 3 replacement project was one reason behind the extension of the government's oil curtailment program until the end of 2020. Also, average weekly earnings have failed to gain traction lately and the unemployment rate has not declined for the last 18 months. Furthermore, the pace of residential homebuilding activity is expected to slow down going forward given the elevated level of unsold new units in both Calgary and Edmonton. Overall, the short-term economic momentum is insufficient to significantly improve the Province's fiscal situation. Total fiscal revenues during the first quarter of FY 2019-20 were the same as a year ago according to the First Quarter Fiscal Update released in August. The appetite for Alberta's credit remains healthy as investors notably noticed constructive recommendations in the Blue Ribbon Panel on Alberta's Finances published late August. In this Mackinnon Report, the panel recommends to lower health care spending per capita and to reduce capital spending in order to balance the books in FY 2022-23 without raising taxes (see chart). No date has been announced yet for the Fall budget. Markets will focus on three interrelated issues. First, new measures to restrain program spending growth will be announced. Second, the credibility of the overall medium-term path to a balanced budget will need to be assessed. Third, investors will pay attention to the updated debt profile. Bottom Line: A renewed fiscal discipline and the addition of oil export capacity that will help the U.S. refiners' cause in search for heavy crude are supportive for the Province's medium-term outlook.



Source: Blue Ribbon Panel on Alberta's Finances.

Saskatchewan: Challenging year for farmers, balanced budget expected this year

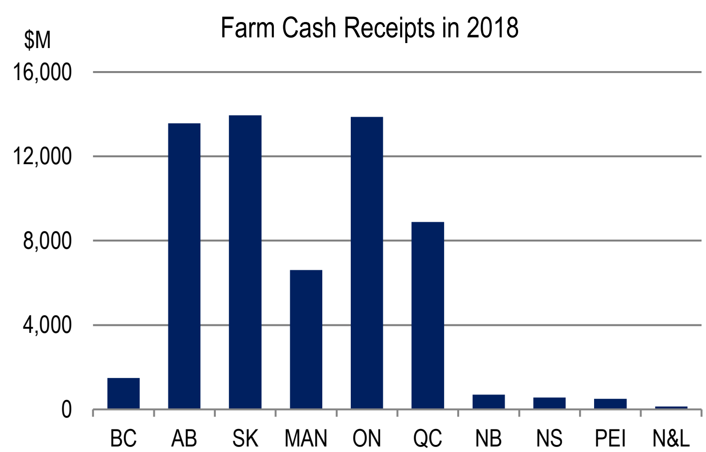
The external economic environment for Saskatchewan is mixed. Potash prices and sales have been trending up since 2017 (see chart). The global slowdown has put downward pressure on WTI crude oil prices, now expected to remain below the US$60/bbl mark. Uranium prices remain depressed. Similar to Manitoba and Alberta, China's multiple bans on Canadian agricultural products force us to revise down our economic forecasts for Saskatchewan this year. According to Statistics Canada's latest field crop survey, Canola and wheat production are set to fall this year and we do not expect a strong rebound for 2020. Saskatchewan is Canada's largest canola seed exporter to China. About half of the Province's oilseed exports used to go to China before the ban was announced. In this context, the decline in employment observed in the construction and natural resources sectors is not surprising. Nevertheless, Saskatchewan has been home to encouraging improvements in labour market conditions since 2018. Many full-time positions were added in several industries, including manufacturing, professional services, accommodation and food services and the public sector. Altogether, Saskatchewan's unemployment rate is sitting right in-between the trough observed before the 2015 oil shock and the peak seen afterwards in 2016. Also, the Province's housing conditions still favour buyers: the average resale home price is still gently trending down; the sales-to-new listings ratio stands at 0.4; and housing starts are at their lowest level since the early 2000s. An upside risk to the Province's medium-term outlook would be new investments in the potash sector. Companies have been hinting at some expansion but have not committed yet to a final investment decision. On the fiscal front, higher-than-expected potash prices and strong sales unambiguously helped the Province registered a lower-than-expected $268M (0.3% of GDP) deficit in FY 2018-19. For FY 2019-20, the First Quarter Financial Report released in late August contains good news. The province is on its way to register a balanced budget for the first time in five years. A $26M modest surplus is expected. Relative to Budget 2019, revenues were revised up by 2.4% thanks to four factors: higher federal transfers, higher potash prices, a tighter light-heavy oil differential and a lower Canadian dollar. Spending was also revised up by 2.4% primarily due to new actuarial assumptions for pension expenses. Besides these core operations, lower-than-expected debt for crown corporations lowered the province's public debt estimate by $268M for FY 2019-20 (public debt is gross debt minus the provincial sinking funds).



Note: Shown as a 12-month moving average.
Source: Statistics Canada and LBS Econ. Res. and Strategy.

Manitoba: Public finances continue to move in the right direction despite the China-Canada spat

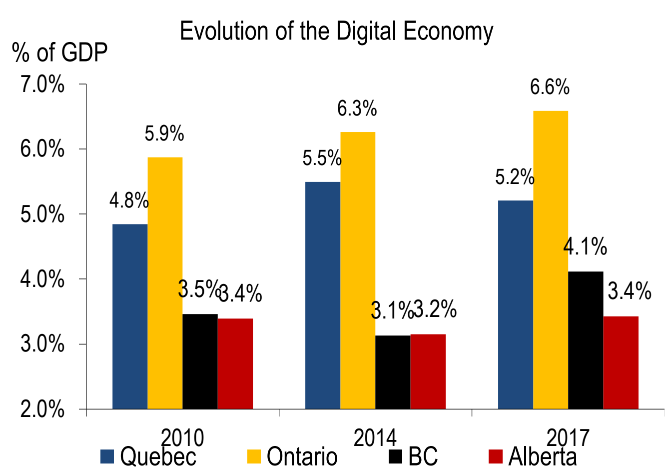
Similar to Saskatchewan and Alberta, our economic estimates for 2019 have been revised down due to the rising Canada-China geopolitical tensions. Canola stockpiles notably sit at an all-time high. Farmers seek alternatives by planting other seeds or shipping to other countries. Nonetheless, farm cash receipts are down from a year ago. In early September, Ottawa has decided to challenge China's export bans at the World Trade Organization. This elevated level of geopolitical uncertainty puzzles our outlook for 2020-2021. On a more positive note, the strengthening of non-residential construction and expanding IT and R&D sectors continue to support growth in Winnipeg. On the fiscal front, the PC government was re-elected with a majority on September 10th. The government led by Brian Pallister will be able to pursue its deficit reduction plan well-entrenched since they first got elected in 2016. The deficit shrunk from $932M in FY 2015-16 (1.4% of GDP) to an expected $360M deficit in FY 2019-20 (0.5% of GDP), thanks to lower capital spending and softer increases in program spending. Better-than-expected results were also registered each year relative to the budget forecast, another positive aspect of the government's track-record. Our downward revision to nominal GDP growth in 2019, tied to the Chinese targeted export bans, implies a slight downside risk to fiscal revenues. This being said, the government should be able to keep program spending under control. Thus, measured steps towards a balanced budget in FY 2022-23 should continue unless a global recession changes the broad picture. As we've mentioned in the past, one the Province's main financial challenges, and a large chunk of this year's borrowing requirements, is tied to Manitoba Hydro. The crown corporation's debt soared to more than $19B in FY 2017-18 due to the elevated construction costs of projects such as the Keeyask hydro generating station and the Bipole III transmission line. Manitoba Hydro recently hired a private firm to review operational costs and find efficiencies.



Source: Statistics Canada, LBS Economic Research & Strategy.

Ontario: Very strong improvement in labour market conditions, deficit-reduction plan underway

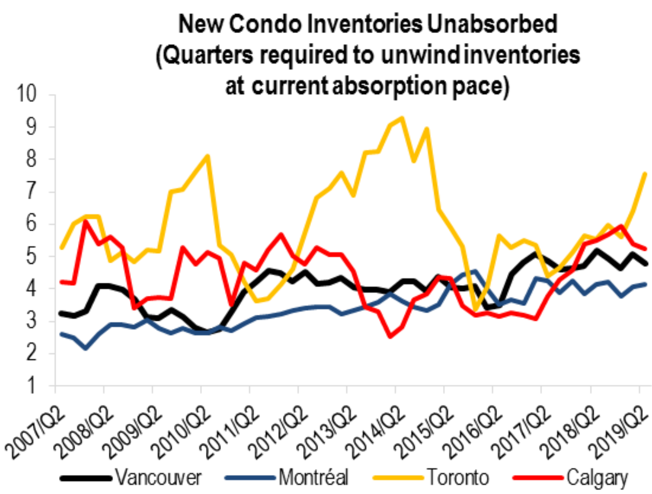
The Ontario economy briefly lost some momentum in the second half of 2018 and the beginning of 2019. First, auto production is down year-to-date since Ontario assembles 6 out of the top 10 purchased vehicles in the US. Second, housing activity measured by the residential investment component of GDP fell by 15% between 2017Q1 and 2019Q1. This past decline in housing activity was intended, reflecting Ottawa and Queen's Park targeted measures to rein in speculative activity as well as the B-20 stress test on uninsured mortgage rates restraining access to homeownership. This adjustment was expected in our previous February forecast. While the soft pace of business investment is likely to persist given the uncertain global environment, the removal of U.S. steel tariffs last May is likely to support export growth further. Following four quarters of contraction, Ontario's primary metal exports have risen by 10% in 2019Q2. Activity in the GTA resale market also took off in the second quarter, an uptrend that is likely to continue due to lower mortgage rates and very supportive labour market conditions. 178K jobs (+2.4%) were created since the beginning of the year, a pace last seen in the early 2000s. Employment is particularly robust in several services-industries including the tech sector. In this age of technology-driven disruption and creation, what we like the most about Ontario's medium-term outlook is that the digital economy is growing much faster than in the rest of the country (see chart). Our internal metrics show a moderate build-up in unsold new condo units since mid-2017. This being said, the decline in housing starts observed recently will prevent reaching the short-lived overbuilding situation observed in 2013-14. All in all, our real GDP annual growth forecasts below 2% for 2019, 2020 and 2021 remain appropriate. With this largely unchanged economic outlook, the fiscal plan proposed to balance the budget by FY 2023-24 is still intact. In fact, we see an upside risk to budget results in FY 2019-20. First, the Public Accounts for FY 2018-19 published in September revealed a lower-than-expected deficit. From a projected $11.7B in Budget 2019, the verified number was brought down to $7.4B. Thus, the $10.3B deficit penciled in the First Quarter Finances Report published in mid-August could turn out to be smaller. This being said, the risk of a recession looms over the outlook. Our model indicates that the odds of a U.S. recession within the next year rose to 50% in early September, from a range of 30%-40%. More precisely, the FAO estimates that a 3% cumulative decline in the Province's real GDP starting in mid-2020 would more than double the deficit to $16.5B in FY 2021-22, relative to the base case projection. Under this hypothetical scenario, net debt-to-GDP would increase to 44.9%.This represents a 4.2 percentage points gap relative to the 40.7% projected for the same fiscal year in Budget 2019.



Source: Statistics Canada, LBS Economic Research & Strategy.

Quebec: As good as it gets? Almost

We revised up the majority of the economic variables we forecast in 2019 relative to our previous expectations tabled in the February *Provincial Monitor*. The Quebec economy is on its way to advance at a pace of 2.5% or better for a third consecutive year in 2019, an exceptional streak given the rising global trade uncertainty. Montreal's momentum continues to outperform the rest of the Province, benefiting notably from investments in the technology sector and transportation infrastructures. Despite the elevated 100K+ job vacancies, job creation remains positive due to the improving integration of immigrants on the labour market. Wage growth is at a business-cycle high, driven by the hiring of highly-skilled employees earning above-average salaries. This improvement in labour market conditions supports housing demand. Montreal is the only major urban center in the country where the inventory of unsold new condo is not increasing even though housing starts stand at a 15-year high. Overall, the economic momentum in 2019 is unambiguously stronger than expected in the March 2019 budget. But Quebec cannot buck the global trend for long, leading us to pencil real GDP growth below 2% in 2020 and 2021. On the fiscal front, the *Monthly Report on Financial Transactions* published earlier this summer revealed strong preliminary results for FY2018-19: the surplus reached $4.4B (1.0% of GDP) after transfers to the Generations Fund, almost $2B higher than estimated in Budget 2019. Also, there is no need to modify the balanced budget projected for FY 2019-20 based on the first two months of revenues and expenses presented in the *Monthly Report on Financial Transactions* published in late August. By law, unexpected surpluses have to be transferred to the $9B stabilization reserve. We've said it in the past and we will say it again: Quebec has by far the largest fiscal cushion among Canadian Provinces. Quebec's position clearly looks favourable from an economic and fiscal standpoint, but it does not mean it cannot change to some extent. First, the odds of a U.S. recession within the next 6-to-12 months have recently increased to 50%. Second, negotiations between different groups of unionized workers and the government should begin soon as current labour contracts ends on March 31st, 2020. Third, proposed changes to the equalization program are growing across the country. Quebec will receive $13B from equalization this year (representing 11% of total revenues). The current equalization formula is in place until 2024 and it remains to be seen if this form of federalism will be modified afterwards.



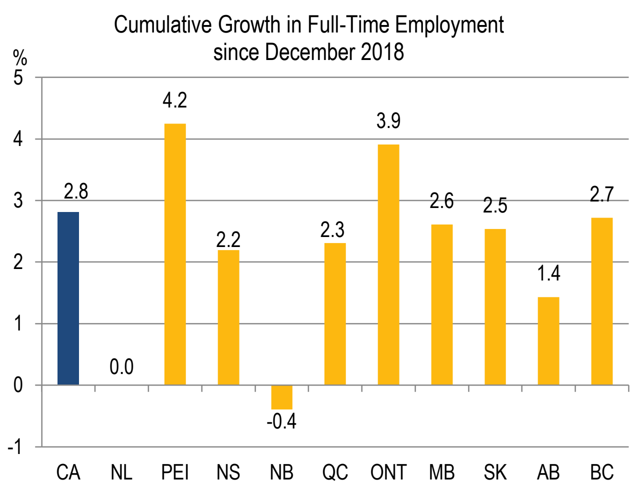
Source: CMHC, LBS Economic Research and Strategy

New Brunswick: A new population growth strategy and improving public finances

Economic growth is projected to remain soft in NB. The U.S. softwood tariffs imposed to Canada and slower housing activity south of the border are notably keeping the forestry industry in the slow lane. Job creation is anemic but the recent pickup in weekly earnings is encouraging. MLS residential resale transactions are on track to reach a new record high in many cities. It remains to be seen if lower existing home supply on the resale market will trigger a sustainable increase in homebuilding. The construction of a wind energy project near St. John could begin next year. The biggest news lately has been the new *Population Growth Strategy* unveiled by the government in September. The plan to increase economic immigration and support retention by 2024 will improve the medium-term outlook. On the fiscal front, the NB government published quarterly financial results in early September. The *First Quarter Report* projects a $38M surplus (0.1% of GDP) for FY 2019-20, up modestly from the 2019 budget estimate ($23M). Higher-than-expected revenues are underpinned by additional funding from Ottawa to support investment in public infrastructures. Part of this funding is transferred from the Province to municipalities. Overall, the government is on track to reduce its net debt by $49M this year, which would be a first in 13 years.

PEI: The economic boom continues

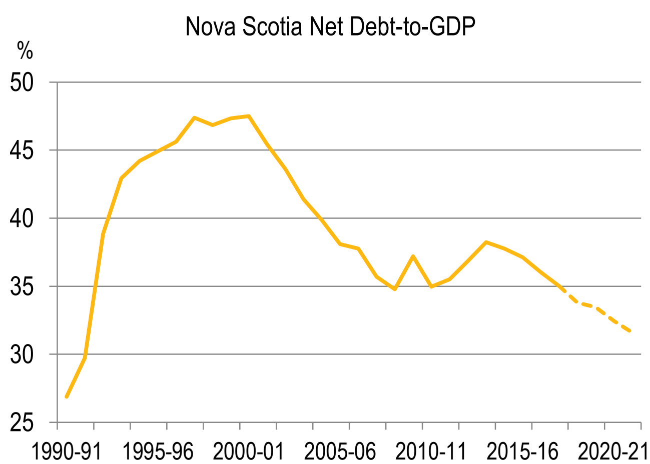
We were upbeat about the Island's remarkable economic tailwind before and we still have no choice but to revise up our outlook for PEI. Strong momentum in bioscience, aerospace and agriculture underpin double-digit growth in manufacturing shipments and exports this year. The vibrant tourism industry continues to support local retailers as well as the food and accommodation industry. Housing starts are at an all-time high. With several sectors fueling growth, the Province is on track to register a fourth consecutive balanced budget in FY 2019-20. DBRS upgraded PEI's credit rating from A (low) to A in mid-August, marking the first upgrade since 2000. Moreover, the PC government elected last April had enough room in its first budget to increase spending and to reduce the small business tax rate (from 3.5% to 3.0%, effective January 1st, 2020).



Source: Statistics Canada, LBS Econ. Res. and Strategy.

Nova Scotia: Economic diversification pays off, debt-to-GDP ratio on a downward trend

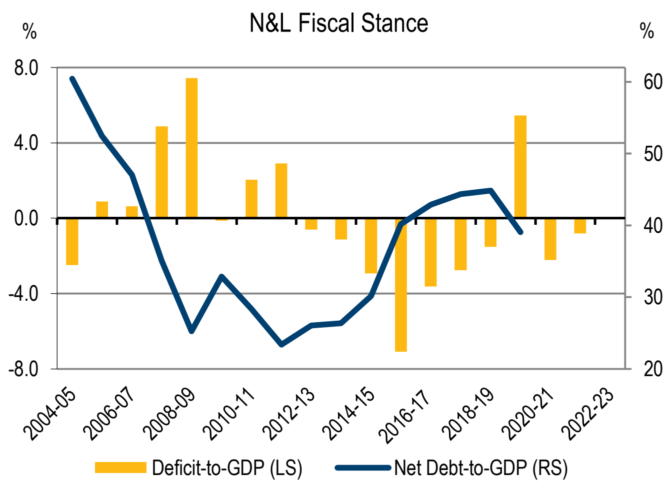
Our forecasts for Nova Scotia have not materially changed. The improvement in economic conditions continues. A record high number of new permanent residents and some export diversification are solid bases to begin with. In order to maintain good trade relationships, the Province plans to build a China-friendly website by the end of the year. China is Nova Scotia's second most important trading partner and the slowing Chinese economic momentum is expected to slightly taper off export growth. A new airport cargo facility is expected to open in early 2021 at the latest, which will allow the Province to fully grasp the benefits from the Canada-European Union Comprehensive Economic and Trade Agreement. A younger labour force is also positive for the medium-term outlook. Notably, Halifax continues to be home to almost all of the Province's job creation lately. Thus, housing market conditions have tightened. The level of MLS resale transactions is on track for its best year in more than a decade. Housing starts currently stand at a 7-year high in the Province and we expect a pullback next year. On the fiscal front, the Province is in excellent shape. The net debt-to-GDP ratio sits at its lowest level since the early 1990s. The government's plan is to reduce the debt burden further by FY 2022-23, to 32% (see chart). The Budget Forecast Update for FY 2019-20 will be published on or before September 30th. The revisited revenue and spending estimates should not change the big picture in our view: the Province should be able to register a fourth consecutive balanced budget. Finally, the main downside risk to the Province's short-term outlook is further deterioration in the China-Canada feud leading to new targeted bans on Canadian food products. The main upside risk for the medium-term outlook is tied to the potential construction of the $8B Goldboro LNG export facility. Progress has been made to import conventional natural gas from Alberta but the final decision date for this huge project has been delayed until mid-2020.



Source: Government of Canada, 2018-19 Public Accounts, Budget 2019 and LBS Economic Research and Strategy.

Newfoundland and Labrador: Growing commodity industries but challenging fiscal situation persists

On May 16th, the Liberal party led by Premier Dwight Ball was re-elected. It will form a minority government this time, a first in the province since 1971. The government will continue to navigate through a volatile economic environment in a province highly-geared towards a few cyclical commodities. Mining production is expected to rebound in 2019 with the end of a labour conflict and to expand further in 2020 with the completion of the Voisey's Bay underground nickel mine. The oil and gas industry, representing about 15% of nominal GDP, is also supporting the outlook. The Bay du Nord project, a $6.8B offshore oil facility investment, is expected to be sanctioned in 2020 with production set to begin in 2025. With reserves estimated at 300Mbbls, this new site will support the government's goal of increasing total production to 650Kbbls/day by 2030, up from 230Kbbls/day in 2018. At 14% of total revenues in FY 2018-19, offshore royalties represent an important, but volatile, source of income. So far in FY 2019-20, Brent prices have averaged US$65/bbl, in line with Budget 2019 assumptions. The Atlantic Accord provides a temporary revenue boost. The $2.5B federal transfer is front-end loaded in FY 2019-20, allowing the province to anticipate a large $1.9B surplus (5.5% of GDP, see chart). This surplus will significantly reduce the province's debt position. Accordingly, the net debt-to-GDP is poised to fall from 45% to 39%, the first reduction since FY 2011-12 (see chart). However, the fiscal books will show red ink again next year. Moreover, the government's plan to return to balance in FY 2022-23 relies on aggressive fiscal targets. Indeed, total expenditures are projected to shrink at an average annual rate of 2.5% for the next three years, a significant 7.3% cumulative decline. Given this challenging task and the possibility that the government might have to support Nalcor in honoring Muskrat Falls' accumulated debt, Moody's credit agency downgraded N&L's long-term rating to A1, from Aa3 on July 24th.[1] Bottom Line: the challenging fiscal situation persists.



Source: N&L government and LBS Econ. Res. and Strategy.

[1] For a detailed review of the downgrade and the fiscal challenges posed by Muskrat Falls, see our latest commentary.

Nominal GDP Growth (%)	2016	2017	2018	2019	2020	2021
Canada	1.9	5.6	3.6	3.6	3.6	3.5
N&L	1.8	4.3	0.2	4.6	3.2	2.6
PEI	4.5	4.8	4.0	4.9	4.1	3.6
NS	2.2	2.9	2.3	2.6	2.5	2.5
NB	3.6	4.3	1.3	2.2	2.4	2.1
Quebec	2.8	5.0	4.2	3.6	3.6	3.3
Ontario	4.4	4.1	3.5	3.5	3.8	3.4
Manitoba	2.3	5.4	3.2	2.2	3.5	3.1
Sask	-4.8	4.8	3.7	2.6	3.5	3.6
Alberta	-6.8	10.0	4.3	2.2	3.9	3.7
BC	6.0	6.9	4.5	4.4	4.2	3.8

Source: Statistics Canada, LBS Econ. Research and Strategy

Real GDP Growth (%)	2016	2017	2018	2019	2020	2021
Canada	1.1	3.0	1.9	1.6	1.7	1.6
N&L	1.8	0.9	-2.7	2.2	1.0	0.6
PEI	1.8	3.5	2.6	3.0	2.2	1.8
NS	1.5	1.5	1.2	0.8	0.9	1.2
NB	1.4	1.8	0.2	0.5	0.8	0.7
Quebec	1.4	2.8	2.5	2.5	1.8	1.5
Ontario	2.3	2.8	2.3	1.4	1.7	1.5
Manitoba	1.6	3.2	1.2	0.7	1.3	1.1
Sask	-0.4	2.2	1.6	1.0	1.5	1.7
Alberta	-4.2	4.4	2.3	0.7	1.9	1.8
BC	3.2	3.8	2.4	2.0	2.2	1.9

Source: Statistics Canada, LBS Econ. Research and Strategy

Unemployment Rate (%)	2016	2017	2018	2019	2020	2021
Canada	7.0	6.3	5.8	5.7	5.6	5.6
N&L	13.4	14.8	13.8	12.6	12.9	12.9
PEI	10.9	9.9	9.4	8.8	7.9	7.8
NS	8.3	8.4	7.6	7.2	7.1	7.1
NB	9.6	8.1	8.0	8.2	8.1	8.1
Quebec	7.0	6.0	5.4	5.0	5.0	5.0
Ontario	6.6	6.0	5.6	5.4	5.4	5.4
Manitoba	6.2	5.4	6.0	6.0	6.0	5.9
Sask	6.4	6.3	6.1	5.3	5.3	4.9
Alberta	8.1	7.8	6.7	6.8	6.6	6.4
BC	6.0	5.1	4.7	4.5	4.4	4.4

Source: Statistics Canada, LBS Econ. Research and Strategy

Employment (annual change in %)	2016	2017	2018	2019	2020	2021
Canada	0.7	1.9	1.3	2.1	1.0	0.7
N&L	-1.4	-3.7	0.4	0.9	-0.4	0.2
PEI	-2.2	3.0	3.0	2.6	1.9	1.0
NS	-0.4	0.7	1.5	1.8	0.6	0.4
NB	-0.1	0.4	0.3	0.3	0.1	0.2
Quebec	0.9	2.2	0.9	1.9	0.9	0.6
Ontario	1.1	1.8	1.6	2.6	1.0	0.7
Manitoba	-0.5	1.6	0.6	0.7	0.7	0.6
Sask	-0.9	-0.1	0.5	1.7	1.0	0.6
Alberta	-1.6	1.0	1.9	0.7	0.8	0.7
BC	3.1	3.7	1.1	2.8	1.1	0.7

Source: Statistics Canada, LBS Econ. Research and Strategy

Employment (annual change in 000s)	2016	2017	2018	2019	2020	2021
Canada	132.8	336.2	238.4	391.8	190.5	134.7
N&L	-3.4	-8.5	0.9	2.0	-0.9	0.5
PEI	-1.6	2.1	2.2	2.0	1.5	0.8
NS	-1.9	3.0	6.6	8.2	2.8	1.9
NB	-0.5	1.5	1.1	1.1	0.4	0.7
Quebec	38.3	89.8	38.5	81.0	39.1	26.3
Ontario	75.1	127.7	112.8	188.2	74.3	52.5
Manitoba	-2.9	10.4	3.9	4.5	4.6	3.9
Sask	-4.9	-0.6	2.7	9.7	5.8	3.5
Alberta	-36.6	23.4	42.7	16.3	18.8	16.6
BC	71.3	87.3	27.1	69.8	28.2	18.1

Source: Statistics Canada, LBS Econ. Research and Strategy

CPI Inflation (%)	2016	2017	2018	2019	2020	2021
Canada	1.4	1.6	2.3	2.1	1.9	1.9
N&L	2.7	2.4	1.7	1.2	2.0	1.7
PEI	1.2	1.8	2.3	1.5	1.9	1.9
NS	1.2	1.1	2.2	1.7	1.9	1.8
NB	2.2	2.3	2.2	2.1	1.9	1.9
Quebec	0.7	1.1	1.7	1.9	1.8	1.8
Ontario	1.8	1.7	2.4	2.1	1.9	1.9
Manitoba	1.3	1.6	2.5	2.3	1.9	1.9
Sask	1.1	1.7	2.3	1.8	1.9	1.9
Alberta	1.1	1.5	2.5	1.7	1.8	1.9
BC	1.9	2.1	2.7	2.3	1.9	1.9

Source: Statistics Canada, LBS Econ. Research and Strategy

Retail Sales Growth (%)	2016	2017	2018	2019	2020	2021
Canada	5.2	7.1	2.9	2.0	2.5	2.3
N&L	0.4	2.4	-2.3	-1.0	0.0	0.5
PEI	7.3	6.3	2.9	3.6	3.8	3.3
NS	4.7	7.8	0.3	2.0	2.0	1.8
NB	2.1	6.8	1.7	2.6	2.8	2.8
Quebec	6.6	5.5	2.9	2.6	2.5	2.3
Ontario	6.9	7.7	4.4	2.7	2.5	2.3
Manitoba	3.7	7.8	2.9	2.5	2.0	1.8
Sask	1.5	4.1	-0.3	-0.3	2.4	2.2
Alberta	-1.1	7.1	2.0	0.4	2.7	2.6
BC	7.7	9.3	2.0	1.1	2.5	2.4

Source: Statistics Canada, LBS Econ. Research and Strategy

Housing Starts (000s of units)	2016	2017	2018	2019	2020	2021
Canada	198	220	213	207	195	194
N&L	1.4	1.4	1.1	0.8	1.2	1.1
PEI	0.6	0.9	1.1	1.1	0.7	0.6
NS	3.8	4.0	4.8	4.4	4.3	4.0
NB	1.8	2.3	2.3	1.9	2.0	2.0
Quebec	38.9	46.5	46.9	47.8	41.0	40.0
Ontario	75.0	79.1	78.7	71.0	73.0	73.3
Manitoba	5.3	7.5	7.4	7.2	6.2	6.0
Sask	4.8	4.9	3.6	2.3	2.6	3.0
Alberta	24.5	29.5	26.1	25.5	24.0	24.0
BC	41.8	43.7	40.9	45.0	40.0	39.5

Source: CMHC, LBS Econ. Research and Strategy

Residential Transactions - Resale Market (000s of units)	2016	2017	2018	2019	2020	2021
Canada	541	515	458	474	496	501
N&L	4.2	3.9	3.7	3.7	3.7	3.7
PEI	2.1	2.1	2.1	1.9	1.9	1.7
NS	10.1	10.6	11.1	10.6	10.2	10.4
NB	7.6	8.1	8.2	9.5	8.8	8.0
Quebec	78.1	82.5	86.6	94.0	92.0	90.0
Ontario	245.4	221.1	190.8	202.0	215.0	215.0
Manitoba	14.6	14.4	13.6	14.1	13.9	13.6
Sask	11.3	11.1	10.3	10.4	10.3	10.6
Alberta	54.9	57.3	53.2	53.0	55.0	64.0
BC	112.2	103.8	78.3	75.0	85.0	84.0

Source: CREA, LBS Econ. Research and Strategy