



CANADIAN
MANUFACTURERS
& EXPORTERS

MANUFACTURING
CANADA'S FUTURE

Alan Arcand, Chief Economist

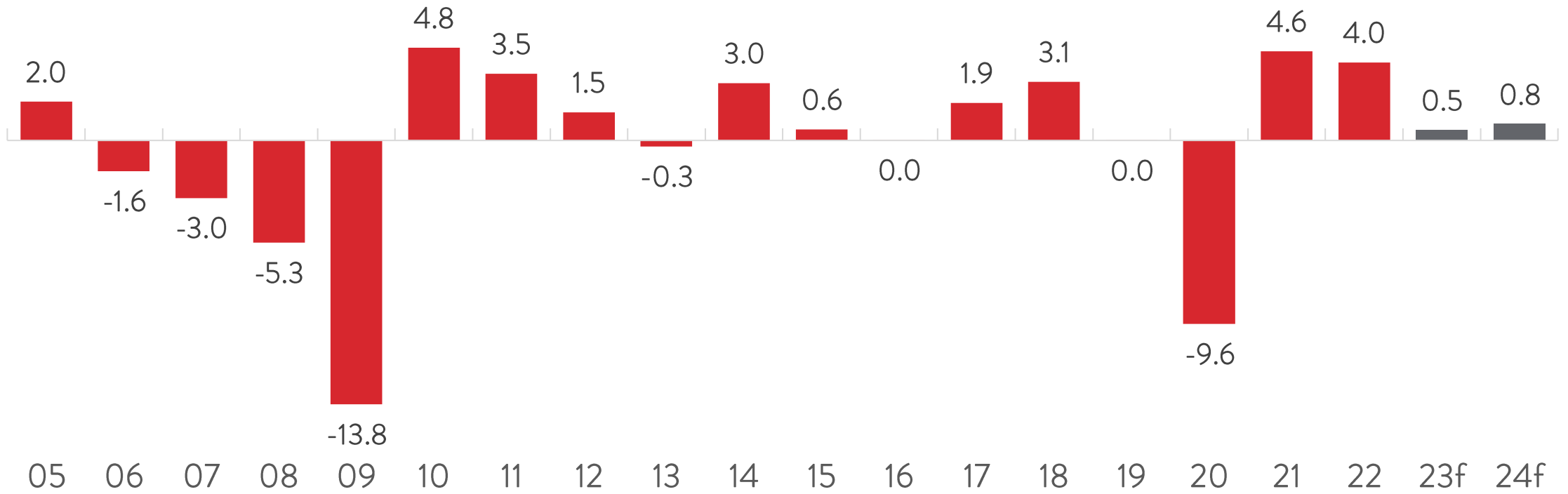
November 2023





MANUFACTURING OUTLOOK

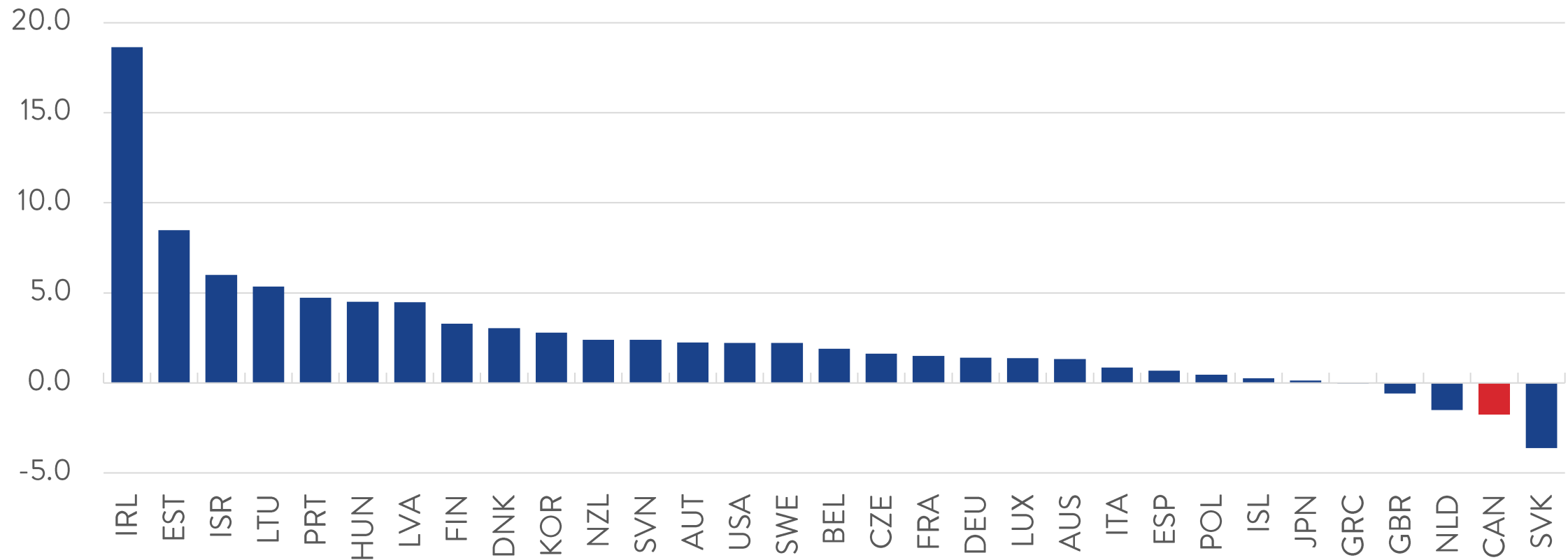
Canada (Real manufacturing GDP, annual % change)



SOURCES: STATISTICS CANADA; CME.

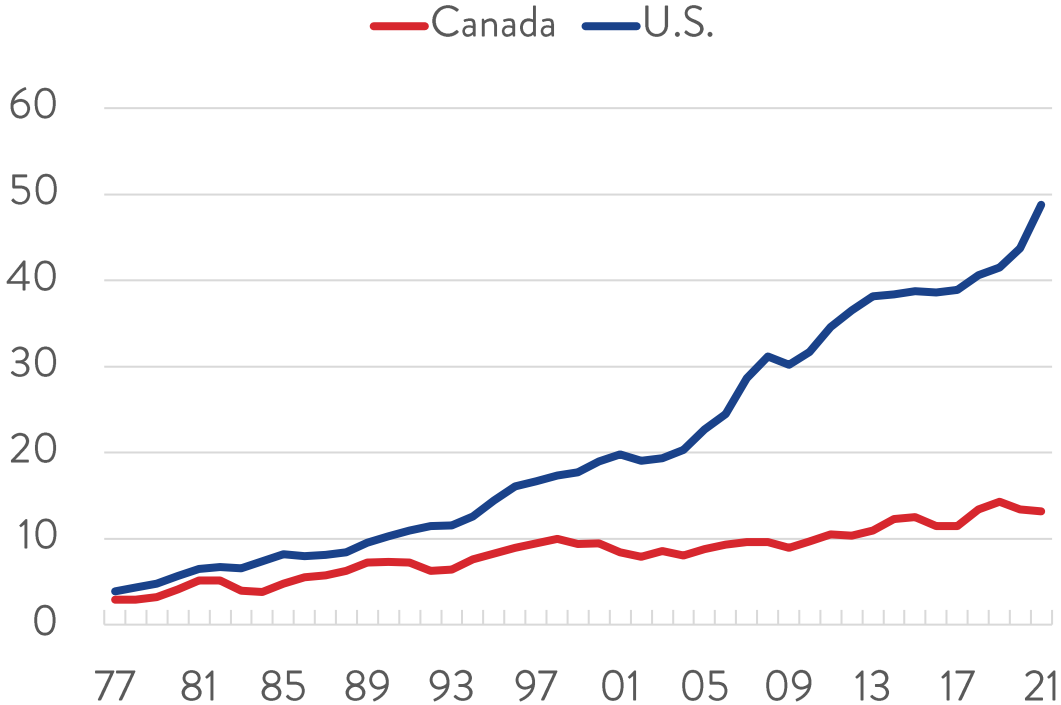
CANADA RANKS SECOND LAST AMONG OECD COUNTRIES IN BUSINESS INVESTMENT GROWTH

2016-20 (non-residential business investment, constant prices, national base year, compound annual growth rate, %)

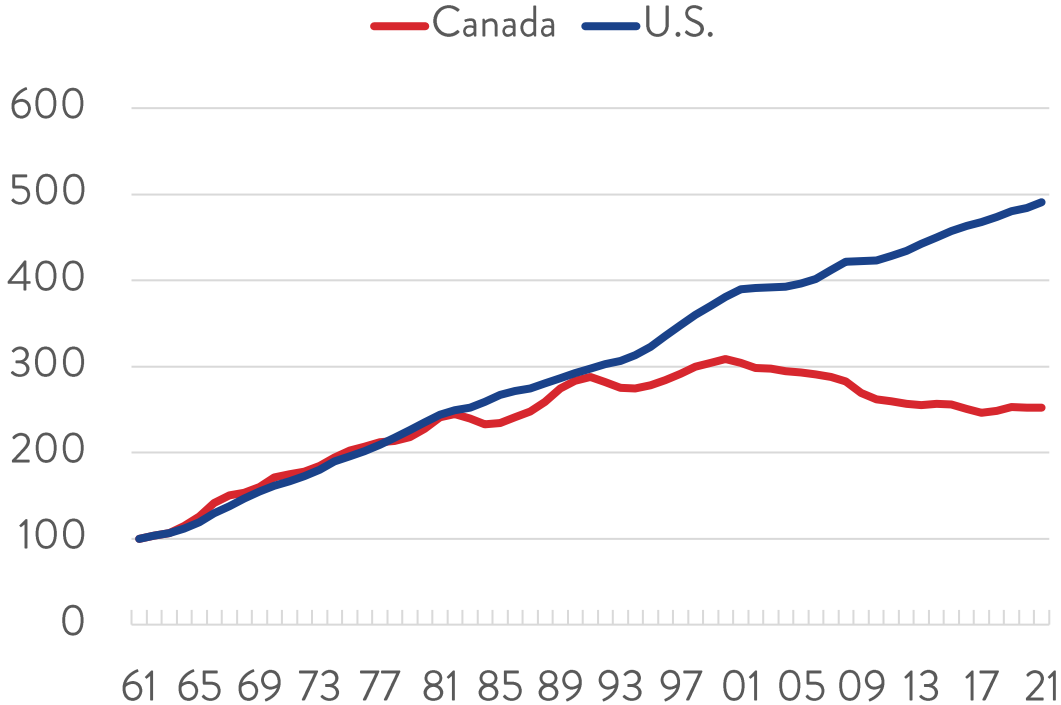


INVESTMENT TRENDS IN MANUFACTURING DISCOURAGING

Manufacturing Investment Per Worker is 3x Higher in the U.S. (000s \$)



Canada's Manufacturing Capital Stock Near 40-Year Low (1961=100)

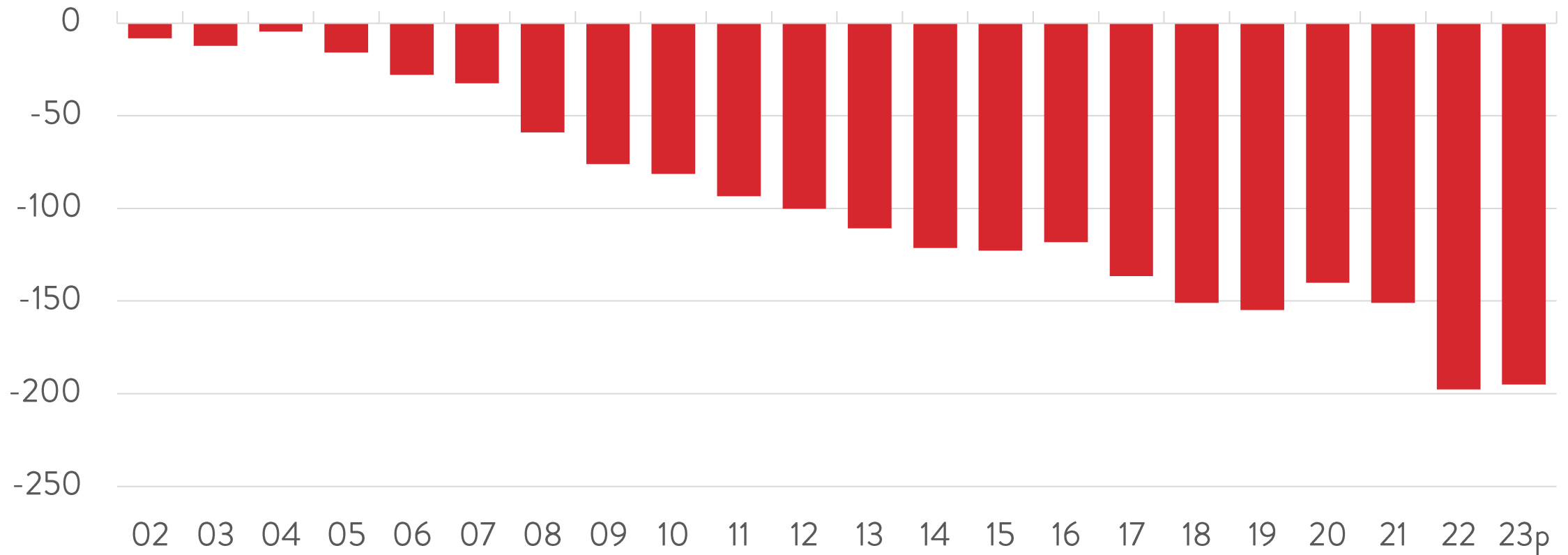


SOURCES: STATISTICS CANADA; US BUREAU OF ECONOMIC ANALYSIS; US BUREAU OF LABOUR STATISTICS; CME.



CANADA'S TRADE DEFICIT IN MANUFACTURED GOODS CONTINUES TO BALLOON

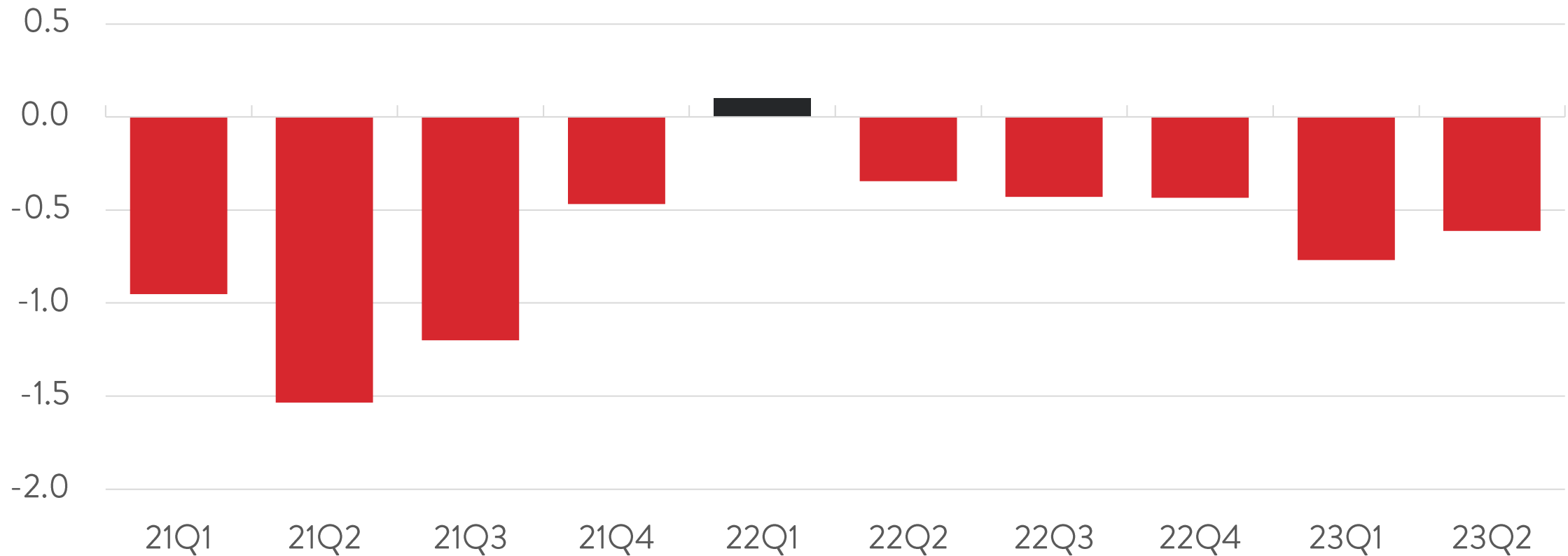
Trade balance in manufactured goods (billions \$)



SOURCES: STATISTICS CANADA; CME.

LABOUR PRODUCTIVITY HAS DECLINED IN 11 OUT OF THE 12 LAST QUARTERS

Canada (business sector, quarterly % change, seasonally adjusted)



SOURCES: STATISTICS CANADA; CME.

STAGNANT LIVING STANDARDS

Canada (real GDP per capita, \$000s, seasonally adjusted)



SOURCES: CME; STATISTICS CANADA.





FOUR PILLARS OF MANUFACTURING STRATEGY

1

Expanding and upskilling Canada's workforce

2

Stimulating innovation, investment, and the adoption of advanced manufacturing technologies

3

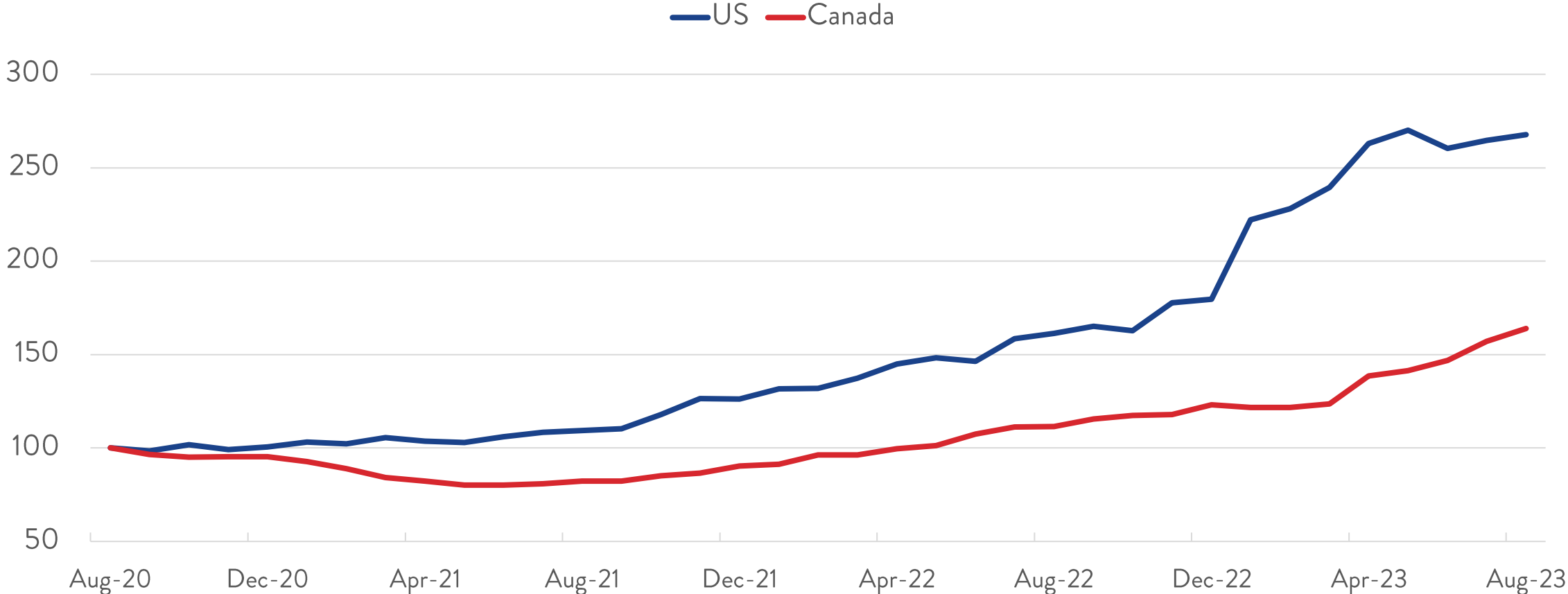
Encouraging domestic manufacturing production and value-added exports

4

Speeding up and expanding clean technology incentives to help manufacturers adapt to and advance Canada's climate change plan

US INDUSTRIAL POLICY ALREADY PAYING OFF

Manufacturing construction spending (August 2020=100)



SOURCES: CME; STATISTICS CANADA.





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