# Canada

- **Growth continues to accelerate into 2017, but the sources of this strengthening performance are proving somewhat different than we anticipated a quarter ago.**
- **Despite our previous expectations that housing and auto sales would begin to provide a mild drag on Canadian growth in 2017, both sectors continue to add to Canada's improving outlook. Investment in oil and gas drilling is showing renewed strength, but long-awaited improvements in economy-wide investment and non-energy exports have yet to gain traction, and execution on public-infrastructure spending is ongoing, but at a more moderate pace than planned.**
- **Investment will continue to be inhibited by uncertainty surrounding NAFTA and the prospect of US business-tax reform, but a widening US-Canada policy-rate differential and weaker CAD should help cushion any hit to Canadian competitiveness.**
- **Macroeconomic fundamentals remain supportive for Canada's key housing markets in 2017, but we expect a mild slowing in 2018 as interest rates rise and affordability becomes more constraining.**

## GROWTH CONTINUES ACCELERATING INTO 2017 BY FIRING THE SAME CYLINDERS

The Canadian economy continued to strengthen through early-2017, but the sources of Canada's accelerating growth are proving somewhat different from those we anticipated three months ago. In the hand-off from 2016, we expected increasing affordability concerns to weigh on housing and auto sales, while record household indebtedness and rising interest rates would likely dampen consumption growth. We projected these mild drags would be offset by firming investment, growing non-energy exports, and follow-through on public-infrastructure plans. In the event, housing, auto sales, and consumption growth haven't slowed, while business capital spending and non-energy exports haven't picked up, and public-infrastructure spending is delayed.

Rather than firing on all cylinders, the main drivers of the Canadian economy remain unchanged and imbalanced—so much so that our growth projection for 2017 has been pushed upward from 2.0% to 2.3% (table 2). Growth in 2018 remains at 2.0% on our continued expectation that the sources of Canadian GDP expansion will begin shifting and diversifying during the year ahead, reducing the economy's reliance on housing and consumption, and increasing the contribution of investment and exports to growth (table 2).

## BETTER LABOUR MARKET AND PUBLIC TRANSFERS SUSTAIN CONSUMPTION

Consumer fundamentals remain relatively favourable, and should keep household spending growth just north of 2% in 2017 as labour markets continue to strengthen. Monthly job gains averaged 36,000 from August 2016 through

**CONTACTS**

**Brett House, VP & Deputy Chief Economist**
416.863.7463
Scotiabank Economics
brett.house@scotiabank.com

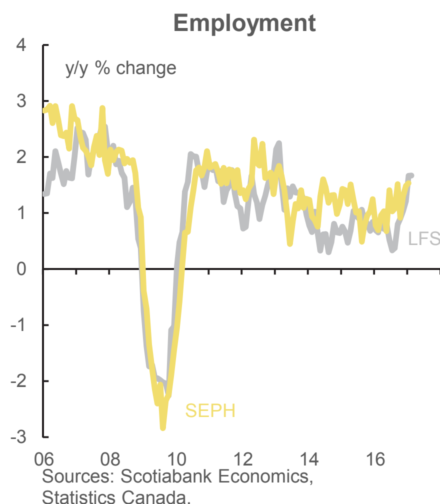
**Carlos Gomes**
416.866.4735
Scotiabank Economics
carlos.gomes@scotiabank.com

**Neil Tisdall**
416.866.6252
Scotiabank Economics
neil.tisdall@scotiabank.com

**Adrienne Warren**
416.866.4315
Scotiabank Economics
adrienne.warren@scotiabank.com

**Mary Webb**
416.866.4202
Scotiabank Economics
mary.webb@scotiabank.com

Chart 1



February 2017, the strongest seven-month tally in nearly a decade, led by the service sector. While labour-market surveys occasionally produce false signals, both household and payroll reports confirm the recent pickup in hiring (chart 1). These employment gains have tilted back in favour of full-time positions, which mirrors recent improvements in business sentiment (chart 2).

The headline jobs numbers belie somewhat more muted details in the Canadian labour market. Total hours worked have fallen over the past year, and wage growth continues to decelerate. Adjusted for inflation, average hourly earnings have dropped over the past twelve months—which implies ongoing labour-market slack. Participation rates remain near decade lows at just under 66%.

Despite slowing wage growth, household income growth remains solid, supported in part by increased government transfers from the Canada Child Benefit and other targeted federal and provincial programmes. Building upon recent hikes, legislated increases to minimum wages are expected in a number of provinces during 2017–18. Consumer confidence indicators have hit their highest levels since 2010 and major purchase plans have firmed up alongside expectations of improving household finances.

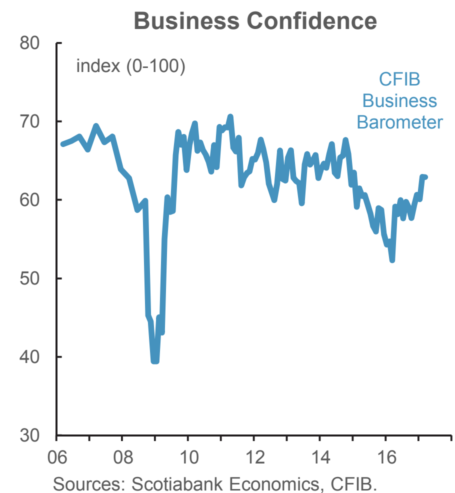
Ongoing gains in housing wealth combined with rising equity prices also support moderate growth in consumption (chart 3). We estimate that gains in net housing equity have added upward of 0.7 percentage points annually to household spending growth in recent years, assuming a standard wealth effect of five cents on the dollar. Rising household wealth is also likely a key factor underpinning a surge in luxury-vehicle sales in recent months that has been concentrated in BC and Ontario.

Domestic consumption trends are also getting a lift from a narrowing tourism deficit, as the weaker CAD deters cross-border shopping trips by Canadians and attracts more foreign tourism dollars to Canada. The number of Canadian same-day car trips to the United States has fallen sharply since 2013, while the number of international tourists to Canada has climbed steadily higher (chart 4).

Even so, we continue to forecast a period of somewhat softer consumption growth heading into 2018. Higher income taxes on upper-income earners alongside higher gasoline prices and newly-implemented carbon taxes are expected to sap some individuals' purchasing power. There are also emerging signs that Canadian households are taking a more cautious approach to debt accumulation: household credit growth has decelerated modestly over the past six months, led by slowing mortgage demand. The household savings rate has edged up to nearly 6%, which suggests that families are building larger financial cushions amid high debt loads and rising interest rates.

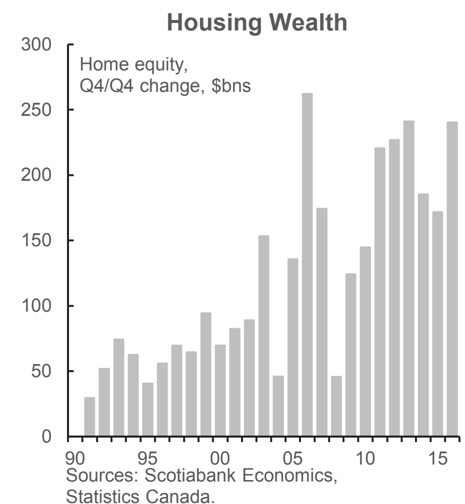
Sales of vehicles, amongst other big-ticket items, are expected to edge lower this year alongside recent price increases for new cars and light trucks, and weaker demographic trends. The number of potential vehicle buyers is expected to increase at the slowest pace in several decades, as an increasing number of Baby-Boomers age past their vehicle-buying years without complete replacement by Millennials. Purchases of housing-related goods such as furniture, appliances, and building materials, which have recently boosted consumer spending, also are forecast to moderate as real-estate prices and lack of affordability (finally) slow housing-market growth, beginning in the latter part of 2017.

**Chart 2**



Sources: Scotiabank Economics, CFIB.

**Chart 3**



Sources: Scotiabank Economics, Statistics Canada.

**Chart 4**

Sources: Scotiabank Economics, Statistics Canada.

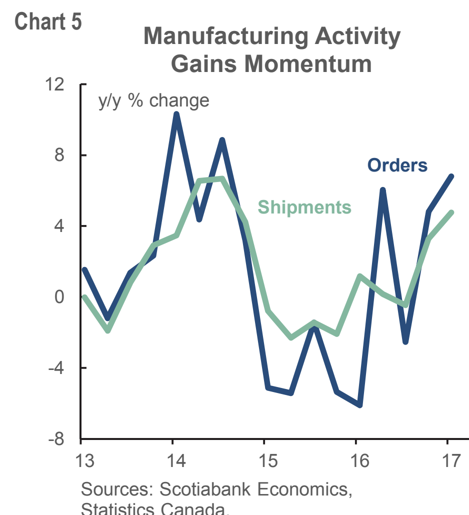
## HOUSING: TORONTO REMAINS ON A TEAR

Residential investment remains an uncomfortably-large contributor to Canadian growth, with national home sales still tracking near record highs in early 2017. While national housing-sales numbers are dominated by red-hot markets in Toronto, its surrounding communities, and parts of BC, including Victoria and Kelowna, the recent housing downturns in oil-producing regions and Vancouver appear to be stabilizing. Meanwhile, homebuilders are signaling even stronger construction intentions than last year's elevated levels. Based on the ongoing strength in permit demand, we have upgraded our forecast for housing starts to total 195,000 units in 2017, only marginally below last year's tally.

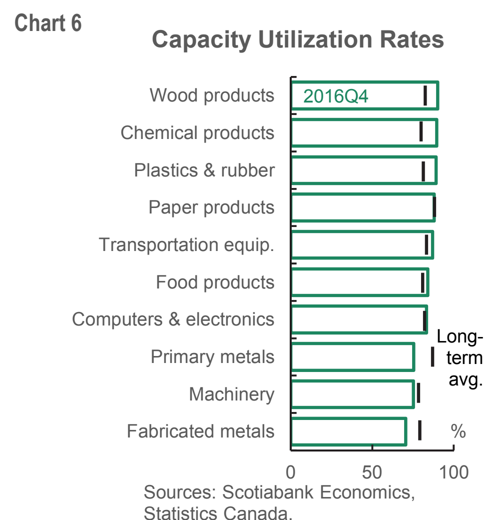
We expect a combination of deteriorating affordability, recently-introduced policy measures at the national level and in BC, possible additional action from the Ontario government, and modestly higher borrowing costs to gradually slow home sales and price appreciation this year. Supply constraints will, however, continue to bind in many large, urban centres during the coming years, as we argued in our recent report on options to deal with the GTA Housing Market. Demand is also likely to remain sustained by strengthening labour markets, increasing immigration, and the ageing of millennials into the core house-buying years.

## MANUFACTURING BEGINS TO TREND HIGHER

While Canadian non-energy exports remain weak, total orders and shipments have started to rebound (chart 5) and freight data indicate that trucking and rail traffic are finally on the upswing, pointing to a firmer tone in industrial activity in the months ahead. In particular, new orders for manufactured goods jumped 8% between August 2016 and the opening month of 2017, the largest five-month increase in nearly two years. This implies that the ongoing revival in US demand may finally be sufficiently large and sustained to provide a much-needed lift to Canadian industrial producers, which export more than half of their manufactured goods to the United States. Overall, the US accounts for about three-quarters of Canadian exports.



Sources: Scotiabank Economics, Statistics Canada.



Sources: Scotiabank Economics, Statistics Canada.

**Table 1 — Quarterly Canadian Forecasts**

| | 2016 | | | | 2017 | | | | 2018 | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Q1 | Q2 | Q3 | Q4 | Q1e | Q2f | Q3f | Q4f | Q1f | Q2f | Q3f | Q4f |
| **Economic** | | | | | | | | | | | | |
| Real GDP (q/q ann. % change) | 2.7 | -1.2 | 3.8 | 2.6 | 2.8 | 2.0 | 2.1 | 2.1 | 2.0 | 2.0 | 1.9 | 1.9 |
| Real GDP (y/y % change) | 1.3 | 1.1 | 1.4 | 1.9 | 2.0 | 2.8 | 2.3 | 2.2 | 2.0 | 2.0 | 2.0 | 2.0 |
| Consumer Prices (y/y % change) | 1.5 | 1.6 | 1.2 | 1.4 | 2.0 | 2.1 | 2.3 | 2.1 | 1.9 | 1.9 | 2.1 | 2.1 |
| Core CPI (y/y % change) | 2.0 | 2.1 | 1.9 | 1.6 | 1.7 | 1.7 | 1.8 | 1.8 | 1.9 | 1.9 | 1.9 | 1.9 |
| **Financial** | | | | | | | | | | | | |
| Canadian Dollar (USDCAD) | 1.30 | 1.29 | 1.31 | 1.34 | 1.33 | 1.40 | 1.38 | 1.36 | 1.36 | 1.34 | 1.32 | 1.30 |
| Canadian Dollar (CADUSD) | 0.77 | 0.77 | 0.76 | 0.74 | 0.75 | 0.71 | 0.72 | 0.74 | 0.74 | 0.75 | 0.76 | 0.77 |
| Bank of Canada Overnight Rate (%) | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.75 | 0.75 | 1.00 |
| 3-month T-bill (%) | 0.45 | 0.49 | 0.53 | 0.46 | 0.55 | 0.50 | 0.50 | 0.50 | 0.60 | 0.80 | 0.90 | 1.10 |
| 2-year Canada (%) | 0.54 | 0.52 | 0.52 | 0.75 | 0.75 | 0.85 | 0.95 | 1.05 | 1.20 | 1.35 | 1.45 | 1.60 |
| 5-year Canada (%) | 0.68 | 0.57 | 0.62 | 1.11 | 1.12 | 1.25 | 1.35 | 1.40 | 1.50 | 1.65 | 1.80 | 1.90 |
| 10-year Canada (%) | 1.23 | 1.06 | 1.00 | 1.72 | 1.63 | 1.75 | 1.85 | 1.90 | 1.95 | 2.10 | 2.20 | 2.35 |
| 30-year Canada (%) | 2.00 | 1.72 | 1.66 | 2.31 | 2.30 | 2.35 | 2.45 | 2.50 | 2.55 | 2.65 | 2.75 | 2.80 |

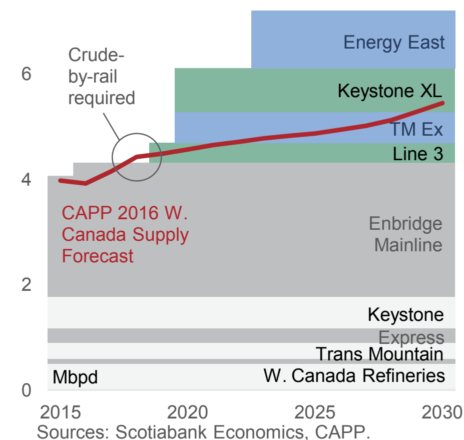
Increased orders for machinery, computers, and electronic equipment are leading the way, having surged nearly 20% since the opening month of 2016, one of the fastest year-on-year increases since the years of the tech boom in the late 1990s. These sectors account for roughly 30% of all manufacturing shipments and are amongst the most export-intensive industries. Further sales growth in these sectors may be hampered, however, by capacity constraints that cannot be immediately resolved until new investment is undertaken in the years ahead (chart 6).

## IMPROVING GOODS AND SERVICES EXPORTS

Firmer US demand and rising manufacturing orders reinforce our expectation that non-energy export growth will finally experience a long-awaited acceleration in 2017 and into 2018—though data from the beginning of 2017 don't yet point to early signs of an upturn.

Chart 7

**Western Canadian Production to Briefly Outstrip Pipeline Capacity**




Petroleum product shipments, which account for about a fifth of total Canadian exports, have firmed in recent months and will continue to improve through 2018 following the 2016 wildfire disruptions. As projects sanctioned during past high-price environments come on-stream (e.g., Fort Hills), Western Canadian production is forecast to briefly outstrip available pipeline capacity in 2018 before new pipeline capacity comes online (i.e., Line 3 replacement, chart 7). Higher-cost rail transport is expected to temporarily widen Canadian crude discounts relative to WTI, though total export value will continue to rise alongside global crude prices.

Canadian service exports grew 4% in 2016 compared with only a 0.5% increase in goods exports. Tourism, as noted above, and transportation-services exports were particularly strong heading into 2017, with both posting double-digit gains in the fourth quarter of 2016, supported by a relatively weak CAD, low transportation costs as fuel prices remain subdued, and tourism diversion from the US in the face of tighter visa requirements and vetting procedures.

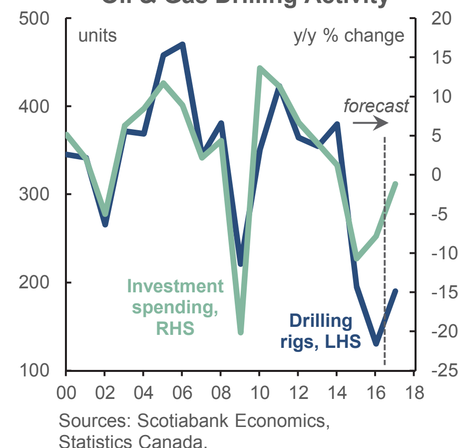
US moves to re-open and renegotiate the North American Free Trade Agreement (NAFTA) may be limited to 'tweaks' and deferred to late-2017 or 2018 as the US administration grapples with more immediate policy priorities, including business-tax reform. The Ryan-Brady destination-based, cash-flow tax with border adjustment—one of the tax options that would have a negative effect on Canadian exporters—is unlikely to feature in an eventual reform package owing to its complicated design, opposition to it from import-intensive sectors, and its inconsistency with existing trade treaties. Instead, the US authorities are likely simply to cut the existing corporate tax rate. The Canadian forestry sector will, however, continue to face particular uncertainty from the possibility of countervailing duties and anti-dumping levies until a replacement for the now-expired Softwood Lumber Agreement (SLA) is in place.

## INVESTMENT SET TO GROW

Strengthening demand for manufactured goods and exports when several key sectors face capacity constraints bodes well for a progressive upturn in business investment. Historically, Canadian business investment spending begins to respond to stronger exports with a roughly two-quarter lag, which conditions our expectation that business investment will stop contracting later in 2017 and return to growth in 2018. The 50% year-over-year rebound in oil drilling activity in the opening months of 2017 is also positive for the investment outlook, as the oil and gas sector has accounted for more than 20% of business investment in recent years and has led overall investment activity (chart 8).

Chart 8

**Investment Spending And Oil & Gas Drilling Activity**




Despite these positive fundamentals, a rebound in business investment may be delayed by the ongoing uncertainty surrounding access to the US market under NAFTA and the prospect that a lower US corporate tax-rate could hurt the competitiveness of Canadian industry. A widening US-Canada monetary policy-rate differential and a weaker CAD should cushion the blow of developments in the United States. Still, a northward drift of higher US rates could also curb Canadian investment just as conditions are aligning for capital spending to take off.

## FISCAL STIMULUS ROLLING OUT, BUT MORE SLOWLY

The Federal government's current and capital expenditures will likely be delivered more smoothly and more gradually than initially announced. As a result, the public sector's contribution to Canada's real GDP will remain at 0.4 percentage points from 2015 all the way through to 2018. This will take public spending from contributing almost half of Canada's total growth to about a fifth in 2018 as the rest of the economy strengthens.

Phase 1 of the federal government's infrastructure plan remains set to ramp up over the course of 2017 and into 2018. In total, it will focus about CAD 12 bn of capital spending on green and social infrastructure plus public transit, with already-announced investments in post-secondary institutions and rural broadband adding a further CAD 2.5 bn. Provincial and municipal governments are actively setting aside matching funds for their share of these joint investments.

Delays are also anticipated in Phase 2 of the Trudeau government's plan, which implies that the federal public sector's contribution to Canadian growth will likely remain elevated above past cyclical norms into 2019. This may be partially offset, however, by ongoing reviews of other existing federal programmes that are intended to free resources for the 2017 budget's commitments to new skills training and innovation initiatives.

In contrast with the federal government, the Provinces continue to prioritize operating expenditures to meet fiscal constraints. Entering fiscal year 2018, four Provinces are further restraining outlays and/or increasing revenues to accelerate the elimination of their deficits. Conversely, BC and Quebec, with balanced books, are offering annual instalments on tax relief.

## MAJOR RISKS ABATING

The balance of risks to the Canadian outlook is improving. US demand for Canadian goods and services continues to strengthen and overall US growth is becoming more broadly based and accelerating, making the US economy—and by extension the Canadian economy—less vulnerable to political hiccups in Washington, DC. Canadian housing, auto sales, and major components of consumption are performing better than anticipated at the time of the last *Quarterly Outlook*. On the downside, the Canadian economy remains highly dependent on real estate and consumption: the baton has not yet been passed decisively to investment and exports to sustain Canadian growth. A sharper-than-expected rise in borrowing costs would squeeze indebted households, while a swift correction in the country's major housing markets would have an even greater negative impact on the entire economy. But compared with three months ago, it now looks far less likely that NAFTA will be subjected to major revisions or that US business taxes will be reformed in a way that would seriously erode Canada's relative competitiveness. On balance, the prospects for Canada look even sunnier than at the beginning of 2017.

**Table 2 — Canada**

| | 2000–15 | 2016 | 2017f | 2018f |
|---|---|---|---|---|
| | (annual % change, unless noted) | | | |
| Real GDP | 2.2 | 1.4 | 2.3 | 2.0 |
| Consumer Spending | 2.9 | 2.2 | 2.2 | 1.7 |
| Residential Investment | 3.8 | 2.8 | 1.1 | -1.0 |
| Business Investment | 2.7 | -7.8 | -1.1 | 3.0 |
| Government | 2.2 | 1.9 | 2.0 | 2.0 |
| Exports | 1.3 | 1.1 | 2.3 | 3.7 |
| Imports | 3.1 | -1.0 | 0.7 | 2.9 |
| Nominal GDP | 4.4 | 2.0 | 4.7 | 4.0 |
| GDP Deflator | 2.2 | 0.6 | 2.3 | 2.0 |
| Consumer Price Index (CPI) | 2.0 | 1.4 | 2.1 | 2.0 |
| Core CPI (CPIX) | 1.8 | 1.9 | 1.7 | 1.9 |
| Pre-Tax Corporate Profits | 3.9 | -4.5 | 11.0 | 5.0 |
| Employment | 1.4 | 0.7 | 1.3 | 0.8 |
| Unemployment Rate (%) | 7.1 | 7.0 | 6.7 | 6.6 |
| Current Account Balance (CAD bn) | -13.9 | -67.7 | -45.6 | -34.2 |
| Merchandise Trade Balance (CAD bn) | 28.2 | -25.9 | -1.3 | 7.2 |
| Federal Budget Balance (FY, CAD bn) | -2.9 | -1.0 | -23.0 | -28.5 |
| percent of GDP | -0.2 | 0.0 | -1.1 | -1.3 |
| Housing Starts (000s) | 199 | 198 | 195 | 185 |
| Motor Vehicle Sales (000s) | 1,639 | 1,949 | 1,940 | 1,925 |
| Industrial Production | 0.5 | -0.3 | 2.5 | 1.7 |
| WTI Oil (USD/bbl) | 64 | 43 | 53 | 56 |
| Nymex Natural Gas (USD/mmbtu) | 5.09 | 2.55 | 3.10 | 3.05 |

# The Provinces

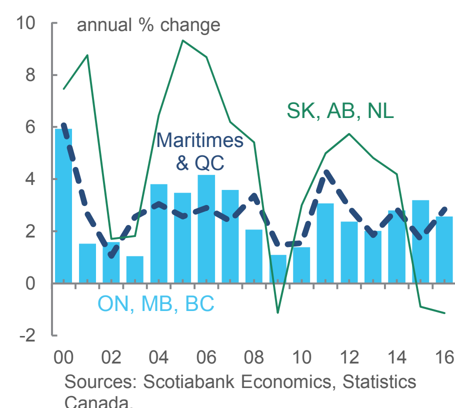
## THE GRADUAL REBALANCING OF GROWTH WITHIN REGIONS

- **Solid economic gains across Canada are forecast for 2017, providing momentum for 2018. Non-energy goods & services exports specific to each province are gaining traction, and the oil industry is gradually recovering.**
- **In fiscal 2016–17 (FY17), just completed, the seven net oil-consuming Provinces' combined deficit narrows towards CAD 1 bn (from their FY10 CAD 25½ bn record shortfall) which helps to accommodate elevated infrastructure investment.**

Multiple trends are driving the Provinces' economic expansion this year. Diverse benefits are emerging from a strengthening US economy, a competitive Canadian dollar vis-à-vis its US counterpart, low interest rates and commodity prices moving off recent lows.

All provinces entered 2017 with y/y population gains as each jurisdiction shared in the national 9.0% upswing in international immigration. For the three major oil-producing provinces, immigration compensated for steepening net out-migration to other provinces. Alberta and Saskatchewan, with the added strength of positive natural increase, are presently sustaining 1.5% y/y population growth. Job creation this year, surging from December to February, is expected to pace rising regional populations. Seasonally adjusted labour force participation rates in early 2017 are higher than last summer in six provinces, with notable increases in the four largest provinces reversing some of the post-recession decline. In Quebec and Ontario, the number of unemployed 27 weeks or longer has fallen 19.0% in the past two years.

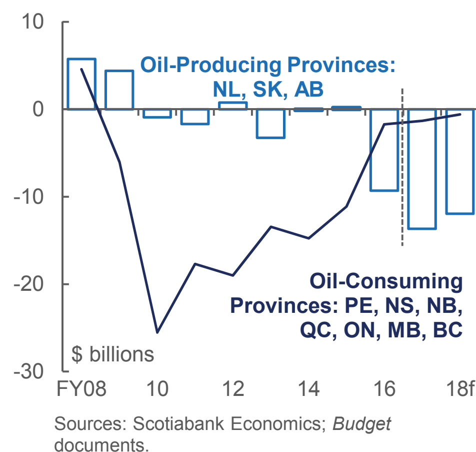
Chart 1




Sources: Scotiabank Economics, Statistics Canada.

In part due to lower oil prices, compensation per employee (including employers' social contributions) in the net oil-consuming provinces is expected to exceed subdued inflation again in 2016, building on the prior year's real gain (chart 1). For the major oil–producing provinces, the slow upturn anticipated in wages is expected to limit their consumption growth over the next two years. Residential construction in Manitoba and east of Ontario is expected to stabilize or rise this year after a soft landing during the past three years. Some easing in Ontario's current hot housing markets is expected to account for much of the 2018 correction in national starts. In Alberta and Saskatchewan, non-energy industries are expected to lag the petroleum sector's measured turnaround, while Newfoundland and Labrador's recovery is delayed by work winding down on several major resource projects.

Chart 2




Sources: Scotiabank Economics; *Budget* documents.

Alongside the expected growth in non-energy exports through 2018, underpinned by consumer products and machinery, the expansion of services is reflected in tech-related job creation in a number of mid-sized cities as well as the major CMAs. In tourism, a cross-Canada surge is spurring investment in new facilities and broader marketing. The federal *Budget's* attention to agri-food, clean tech, advanced manufacturing, digital industries, clean resources and health/bio sciences adds to provincial support. Ottawa's strategy recognizes existing expertise, such as the artificial intelligence clusters in Montreal, Toronto-Waterloo and Edmonton. Shadowing each province's outlook is the risk of adverse US tax and trade policy, with forest products a potential area of near-term vulnerability.

## THE FISCAL OUTLOOK

With half of the provincial *Budgets* tabled for fiscal 2017–18 (FY18) by March 31st, balanced books or better are expected from five Provinces. The combined deficit of the three major oil-producing Provinces likely peaked in FY17 at about $13½ billion and is now expected to narrow (chart 2). While operating expenditures will continue to be carefully managed by all Provinces, for the four

jurisdictions pursuing significant austerity in FY18, revenue and spending measures reflect concerns over competitiveness and job creation, as well as the bottom line.

Increasingly over the next few years, the challenge will be trimming consolidated provincial net debt burdens, relative to GDP and provincial receipts, while accommodating infrastructure outlays and the operating/maintenance expense for the new capital. Federal priorities, such as mental health care and home care, are adjusting provincial spending plans. Ottawa's review and retooling of its innovation programs will require similar provincial reassessments. Looking to rising interest rates, the Provinces have extended the term of their post-recession borrowings and several jurisdictions enter FY18 with considerable pre-financing.

**Table 1 — The Provinces** annual % change, except where noted

| Real GDP | CA | NL | PE | NS | NB | QC | ON | MB | SK | AB | BC |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **2000–15** | 2.2 | 2.5 | 1.8 | 1.4 | 1.2 | 1.7 | 2.0 | 2.4 | 2.1 | 3.1 | 2.7 |
| **2016e** | 1.4 | -0.3 | 1.3 | 1.2 | 0.5 | 1.9 | 2.7 | 2.1 | -0.4 | -2.7 | 3.1 |
| **2017f** | 2.3 | -1.7 | 1.4 | 1.4 | 0.7 | 1.9 | 2.5 | 2.3 | 1.7 | 2.4 | 2.4 |
| **2018f** | 2.0 | -0.2 | 1.3 | 1.2 | 0.6 | 1.6 | 2.2 | 1.9 | 1.9 | 2.4 | 2.3 |
| **Nominal GDP** | | | | | | | | | | | |
| **2000–15** | 4.4 | 5.7 | 4.3 | 3.3 | 3.3 | 3.6 | 3.8 | 4.5 | 6.0 | 6.5 | 4.5 |
| **2016e** | 2.0 | -1.9 | 2.4 | 2.4 | 1.5 | 3.1 | 4.2 | 3.3 | -3.0 | -4.9 | 4.8 |
| **2017f** | 4.7 | 1.8 | 2.9 | 3.1 | 2.3 | 3.7 | 4.8 | 4.4 | 5.1 | 6.0 | 4.5 |
| **2018f** | 4.0 | 3.0 | 2.8 | 2.8 | 2.2 | 3.4 | 4.0 | 3.7 | 4.4 | 5.3 | 4.1 |
| **Employment** | | | | | | | | | | | |
| **2000–15** | 1.4 | 1.0 | 1.2 | 0.7 | 0.5 | 1.3 | 1.3 | 1.0 | 1.3 | 2.5 | 1.2 |
| **2016** | 0.7 | -1.5 | -2.3 | -0.4 | -0.1 | 0.9 | 1.1 | -0.4 | -0.9 | -1.6 | 3.2 |
| **2017f** | 1.3 | -1.9 | 0.5 | 0.3 | 0.2 | 1.3 | 1.5 | 0.8 | 0.3 | 0.6 | 1.7 |
| **2018f** | 0.8 | -1.2 | 0.3 | 0.3 | 0.2 | 0.7 | 1.1 | 0.6 | 0.5 | 0.8 | 1.1 |
| **Unemployment Rate (%)** | | | | | | | | | | | |
| **2000–15** | 7.1 | 14.3 | 11.2 | 8.9 | 9.6 | 8.1 | 7.2 | 5.1 | 4.9 | 4.9 | 6.6 |
| **2016** | 7.0 | 13.4 | 10.7 | 8.3 | 9.5 | 7.1 | 6.5 | 6.1 | 6.3 | 8.1 | 6.0 |
| **2017f** | 6.7 | 13.9 | 10.2 | 8.0 | 9.2 | 6.4 | 6.2 | 6.0 | 6.2 | 8.3 | 5.7 |
| **2018f** | 6.6 | 14.3 | 10.1 | 7.8 | 9.1 | 6.3 | 6.1 | 5.9 | 6.1 | 8.1 | 5.6 |
| **Housing Starts (units, 000s)** | | | | | | | | | | | |
| **2000–15** | 199 | 2.7 | 0.8 | 4.3 | 3.6 | 44 | 71 | 5.1 | 5.2 | 35 | 28 |
| **2016** | 198 | 1.4 | 0.6 | 3.8 | 1.8 | 39 | 75 | 5.3 | 4.8 | 25 | 42 |
| **2017f** | 195 | 1.4 | 0.5 | 3.6 | 1.9 | 41 | 78 | 5.8 | 4.5 | 25 | 34 |
| **2018f** | 185 | 1.3 | 0.5 | 3.7 | 1.8 | 39 | 72 | 5.5 | 4.6 | 25 | 32 |
| **Motor Vehicle Sales (units, 000s)** | | | | | | | | | | | |
| **2000–15** | 1,639 | 28 | 6 | 48 | 37 | 410 | 624 | 47 | 45 | 216 | 178 |
| **2016** | 1,949 | 33 | 9 | 54 | 44 | 458 | 807 | 55 | 51 | 220 | 218 |
| **2017f** | 1,940 | 31 | 8 | 54 | 42 | 456 | 800 | 56 | 52 | 223 | 218 |
| **2018f** | 1,925 | 30 | 7 | 54 | 41 | 452 | 792 | 55 | 53 | 226 | 215 |
| **Budget Balances, Fiscal Year Ending March 31 (CAD mn)** | | | | | | | | | | | |
| **2000–15** | -2,917 | 59 | -39 | -31 | -146 | -1,009 | -5,215 | -84 | 425 | 1,746 | 291 |
| **2016** | -987 | -2,207 | -13 | -11 | -261 | 2,191 | -3,514 | -846 | -675 | -6,442 | 730 |
| **2017f*** | -23,000 | -1,584 | -18 | 12 | -231 | 250 | -1,920 | -872 | -1,289 | -10,806 | 1,458 |
| **2018f*** | -28,500 | n.a. | n.a. | n.a. | -192 | 0 | n.a. | n.a. | -685 | -10,344 | 295 |

* FY17f & FY18f: Provinces' estimates, SK FY15–FY18f excluding pension accrual adjustment; history: MB:FY04–FY15 and AB:FY05–FY15.

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