



**MANITOBA
CHAMBERS OF
COMMERCE**

**2025
PROVINCIAL
BUDGET
SUBMISSION**

**THE VOICE
OF
BUSINESS**



About the Manitoba Chambers of Commerce

The Manitoba Chambers of Commerce (MCC) is the unified voice of business in Manitoba. Backed by the province's largest and most activated business network, we are committed to building a province of thriving business opportunity, a strong economy, and a better life for all Manitobans.

Fuelled by our network of 65 chambers of commerce, representing close to 10,000 businesses, we represent our members' interests on policies, regulations and decisions that are critical to creating a favourable environment for business success and the future prosperity of our province.

Our engagement with Manitoba's business community has enabled us to advance positions on myriad issues, including economic competitiveness, workforce challenges, taxation, and of grave importance most recently – trade.

We advocate for sustainable economic development, a common economic agenda, entrepreneurial success, vibrant and healthy communities, and a strong future for Manitoba business.

We believe that this work, paired with our ability to engage frequently in meaningful dialogue with the chamber network and the broader business community, sets us apart from other business organizations that deliver policy. This ethos of connection, communication, and collaboration is rooted in the work we do at the Manitoba Chambers of Commerce.





A Message from the President and CEO

Dear Minister Sala,

The Manitoba Chambers of Commerce (MCC) welcomes the opportunity to participate in Manitoba's budget consultation process. This year's provincial budget comes at a critical juncture as Manitoba's business community continues to grapple with increased costs, labour shortages, supply chain disruptions, and broader economic uncertainty. Budget 2025 must make growing Manitoba's own economy a provincial priority.

Manitoba's economy thrives on trade, and we've been reliant on our relationship with the United States to strengthen our economy. We now face new uncertainties and challenges for businesses, necessitating a strategic reassessment of cross-border trade and economic policies. The time is now to prioritize what we can control here at home, focusing on strategies and policies that strengthen our local economy and enhance our resilience.

At this time of geopolitical uncertainty, rising protectionism and looming tariff threats, addressing internal trade barriers is no longer an option; it's a necessity. These barriers cost businesses and consumers billions of dollars annually, driving up expenses and limiting growth, with economists likening the regulatory burden to a 21 percent tariff.

Removing internal trade barriers would not only spur economic growth but it would also strengthen Canada's resilience to external threats to our trading markets. Since internal trade reform would also boost government revenue by over \$15 billion, it presents a powerful counterweight to rising deficits, increased borrowing costs, and growing demands to deliver critical services and invest in needed infrastructure. It's a way to ease financial pressures, enhance productivity, and generate revenue that can be reinvested into communities across the country.

We must also focus on strengthening our own provincial economy. Simply highlighting the opportunities in critical minerals, green energy, and the Port of Churchill is no longer sufficient – we need bold, decisive action and targeted investment to advance these priorities. Manitoba is rich in natural resources and uniquely positioned to meet global demand. However, in 2024, we only had \$1.7 billion in active mining, energy, and forestry projects, a stark contrast to Saskatchewan's \$26.7 billion. This gap underscores the urgent need to capitalize on Manitoba's advantages and drive transformative growth in these key sectors.

From the collective voice of our network's diverse membership and local chambers of commerce, the following submission contains 23 recommendations for the upcoming budget. We look forward to continuing to work with business of all sizes and the Government of Manitoba to build a sustainable, inclusive, and prosperous economy for all Manitobans.

Sincerely,

Chuck Davidson





STRENGTHEN ECONOMIC COMPETITIVENESS AND BUSINESS CONFIDENCE

Enhance Tax Competitiveness

An in-depth examination of Manitoba’s taxation framework, including its income tax brackets and corresponding rates, paired with the province’s comparatively lower average weekly earnings, lends itself to an anti-competitive framework that must be prioritized by the provincial government.

On average, Manitobans earn between 5.5 to 14 per cent less than workers in British Columbia, Alberta, Saskatchewan, and Ontario, placing a greater proportional burden on residents when it comes to personal income taxes.

With Manitoba’s middle-income earners often facing higher effective tax rates than their counterparts in these provinces, this discrepancy not only amplifies economic pressures on households but also hinders the province’s overall competitiveness.

Higher tax burdens relative to income levels makes Manitoba less attractive to skilled workers and businesses, potentially driving talent and investment to provinces with more favourable wage and tax conditions. Addressing these challenges is crucial to enhancing Manitoba’s economic appeal and ensuring long-term growth.

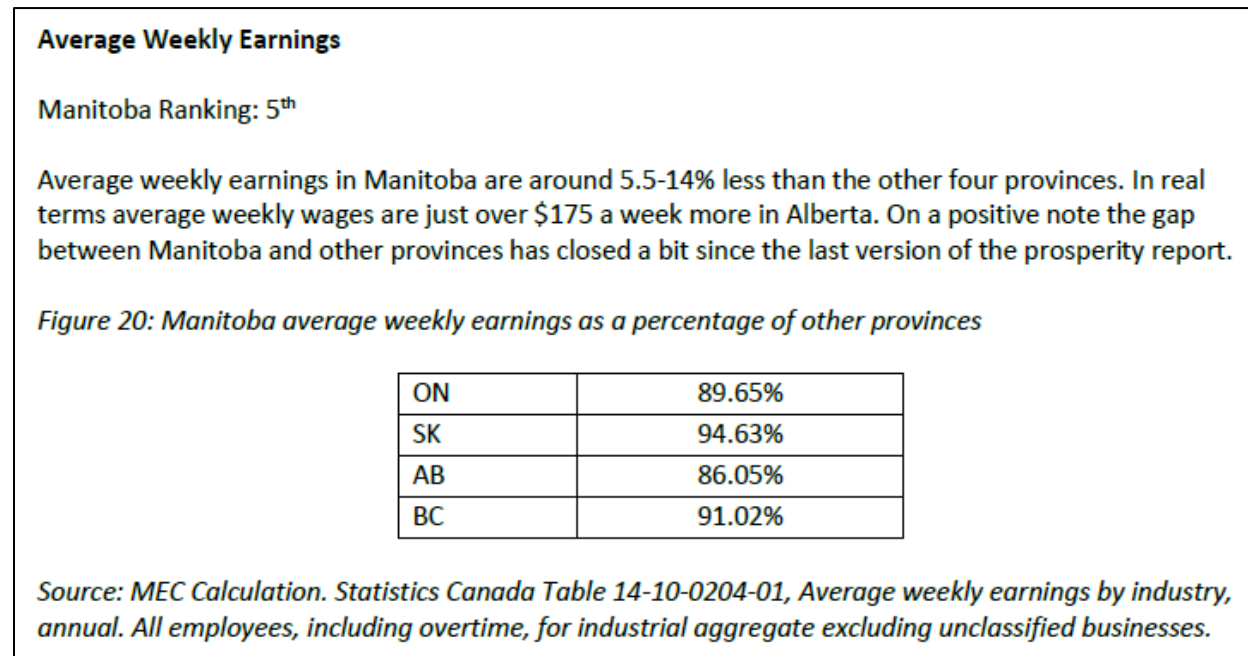


Figure 1: Average Weekly Earnings, 2024 Manitoba Prosperity Report





Lowest Personal Income Tax Rate

Manitoba Ranking: 5th

Manitoba’s first income tax bracket has the highest rate and lowest threshold amongst all five provinces.

Figure 10: Top Personal Income Tax Rate and Bracket

	B.C	AB	SK	MB	ON
Lowest Income Tax Rate	5.06%	10.00%	10.50%	10.80%	5.05%
Lowest Income Tax Bracket Ends	\$47,937	\$148,269	\$52,057	\$47,000	\$51,446

Source: KPMG Canadian Personal Tax Tables

Figure 2: Lowest Personal Income Tax Rate, 2024 Manitoba Prosperity Report

In terms of business competitiveness, Manitoba’s payroll tax is consistently identified by business leaders as a considerable disincentive to growth. We continue to administer the highest payroll tax rate when compared to British Columbia, Alberta, Saskatchewan, and Ontario.

Payroll Tax

Manitoba Ranking: 5th

While the highest rate kicks in at different levels, Manitoba has the highest payroll tax rate amongst provinces who are measured in this report.

Figure 8: Payroll Taxes by Province

	B.C	AB	SK	MB	ON
Highest Payroll Tax Rate	1.95%	NA	NA	2.15%	1.95%

Source: Province of Manitoba 2024 Budget

Figure 3: Payroll Tax, 2024 Manitoba Prosperity Report



**Recommendations:**

- 1. Continue to focus on personal tax competitiveness, which has been identified by business leaders as a considerable impediment to economic competitiveness and growth in Manitoba. These personal tax measures should include continued increases to the Basic Personal Amount and continued upward adjustments to personal income tax brackets.**
- 2. Commit to a continued reduction of the payroll tax with a target of eventual elimination.**

Improve Business Confidence

Predictability is fundamental to business confidence, economic recovery, and sustainability. Businesses need a stable policy environment with clear timelines, contracts, consultations, and strategies to help them plan and make long-term investments.

Good governance, including the public sector's ability to work at the speed of business, is fundamental to a strong and growing economy. Furthermore, regulatory coordination and improving certainty for project reviews are critically important to attracting investment to Manitoba and developing the necessary trade infrastructure to capitalize on our province's strengths and strategic opportunities.

Recommendation:

- 1. Ensure that Manitoba's business community is consulted prior to introducing new legislation or regulations that significantly impact labour or that have business relevance.**

Focus on Sectors with Greatest Strategic Opportunity

Manitoba has long been recognized for its diversified economy. The depth and breadth of industries found here have served our province well and have allowed us to weather storms when economic downturns have negatively impacted other jurisdictions.

With global supply challenges and the increasing impacts of climate change creating increased demand in clean energy and critical minerals, it is crucial that the provincial government actively supports and invests in sectors that provide the greatest opportunity for Manitoba's economic growth.

Simply highlighting the opportunities in critical minerals, green energy, and the Port of Churchill is no longer sufficient – we need bold, decisive action and targeted investment to advance these priorities.





GREEN ECONOMY

Manitoba's small and medium-sized enterprises (SMEs) are the backbone of the economy and must be equipped to thrive in the transition to a low-carbon, energy-efficient future. Investing in SME-led clean technology adoption, energy efficiency, and sustainability initiatives will enhance competitiveness, reduce costs, and drive economic growth. Establishing a Green Economy SME Support Program will provide grants, tax incentives, and advisory services to help businesses integrate clean energy solutions, adopt carbon reduction strategies, and improve resource efficiency.

Beyond SMEs, strategic industry investments are required to solidify Manitoba's position as a leader in the green economy. The **Manitoba Green Advantage** initiative has identified three high-impact sectors that require immediate budget support:

1. Wind Energy Expansion – Investing in transmission and grid modernization to expand wind energy capacity, ensuring stable, low-cost power for industries and positioning Manitoba as a renewable energy leader.
2. Small Modular Reactors (SMRs) – Advancing the Pinawa Whiteshell site as a hub for low-carbon, dispatchable energy to support industrial growth, particularly in mining and remote communities.
3. Critical Minerals Supply Chain – Investing in local mining, refining and processing to integrate Manitoba into global EV and battery supply chains, reducing reliance on foreign markets and creating long-term economic opportunities.

By prioritizing SME support alongside large-scale industry investments, Manitoba will strengthen economic resilience, create high-value jobs, and secure its leadership in the low-carbon green economy.

CRITICAL MINERALS

The Government of Manitoba should continue to support the Mining Association of Manitoba and initiatives such as the Manitoba Mineral Development Fund to drive the burgeoning critical mineral industry in the province. Manitoba can realize significant economic development opportunities while advancing Indigenous partnerships, supporting the transition to clean technologies, and reducing reliance on foreign countries for raw minerals.

Manitoba is rich in natural resources and uniquely positioned to meet global demand. However, in 2024, our province had only \$1.7 billion in active mining, energy, and forestry projects, a stark contrast to Saskatchewan's \$26.7 billion. This gap underscores the urgent need to capitalize on our advantages and drive transformative growth in these key sectors.

TOURISM

Tourism spending in Manitoba is slated to grow by nearly \$1 billion by 2030, with a significant influx of international spending expected as Winnipeg restores its airline connections with the United States post-pandemic. Additionally, Indigenous tourism has the potential for 300 per cent growth as





this burgeoning sector gains resources, capability, and connections. The Government of Manitoba should commit to sustaining the 95/5 funding model of support for Travel Manitoba.

MANITOBA'S NORTH

Manitoba's northern Indigenous population is underrepresented in the labour force, making up 18.1 per cent of the province's population but only 13.5 per cent of its labour force. By increasing economic inclusion for this under-represented group, Manitoba will see an increase to its overall economic output. Investments needed to increase access include remote connectivity and improved infrastructure. Additionally, by improving trade-enabling infrastructure such as the Hudson's Bay Railway and making strategic investments in the Port of Churchill, Northern Manitoba can serve as the conduit to service Nunavut and remote communities, further growing Manitoba's economy.

Recommendations:

- 1. Invest in sectors and industries with the greatest strategic opportunity for Manitoba's economic development, including in the areas of critical minerals, the green economy, tourism, and Manitoba's North.**
- 2. Commit to sustaining the 95/5 funding model of support for Travel Manitoba.**

Artificial Intelligence (AI) to Boost Productivity and Competitiveness

Canada's lagging productivity remains a significant challenge, with the country consistently underperforming compared to many of its global peers. Underinvestment in technology, innovation, and workforce skills, combined with regulatory inefficiencies and interprovincial trade barriers, have contributed to slower economic output per worker.

This productivity gap has serious implications, including reduced competitiveness in global markets, slower wage growth, and a diminished ability to attract and retain foreign investment. Over time, low productivity erodes economic growth and living standards, leaving Canada less equipped to adapt to global challenges such as technological disruption, climate change, and shifting trade dynamics.

Accelerating generative AI adoption is key to enhancing business competitiveness and productivity. Efficiencies and cost-savings can be realized through effective AI use across industries. AI-forward companies are more likely to provide the types of jobs that attract and retain a younger demographic as well.

Recommendation:

- 1. Support the Manitoba Chambers of Commerce with project funding to develop a generative AI adoption program in collaboration with management and facilitation experts for business connector associations, including the Winnipeg and Brandon Chambers of Commerce.**





DEVELOP TRADE STRATEGY AND REDUCE INTERPROVINCIAL TRADE BARRIERS

Manitoba's economy thrives on trade, and we've been reliant on our relationship with the United States – our province's largest trading partner – to bolster our economy. Two-way trade between Manitoba and the U.S. is approximately \$42 billion, and we export \$18 billion worth of goods to the United States every year. About 72 per cent of Manitoba's total exports go to the U.S., and there are 1,800 companies in Manitoba who export to the U.S.

The change in administration south of the border has resulted in a significantly altered trading and economic landscape compared to just a few months ago. This shift has introduced new uncertainties and challenges for businesses, necessitating a strategic reassessment of cross-border trade and economic policies. It's time to prioritize what we can control here at home, focusing on strategies and policies that strengthen our local economy and enhance resilience.

It is imperative that Manitoba immediately collaborate with our provincial and territorial partners to reduce the internal trade barriers and regulations that increase the cost of doing business and unlock the full potential of interprovincial commerce.

Remove Regulatory Burden

Interprovincial trade barriers in Canada hinder the seamless flow of goods, services, and labour across provincial boundaries, leading to significant economic inefficiencies. There are four categories of trade barriers in Canada: natural barriers such as geography, prohibitive barriers such as restrictions on the sale of alcohol, technical barriers such as vehicle weight standards, and regulatory barriers such as licensing and paperwork requirements. These barriers manifest in various sectors, each contributing to the overall economic impact. Some examples include:

- **Trucking Industry:** Interprovincial trade barriers arise from inconsistent regulations between provinces, such as vehicle weight limits, safety standards, and emissions requirements. For example, provinces enforce different rules for maximum allowable truck weights and dimensions. A truck that complies with the limits in Manitoba may need modifications or additional permits to operate in Ontario, resulting in increased costs and inefficiencies for logistics companies. Furthermore, variations in training standards and certification requirements between provinces create administrative hurdles, reducing labour mobility for drivers who wish to work across provincial borders.
- **Professional Certification:** Professionals such as engineers, nurses, and tradespeople often face challenges when their credentials are not recognized across provincial lines. This lack of mutual recognition necessitates redundant certification processes, discouraging labour mobility and leading to inefficiencies in the labour market.
- **Alcohol Distribution:** Provincial regulations governing the sale and distribution of alcohol often require products to be sold through provincial liquor control boards. This fragmented system restricts the interprovincial trade of alcoholic beverages, limiting consumer choice and increasing costs for producers and consumers alike.





The Government of Manitoba must prioritize its focus on reducing regulatory burdens and interprovincial trade barriers that raise prices, reduce productivity, and hurt our prosperity. Addressing and dismantling these internal trade barriers is essential for fostering a more integrated and efficient Canadian economy, ultimately benefiting consumers, businesses, and workers nationwide.

At this time of considerable economic uncertainty, we must focus on building our internal marketplace. Focusing on what we can control and removing regulatory barriers presents a significant benefit for the economy, including increased productivity, labour mobility, and a boost to GDP. All levels of government must cooperate to achieve this important goal.

Recommendations:

- 1. Work with the federal government and provincial counterparts to strengthen existing internal trade agreements and eliminate remaining market-distorting protectionist exceptions to the Canadian Free Trade Agreement to develop a more competitive and efficient market, benefiting Canadian consumers with lower prices, greater choice, and improved services across provinces.***
- 2. Continue to prioritize national alignment for cross-province standards in the trucking and transportation industry by addressing mis-aligned weight limits, driver qualifications, and vehicle inspections, while ensuring that commercial vehicle safety standards are rigorously and consistently enforced.***
- 3. Establish an open, unimpeded national market that allows manufacturers to sell alcohol in any province, abolishing restrictions on interprovincial shipping directly to consumers.***
- 4. Ensure that all products permitted to be sold in one province are allowed to be shipped, sold, and marketed in others, while addressing varying food safety regulations across provinces, which can result in agricultural products being excluded from supermarket shelves outside of their province of origin.***
- 5. Develop a unified framework with provincial and territorial governments, industry representatives, and regulatory bodies to recognize domestic skilled trade workers' training and credentials across provinces and territories.***
- 6. Allow for the free flow of labour throughout the country so that qualified workers can seek opportunities where demand is high.***
- 7. Recognize that East-West projects are increasingly critical as our economy faces the threat of tariffs from our largest trading partner.***
- 8. Expand the focus of interprovincial trade barriers to include infrastructure such as pipelines, rail, and highways to facilitate greater interprovincial trade and economic integration.***





Develop a Robust Trade Strategy

Canada and the United States share one of the world's most integrated and mutually dependent trading partnerships. Every day, \$3.6 billion in goods crosses the Canada-U.S. border, fueling a \$1.3 trillion annual trade relationship. Two-way trade between Manitoba and the United States is approximately \$42 billion, and we export \$18 billion worth of goods to the United States every year.

Tariffs on Canadian-made goods would not only severely harm our unique trading relationship with the U.S., but it would also hurt workers and businesses on both sides of the border, including here in Manitoba. Tariffs would also raise costs for consumers, further compounding affordability problems.

Canada is a critical and reliable partner, supplying energy, critical minerals, automobiles and other essential inputs for U.S. companies and consumers. Protecting this trade partnership is essential for both countries.

About 72 per cent of Manitoba's exports go to the United States, however, opportunities to diversify our province's exports are available and must be explored – particularly now, as the future of our trade relationship with the United States becomes increasingly uncertain. As part of Canada, we can leverage 14 trade agreements with over 50 countries around the world, including Canada-United States-Mexico Agreement (CUSMA) (North America), Comprehensive Economic and Trade Agreement (CETA) (Europe), Comprehensive and Progressive Agreement for TransPacific Partnership (CPTPP) (Trans-Pacific), among others.

Recommendation:

- 1. Commit to developing a clear and robust trade strategy in Manitoba to build international trade opportunities for Manitoba businesses and to take full advantage of our province's export potential.***

Invest in Trade-Enabling Infrastructure

Canada's ports are facing significant congestion, with many operating at or near full capacity, straining their ability to handle growing trade volumes. Major ports like Vancouver and Montreal, which serve as critical gateways for international trade, have seen backlogs due to increased global demand, insufficient infrastructure, and supply chain disruptions. These bottlenecks result in longer wait times for ships, higher costs for businesses, and delays in the movement of goods, affecting both imports and exports. Without substantial investment in port infrastructure, such as expanded terminals, upgraded rail connections, and improved technology, Canada risks falling behind in its ability to compete in global markets and meet the logistical demands of a modern economy. This presents a critical opportunity for Manitoba and the Port of Churchill as a vessel to access global markets.

Recommendation:

- 1. Commit to a strategic, sustained, disciplined approach to investment in Manitoba's core infrastructure, and focus investments on the Port of Churchill, capitalizing on this strategic opportunity for Manitoba.***





ATTRACT AND RETAIN MANITOBA'S TALENT

Canada is facing critical labour market shortages, and this is causing uncertainty for Canadian businesses and workers. For Manitoba businesses, access to skilled labour has worsened compared to two years ago, and employee recruitment is the single greatest challenge for businesses today. Practically, this has meant that without the requisite staff to fill regular shifts, many businesses have been obligated to increase wages, reduce operating capacity or delay expansions.



Figure 4: Current Business Challenges, 2024 Manitoba Business Outlook Survey



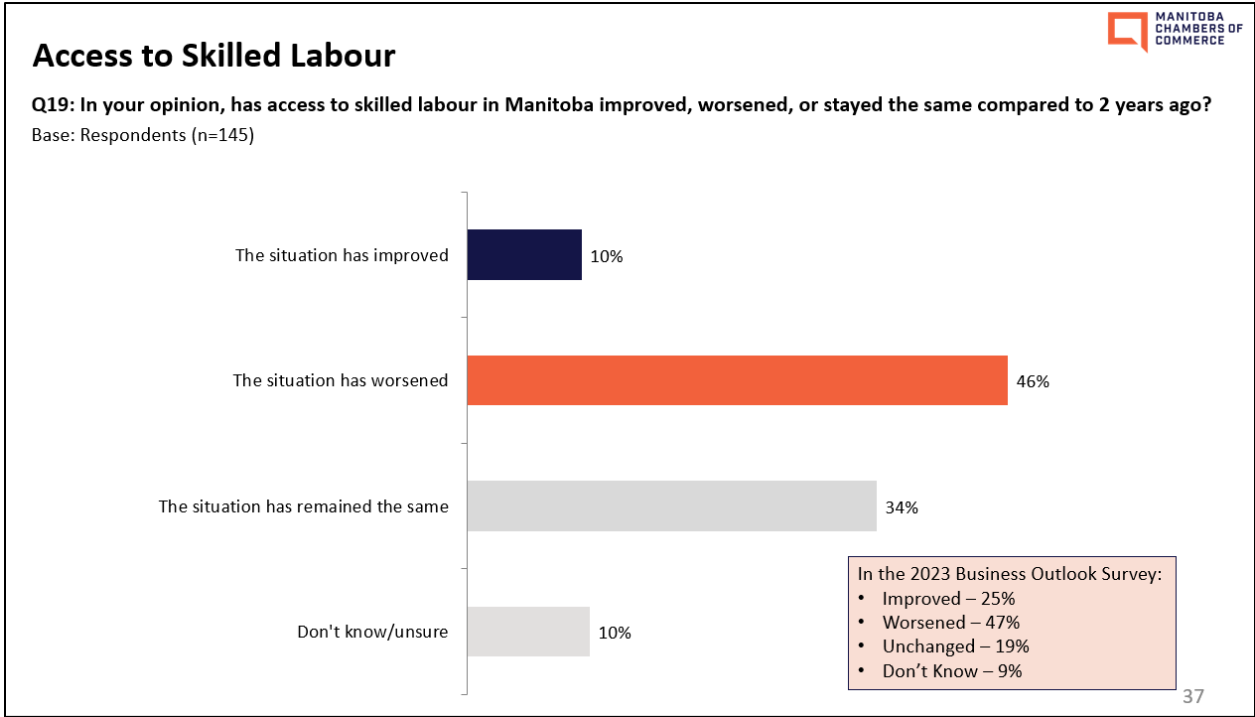


Figure 5: Access to Skilled Labour, 2024 Manitoba Business Outlook Survey

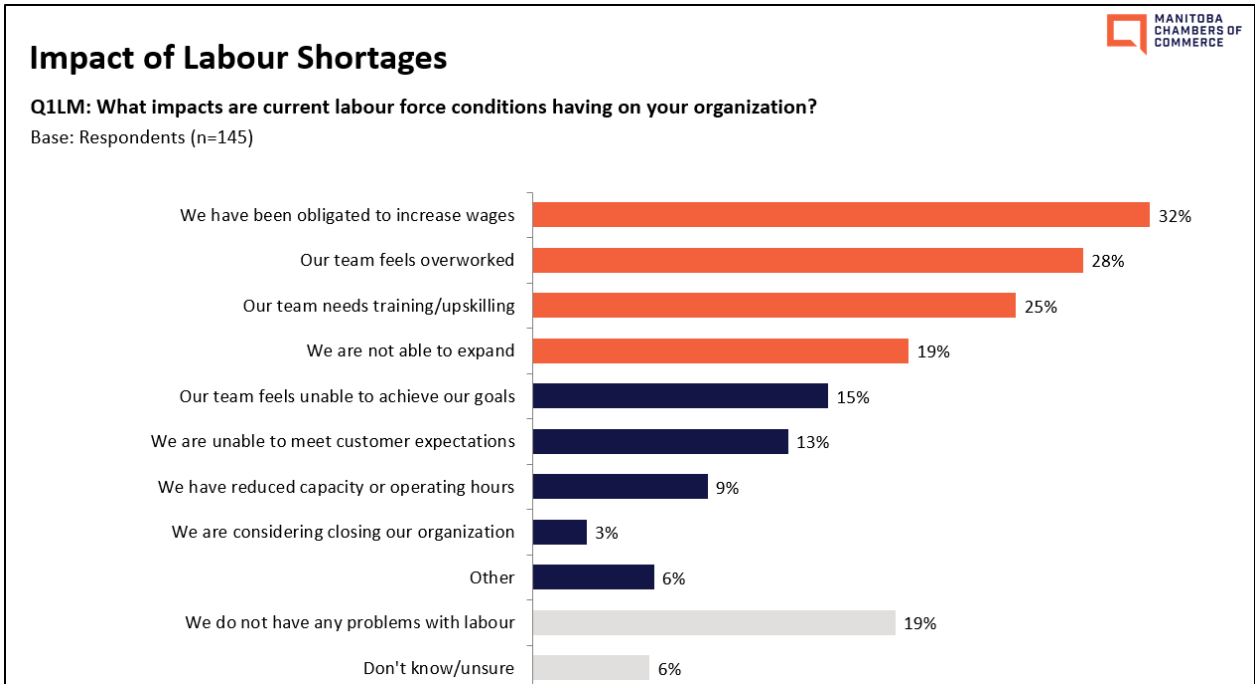


Figure 6: Impact of Labour Shortages, 2024 Manitoba Business Outlook Survey





Advocate for Increases to Manitoba's Provincial Nominee Program

Immigration serves as a meaningful strategy to help businesses find workers and to attract the skills required in key sectors such as healthcare, skilled trades, manufacturing, and technology. Immigration accounts for almost 100 per cent of Canada's labour force growth, and, by 2032, it is projected to account for 100 per cent of our country's population growth. Canada's aging population means that the worker-to-retiree ratio is expected to shift from seven-to-one 50 years ago, to two-to-one by 2035.

Immigration has been an integral component of Manitoba's labour force growth, and what a reduction in provincial nominees will mean practically for Manitoba companies is that jobs may remain unfilled – and without the requisite workforce, it will be difficult for Manitoba companies to grow. Immigration is not just a short-term solution to Manitoba's labour shortages – it really underpins Manitoba's long-term economic strategy.

While federal immigration policy changes may aim to ease pressures in other regions, they fail to account for the vital role immigration plays in supporting Manitoba's economy. It is therefore critically important that federal immigration policies align with the economic realities of separate jurisdictions.

Recommendation:

- 1. Work with the federal government to expand Manitoba's Provincial Nominee Program allotment to support Manitoba's labour market and provincial economy.***

Improve Immigrant Retention by Reducing Barriers

While increased economic immigration into Manitoba has been a strategy MCC has long supported, Manitoba has been challenged to retain the immigrants welcomed through the Provincial Nominee Program. According to the Canada West Foundation, Manitoba's immigrant retention rate was only two thirds for newcomers who arrived in 2015.

Recommendations:

- 1. Expedite and streamline foreign credential recognition and work with both the federal government and provincial regulatory authorities to remove barriers to employment for newcomers.***
- 2. Improve Manitoba's immigrant retention rate by extending regional immigration programs and wraparound settlement services for both primary immigrants and their families.***





Retain Youth Talent

Manitoba is rich in diversity in both its people and opportunities. We also have one of the youngest populations in Canada with a median age of 37.7 years. Capitalizing on our young talent will be one of our most significant opportunities in the years ahead. With such a diversified economy, there are tremendous opportunities in Manitoba for young people.

However, despite the breadth and depth of opportunity here, Manitoba is increasingly losing youth through interprovincial migration. The Manitoba Chambers of Commerce engaged the Canada West Foundation to investigate why young people are choosing to leave the province and how they can be attracted and retained. [Finding Their Place: Manitoba Youth Mobility](#) was published in September 2024.

Key findings suggest youth have both perceptual and valid concerns that might motivate them to leave the province, and not all of them are economic. For instance:

- Youth identified opportunities for career advancement, better benefits, flexible hours, remote work and more vacation as reasons they would consider leaving Manitoba for a job.
- Youth want to live in communities that are vibrant and offer diverse activities in arts and culture, and they perceive Manitoba as mostly rural with little diversity and vibrancy.
- The top economic factors for youth considering a move to a new community or province are housing costs and low tax rates.
- Safety is a key concern for youth, who view Winnipeg and to a lesser extent, the rest of Manitoba, as unsafe.

Manitobans mostly move to Alberta, BC, and Ontario

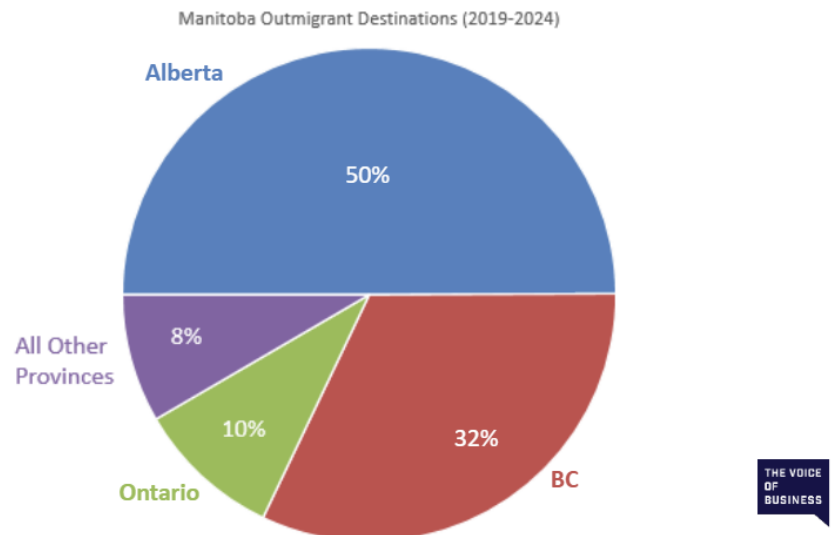


Figure 7: Interprovincial Net Migration Losses by Province, CanadaWest Foundation





Retaining youth talent in Manitoba is a priority for the business community and it must also be a priority for the Government of Manitoba. Especially now with reductions to Manitoba’s Provincial Nominee Program, we cannot afford to lose Manitoba youth to other provinces.

Industry Integration with Education Systems



Q3: How much integration with the high school and post-secondary education system should industry and business have so that young people are aware of career opportunities in Manitoba when the graduate?

Base: All respondents (n=145)

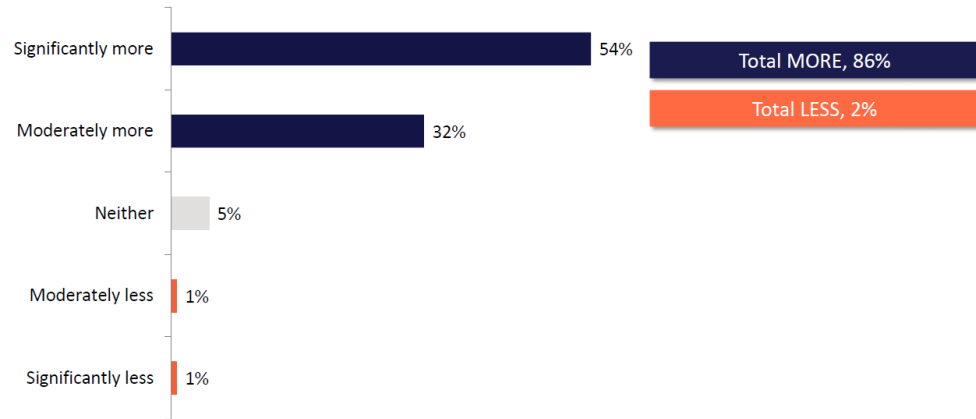


Figure 8: Industry Integration with Education Systems, 2024 Manitoba Business Outlook Survey

Recommendation:

- 1. Allocate funding to develop a strategy to significantly reduce interprovincial migration losses, in collaboration with the Manitoba Chambers of Commerce and utilizing the research from Finding Their Place: Manitoba Youth Mobility.**





Leverage the Opportunity in Manitoba's Indigenous Population

Manitoba is home to the highest percentage of Indigenous Canadians, representing 18 per cent of our total population. Manitoba also has the largest on-reserve population in Canada. Looking at Winnipeg specifically, the capital city is home to the country's largest urban Indigenous population. Manitoba's Indigenous population growth rate is also much higher than that of the general population and is expected to grow by 19 per cent over the next seven years. Recognizing that we also have the fastest growing population of Indigenous youth in Canada, Manitoba must capitalize on this important opportunity.

There have been increases in postsecondary participation by and training opportunities for Indigenous Peoples in Manitoba. However, Indigenous communities continue to struggle with the effects of intergenerational trauma from the Residential School System, the Sixties Scoop, colonial child welfare practices, and discrimination. Data from 2023 showed that this resulted in continued inequitable levels of educational attainment and graduation rates.

Indigenous Peoples have much higher rates of unemployment, regardless of education level. While Indigenous and non-Indigenous Peoples seek out work at the same level based on educational background, non-Indigenous Peoples find work at a higher rate. At the same time, Indigenous-owned businesses and Indigenous entrepreneurship have grown considerably over the last number of years, with Indigenous women-owned businesses growing at twice the rate of other businesses.

Recommendation:

- 1. Improve labour market outcomes for Manitoba's Indigenous population by committing to the creation of an Indigenous-led strategy and ensure Manitoba's Indigenous Peoples are partners in the development of provincial economic growth and labour policies.***





BUILD STRONG, RESILIENT AND HEALTHY COMMUNITIES

Diverse, affordable, and growing communities across the province are one of our Manitoba advantages and underpins a robust provincial economy. Over the past decade, communities including Steinbach, Winkler, Niverville, and Winnipeg have led the way in sustained population and economic growth. There are, however, opportunities spread throughout our entire province. If we focus on the building blocks of a strong community, we can capitalize on these opportunities.

Invest in Rural and Northern Healthcare

Manitoba has the second-lowest number of physicians per capita in Canada, at 219 per 100,000 residents. It would take 346 more physicians to reach the national average, and 773 more to become the best in Canada. The physician shortage is even more acute in rural and Northern Manitoba, with a ratio as low as 102 physicians per 100,000 residents in the Interlake-Eastern Region.

Physician shortages are making it more difficult for Manitobans to find a family doctor and access acute care services. Findings from a recent Doctors Manitoba survey highlight a concerning trend: over the next three years, 46 per cent of physicians plan to retire, leave Manitoba, or reduce their clinical hours – meaning Manitoba is at risk of losing 688 physicians to retirement and relocation over the next three years. If this occurs, it will exacerbate an already serious shortage.

Accessible healthcare is important to all Manitobans, including to the business community, and reliable, quality care is essential to rural and northern economies. Healthcare is an economic issue because without a strong healthcare system, we cannot support the attraction of new residents and businesses, we are unable to promote tourism with confidence, and we restrict Manitobans' ability to age in place.

In collaboration with Doctors Manitoba, we've made progress on several Rural & Northern Health Summit recommendations since 2022, including medical school expansion with more rural exposure and growth of the licensure program for International Medical Graduates. However, many recommendations still need action.

Recommendation:

- 1. Implement all remaining recommendations with supporting actions from the October 2022 joint Manitoba Chambers of Commerce and Doctors Manitoba report titled [Manitoba's Physician Shortage: Physician Recruitment and Retention Recommendations from the Rural & Northern Health Summit](#), including establishing a Brandon medical school stream, more integrated recruitment efforts, competitive recruitment incentives, and focused collaboration with municipalities and businesses on shared strategies to address shortages.***





Expand and Support Manitoba's Early Childhood Education Workforce

Child care must be considered as critical infrastructure in Manitoba. An affordable, accessible, and high-quality early learning child care framework is necessary to support workforce participation and economic growth.

According to the Manitoba Child Care Association, wait times for child care spaces hinder parents' ability to work or pursue educational opportunities, with 30 per cent of parents reporting that they turned down a job and 41 per cent delayed returning to work because of an inability to secure child care.

Further compounding this problem is an estimated shortage of 1,000 Early Childhood Educators (ECEs) in Manitoba, leading to 35 per cent of the province's licensed child care facilities operating with an exemption to their licenses due to inadequate staffing levels. This workforce shortage is a significant impediment to supporting parents as they re-enter the workforce after they've had a child.

The Government of Manitoba committed to developing 23,000 new, regulated, not-for-profit child care spaces for children under age seven across the province by 2026. If these spaces cannot be staffed by qualified ECEs, the physical infrastructure will not serve its purpose, and we cannot serve Manitoba's economy nor its families. A supported ECE workforce is key to the province's ability to meet its expansion targets and underpins Manitoba's ability to grow.

Recommendation:

- 1. Ensure Manitoba has the necessary supply of trained Early Childhood Educators (ECEs) to support the implementation of the Canada-Manitoba Early Learning and Child Care Agreement by expanding training options, improving access to ECE programs through added financial support, and valuing the work of ECEs by ensuring it is a well-compensated profession with benefits and improved working conditions.***





Conclusion

The Government of Manitoba faces difficult decisions this upcoming fiscal year owing to an overstretched healthcare system, the need to support certain sectors that create strategic opportunities for our province, unprecedented labour shortages, and the incredibly damaging uncertainty caused by American tariff threats. Against this backdrop, the Manitoba Chambers of Commerce has presented its 2025 provincial budget recommendations.

By focusing greater attention on key economic indicators and measuring our success, we can generate results including significant prosperity for all Manitobans. The Chamber believes that although we are experiencing considerable economic uncertainty amid escalating U.S. tariff threats, our focus must be on what we can control here at home and to prioritize growing Manitoba's economy.

The reality is that all countries, provinces, and communities depend on a growing economy to meet the needs of citizens. The provincial government must focus on creating a competitive economic climate that provides business with the confidence and certainty it needs to grow, invest, and create jobs and opportunities for Manitobans.

For almost a century, the Manitoba Chambers of Commerce has been the independent, non-partisan, indispensable partner of Manitoba business. We look forward to working alongside the Government of Manitoba to pursue a prosperous future for all Manitobans.

