

## Manitoba Consumer Outlook

For Release: January 21, 2011

### A rare event for 2010... two consecutive months of increasing confidence

Rather than continuous back and forth swings in confidence, December was the first month of 2010 in which an increase in the provincial consumer confidence index followed on the heels of a prior monthly increase.

Since the beginning of the year, the index has registered consecutive declines as well as month to month rises and falls. However, consistent increases in confidence, as seen in 2009, did not emerge until December. Together, the November and December increases pushed the provincial index to 12.5. This is tied with January for the second highest level of 2010, just behind the 14.6 seen in April.

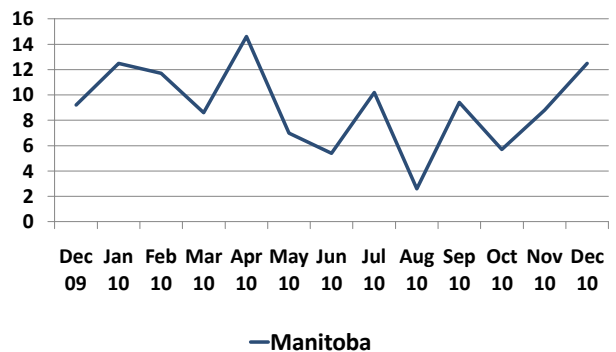
#### Interpreting the index

The PRA consumer confidence index captures the mood of the general population regarding their finances. The index represents the difference between the percentage of Manitobans expecting to have a better financial situation in the coming year (optimists) and the percentage expecting to have a worse financial situation (pessimists). A positive index means more respondents are optimistic than are pessimistic about their upcoming financial situations.

A series of follow-up questions provides insight into the PRA consumer confidence index. These questions allow respondents to elaborate on why they feel their financial situations will be better or worse in the next year.

#### Manitoba Consumer Confidence

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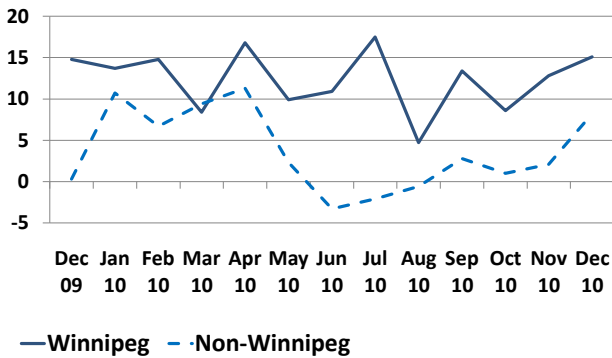
### Things look up for rural and urban residents

When it comes to consumer confidence, people living in Winnipeg and the rest of the province do not always see eye to eye. For example, in June of 2010, while Winnipeggers were mainly optimistic about their financial futures, with an index rating of 10.9, their counterparts in the rest of the province were marginally pessimistic. With an index rating of -3.3, slightly more people living outside of the city had a negative view of the future.

However, in December movements in confidence within and outside of the city have brought these two groups closer together. Those in Winnipeg now have an index rating of 15.1, and the rest of the province is at 8.2. Although by no means as close as they were in March, the attitudes across these provincial regions are far more closely aligned than in July when there was a 19.6 point difference in their confidence ratings.

## Confidence by Region

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## Households earning less than \$35K have trouble getting above zero

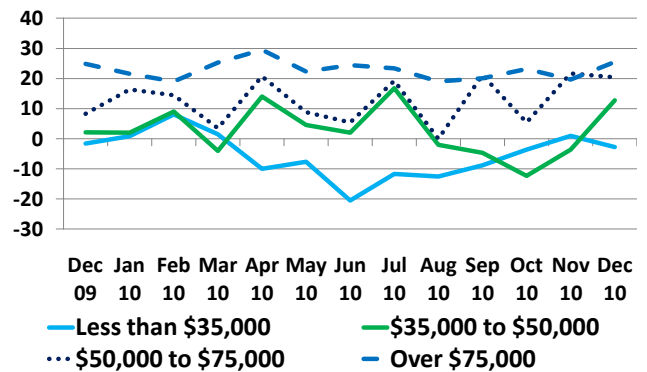
While most Manitoba households surveyed during PRA's Omnibus were predominantly optimistic about the future, those bringing home less than \$35,000 were split about the next 12 months. Although 26% indicated their financial situations would be worse in the next 12 months, nearly the same number (23.2%) thought the opposite. With 48% anticipating little change, this group differed considerably from the other income groups tracked in the Outlook. Each of the other three groups remained mainly positive about 2011.

## Confidence strengthens for 25–39 year olds

As the Outlooks have shown in previous months, those 25–39 years old are consistently confident about the future. In December, even more confidence was seen among this group. While 3.6% of PRA Omnibus respondents in this group thought their financial situations would be worse in the next 12 months, 39% thought it would be better. Although nearly the same percentage of those 18–24 years old was optimistic about the future (33.6%), quite a number had a different view (12.7%). This meant that in December, while both indexes were high, that of 18–24 year olds was slightly below their older counterparts.

## Confidence by Income

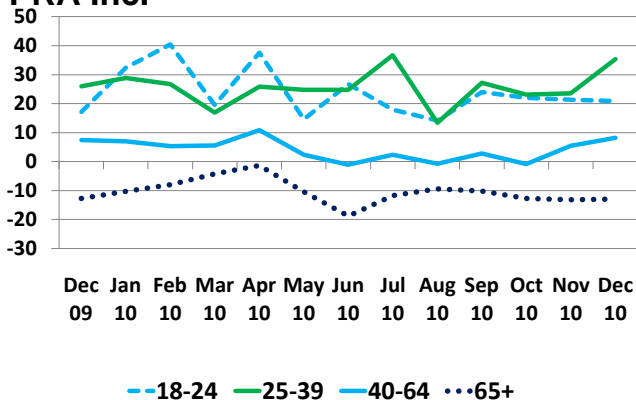
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PRA will continue to track these and other developments over the coming months.

## Confidence by Age

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## **METHODOLOGY**

PRA interviews respondents by telephone and selects individuals using random digit dialling. This allows the inclusion of individuals with unlisted or new telephone numbers, ensuring a random sample with the best possible representation of eligible respondents.

Survey dates	December 2009 to December 2010
Interviewing method	Telephone
Sample selection	Random digit dialling
Monthly sample size	Ranges from 800 to 808
Approximate maximum error	±3.5%, 19 times out of 20

As any random sample may not perfectly represent the population, PRA statistically corrects for discrepancies in gender, age, and income to ensure the *Manitoba Consumer Outlook* sample corresponds as closely as possible to Statistics Canada and Revenue Canada population information.

PRA is an independent research and consulting company based in Winnipeg with offices in Ottawa, Edmonton, and Regina. Its main office in Winnipeg houses a research call centre and focus group facilities where clients can observe ongoing research work.

Founded in 1988, the company conducts large- and small-scale quantitative and qualitative research in both official languages. It provides program evaluation, market research, and economic analysis services to government, private business, and non-profit organizations across Canada.

For more information about PRA's services or facilities, please contact its offices directly or visit [www.pra.ca](http://www.pra.ca).

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