

# Regina's Economic Briefing

DECEMBER 22, 2021

## Looking Forward

### Highlights 2022: the road to recovery

#### Strong employment

Employment in November was up 7,355 positions (5.6%) year-over-year, resulting in a 5.2% unemployment rate – still one of the best in Canada, among peer cities.

#### Travellers ready to go

Despite the expected fall season slow down, 40,948 passengers went through Regina's airport, a 210% increase from November 2020.

#### Out and about

Following a successful Agribition, excitement around the inaugural Frost Regina festival Regina is building. Residents and visitors can look forward to a multitude of safe and fun events, activities, and areas throughout the city.

### COVID Outlook

(NUMBERS AS OF DECEMBER 20, 2021)

**Regina continues to experience low case rates and increased immunizations.**

**The unvaccinated population continues to be the most at-risk.**

#### Vaccination rate:

**Ages 5–11:** 38% first dose, 2% fully vaccinated

**Ages 12+:** 84% first dose, 81% fully vaccinated

#### Case rate:

**7-day average:** 16

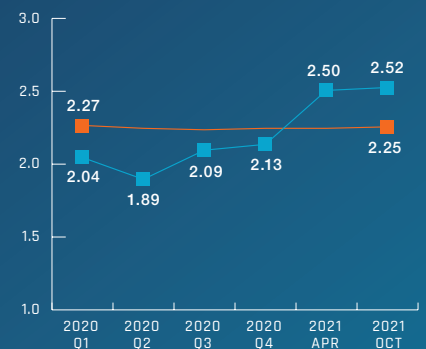
**Patient hospitalizations:** 21 inpatient care, 12 in ICU

### Business optimism

Based on Regina Executive Leadership Outlook, Regina has the highest level of confidence that 2022 will continue to be a strong year for the economy.

#### EXECUTIVE CONFIDENCE INDEX

■ Confidence Index ■ Index Average



The RELO Confidence Index, which is a composite snapshot score of future hiring intentions, sales and profitability of executive leaders in our city, has now exceeded pre-pandemic levels.

### Growing strength in Ag

With the rise in commodities and agricultural products Regina's economy should expect to stay strong going into 2022.

### Watching Omicron

With the Province's December 21 release of new modelling data, which calls for a dramatic increase in the number of new cases and hospitalizations, we are closely monitoring the impact of the Omicron variant.

# Economic Trends

## CAUTION: Inflation still having an impact

Regina's overall November inflation rate, while still a concern at 3.4%, is one of the lowest among comparable cities and well below the national rate of 4.7%. Major contributors to inflation are increases in the cost of energy (22%), transportation (9.6%) and food (4%).

## Housing market strength

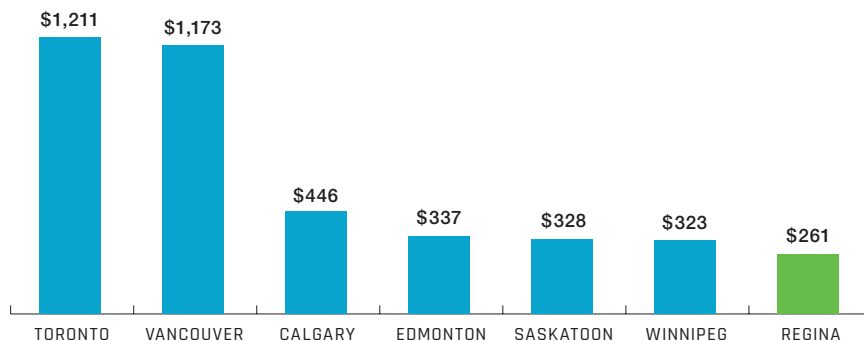
The housing market in Regina continued its strong performance, for the third month in a row. Housing starts were up 32% while the average price of a house remains around \$260,900 – still one of the most affordable places to live compared to peer cities.

## Regina leading the way

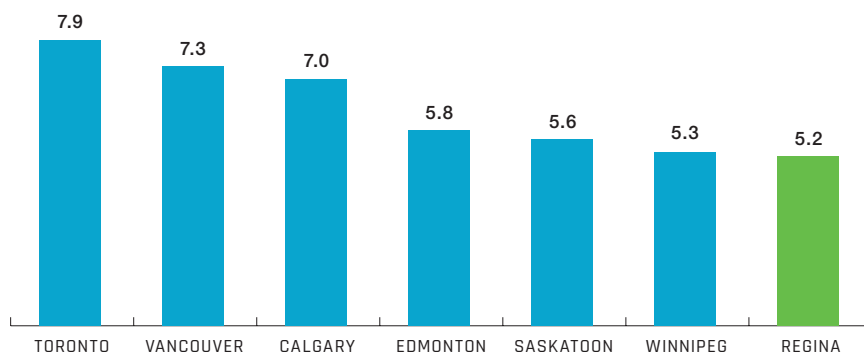
Regina continues to experience a better recovery than peer cities across Canada. This means more people are working. Regina's Education Services was a star sector in helping the economy for the month of October.

## How Regina stacks up: comparable markets

Housing affordability (\$thousands)



Unemployment rate (%)



## A deeper look at employment

### The positives:

- The Education Services sector saw a 50% year-over-year increase in growth compared to a 28% YTD employment gain and 26% in October 2021. This sector experienced one of the highest-ever employment growths. The growth is due to increased spending within the education sector due to the contraction in 2020.
- The Wholesale and Retail Trade sector continued to outperform as YTD employment reached 19% year-over-year growth, its highest level in a long-time.
- In November 2021, on the strength of strong residential and non-residential construction activity, YTD construction employment is up 16% or 1,418 positions from the same period in 2020.

### The negatives:

- Regina's Resource Extraction sector experienced a 28% decrease in employment in November 2021. The persistent low level of capital expenditure by commodity companies continues to negatively affect this sector.
- The Manufacturing sector also experienced an 18% loss in YTD employment, about 1,564 jobs, during November 2021 compared to October 2020.
- The ripple effects of the pandemic continue to hamper small businesses in Regina. Our Information, Culture and Recreation sector saw a 24% decrease in YTD employment, which is about 1,691 jobs.