

REGINA'S ECONOMIC BRIEFING

KEY NUMBERS

Labour force challenges...

Average year-to-date total employment in the Greater Regina Area remains ahead over the same time last year, while housing starts continue to surge. Alongside slowing employment growth, there is a worrying increase of those of labour force age not in the labour force, and softness in non-residential building permits.

Unemployment down

The average YTD unemployment rate moved from 7.4% in September 2021 to 5.2% in September 2022.

YTD, the average number of unemployed is down 3,300 to 7,667 in September 2022 from 10,967 in September 2021.

Source: Praxis Consulting

Building permit slow growth rate

August 2022 YTD building permits are up 5.7% over the same period in 2021, slowing from the rate of increase observed earlier in 2022.

Sub sectors that posted increases were residential (17.5%) and commercial (38.5%).

Source: Praxis Consulting

Housing - new build decline

YTD housing start declines were noted in singles (-10 units or -3.8%), semi-detached (-6 units or -15.8%), and apartment and other types (-22 units or -9.9%).

Source: Praxis Consulting

Labour force decline

The number of those of labour force age but not in the labour force increased by 3,189 over the same time period, as individuals stepped back from the labour market in the midst of slowing employment growth.

Source: Praxis Consulting

Interest rates and inflation

With the first rate hikes since 2018, this year has seen the Bank of Canada increase the benchmark rate four times where it currently sits at 3.5%. With continued inflation growth, it is not unreasonable to expect two to three more before year-end in an effort to slow inflation.

Source: Praxis Consulting



5.2%

YTD UNEMPLOYMENT RATE

Source: Praxis Consulting

7.4%

AUGUST CONSUMER PRICE INDEX

Source: Praxis Consulting

\$324,011

YTD HOUSING PRICE INDEX
BENCHMARK COMPOSITE PRICE

Source: Praxis Consulting

2.6%

AVERAGE YTD TOTAL INCREASE
OF EMPLOYMENT IN THE GRA

Source: Praxis Consulting

39 UNITS

YTD HOUSING START INCREASE

Source: Praxis Consulting

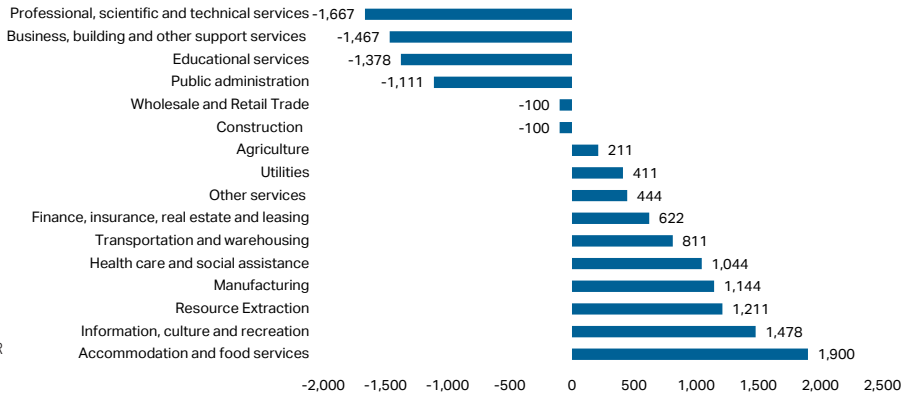
A DEEPER LOOK...

Labour Force

When employment increases year over year, the number of people not in the labour force declines and vice versa. It's rare for these numbers to move in the same direction. When employment starts to contract, people stop looking for work. Employment is contracting now due to inflation, interest rates and uncertainty in the marketplace.

Source: SJ Research Services/EDR

YTD Job Sector Performance (September 2021-22)

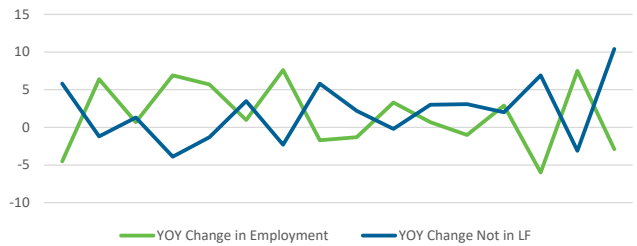


Which areas have been most affected?

Labor force participation rates plummeted in the early stages of the pandemic as many businesses closed, schools moved online, and individuals isolated due to health concerns.

As things return to normal, rates remain well below pre-pandemic levels in most cities due to childcare constraints, excess savings (short term), and shifted work preferences. Slow population growth adds to the declining labour force as there are more jobs available than people to fill them.

YOY % Change in Labour Force Participation vs YOY % Change in Employment (Sept 2007- Sept 2022)



Regina's working population increased from 216,200 to 220,800 relative to the same time last year, representing a 2.13% increase.

However, the working population increase is offset by a decrease in the number of people in the labour force and an increase in the number of people not in the labour force.

This means that more people left the labour force than entered. To put this in perspective, the number of people in the labour force in September 2021 was 150,800. In September 2022, there are only 145,000 people in the active labour force. This represents a 3.85% decrease.

Additionally, the number of people not in the labour force has increased from 65,400 to 75,800 compared to a year ago – an increase of 15.9%.

Source: StatsCan/EDR

News Worth Watching

Prairie Lithium

Recently acquired three suspended oil wells from a Saskatchewan oil and gas company scheduled for abandonment.

Source: [SaskToday](#)

Darke Hall

Regina's most iconic theatre venue named one of Canada's top heritage conservation projects for 2022.

Source: [Regina Leader-Post](#)

PLATO Sask Testing

FHQ Developments sold this wholly owned Saskatchewan tech company for a 1,150% return on investment.

Source: [Regina Leader-Post](#)

Saskatchewan Population Growth

Saskatchewan experienced the largest population jump in any three month period since 1971.

Source: [CTV News](#)