

REGINA'S ECONOMIC BRIEFING

Continued economic expansion

In early 2024, the economy in the Greater Regina Area (GRA) continued its growth. February year-to-date employment growth was 6.6% (more than twice the provincial rate), equivalent to 9,300 positions over 2023. The GRA accounts for roughly two-thirds of all employment growth in the province. With rising employment, the GRA's unemployment rate slightly decreased to 4.8%. Inflation is moderating and, at 2.0%, is at its lowest since early 2022. Despite higher borrowing rates, new home construction, led by apartment construction, has tripled compared to last year.

Source: Praxis Consulting (Unadjusted)

Sustained growth in employment

Average year-to-date total employment in the GRA was up 6.6% in February 2024 over the same period in 2023. At the provincial level, average year-to-date employment increased by 2.6%.

Source: Praxis Consulting

Housing Price Index bounces back

Despite rising borrowing costs, the average year-to-date Housing Price Index Benchmark Composite Price was up from \$297,500 in February 2023 to \$299,400 in February 2024.

Source: Saskatchewan Realtor's Association

GRA's Inflation Rate Falls Again

In February, the GRA's inflation rate was 2.0% year-over-year, marking a decrease from January's 2.4% and within the Bank of Canada's target. The national inflation rate was 2.8%.

Source: Statistics Canada

Low unemployment

Regina's unemployment rate for February was 4.8%, lower than the 5.0% rate for Saskatchewan.

Source: Statistics Canada

New home construction jumps

The government of Saskatchewan announced it will invest \$40.2M over two years in the Provincial Approach to Homelessness, funding 155 new supportive housing units in Regina and Saskatoon.

Source: Canada Mortgage and Housing Corporation

Bank of Canada holds key interest rate at 5%

The Bank of Canada announced in early March that it is holding the interest rate at 5%, representing the fifth consecutive interest rate pause in the country.

Source: Bank of Canada



POSITIVE

NEED TO WATCH

NEGATIVE

KEY NUMBERS

\$496M

CANADA'S JANUARY TRADE SURPLUS, A RECOVERY FROM DECEMBER 2023'S DEFICIT.

Source: Statistics Canada

\$712M

SASKATCHEWAN'S 2023 AGRICULTURE EXPORTS TO INDIA – UP 71% FROM 2022.

Source: Government of Saskatchewan

33%

THE CITY OF REGINA SAW 273 HOME SALES IN FEBRUARY, A YEAR-OVER-YEAR GAIN OF OVER 33% AND NEARLY 50% ABOVE LONG-TERM TRENDS. THIS COMPARES TO 3.7% GROWTH IN CANADIAN HOME SALES MONTH OVER MONTH IN JANUARY.

Source: Saskatchewan Realtors Association

41,000

NEW JOBS IN CANADA FOR FEBRUARY, RESULTING MAINLY FROM GROWTH IN POPULATION. THIS COMPARES TO 8,500 IN THE GRA.

Source: Statistics Canada

\$2,193

THE AVERAGE RENTAL ASKING PRICE IN CANADA, UP 10.5% FROM FEBRUARY 2022. THIS COMPARES TO \$1,300 IN REGINA.

Source: Rentals.ca

A DEEPER LOOK...

International migration trends among major Canadian cities

International migration has been a big part of Canada's population growth. In 2021 and 2022, more than 420,000 new permanent residents came to Canada each year, the most since 1913. However, there are concerns regarding the sustainability of such high immigration and targets. In response to criticisms about international immigration to the current housing crisis, the government initiated immigration reforms, focusing on temporary residents like international students and temporary workers.

In the GRA, international migration has been a major contributor to population growth – between 2016 and 2020, 63% of net migrants who moved to Saskatchewan settled here. Home to approximately 277,000 residents, the GRA experienced a 37% surge in international migration and a 77% rise in inter-city migration from 2022 to 2023. The GRA is expected to see the largest growth in its international migrant population in 2024 compared to other Canadian cities.

Skills gap remains

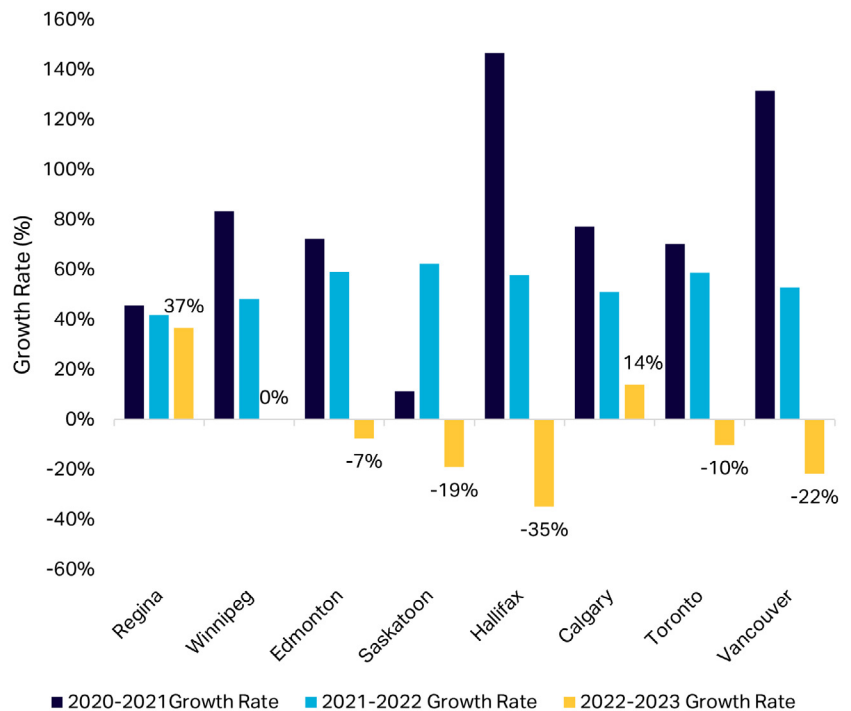
While international migration has helped the labour supply in the GRA, there is still a noticeable gap between the skills immigrants possess and the needs of employers. This highlights a pressing concern for the industry, educational institutions, and government alike. Bridging this gap is important for long-term economic growth and ensuring workforce sustainability that benefits all stakeholders. The province announced earlier in March its new [Saskatchewan Labour Market Strategy](#). This strategy aims to close the gap and provides a roadmap to build the workforce the province needs to support its growing economy through specific measures and targeted investments in skills training, credential recognition, and international talent attraction. See EDR's [State of the Labour Market in the Greater Regina Area](#) for more on this.

What factors are likely to attract people to the GRA?

As other jurisdictions experience similar demand for skilled workers, competition among provinces and cities has heightened, with provincial and municipal agencies launching major talent attraction initiatives. The GRA's advantage lies in:

- Affordability and a livelihood that leaves money at the end of the month
- An unbeatable quality of life, including short commute times
- Connectivity in a city where there's no such thing as six degrees of separation – in the GRA, it's more like two
- [Ranked the 4th most livable city](#) by Globe and Mail for features including access to amenities, a vibrant community, education, and more

Growth in international migration among Canadian cities



Source: Economic Development Regina, Conference Board of Canada

News Worth Watching

Canadian households are now worth \$16.42T

Canadians' household net worth rose 1.8% to \$16.42T (\$12.2T) in the fourth quarter of 2023. A global rally in bonds and equities declines in real estate values.

Source: [Financial Post](#)

Investment of \$6M in Saskatchewan's Rare Earth Processing Facility

The federal government is investing \$6M to support the Saskatchewan Research Council's Rare Earth Processing Facility.

Source: [Government of Canada](#)

Saskatchewan government to start work on \$1.15B irrigation project

The Saskatchewan government is set to begin work on a \$1.15B project to expand irrigation. The Lake Diefenbaker project would allow 364 more square kilometres to be irrigated.

Source: [BNN Bloomberg](#)

Record \$4.4B provincial capital infrastructure budget

Budget 2024-25 is investing an all-time high \$4.4B in capital projects to meet the needs of Saskatchewan families and communities.

Source: [Government of Saskatchewan](#)

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