

REGINA'S ECONOMIC BRIEF

Economic pace slows

The Greater Regina Area's (GRA) year-over-year employment growth slowed to 0.8% (1,200 positions) in September 2024, lower than the provincial rate of 2.9%. The GRA accounts for only 7% of the province's job growth year-over-year, with increases led by logistics, professional services, and education sectors. The unemployment rate rose to 6.7%, up from 5.5% a year ago, as job seekers outpaced job creation. Along these trends, risks include increased part-time employment, slowing employment growth, and weakening indicators such as building permits, housing starts and manufacturing sales.

Source: Praxis Consulting (Unadjusted)

Job growth still positive

In September 2024, the GRA added 1,200 jobs, a 0.8% increase from September 2023. Provincial job growth stood at 17,200 jobs, up 2.9% from September 2023, while national growth was 366,800 (4.6%) over the same period.

Source: Statistics Canada

GRA's inflation rate falls below 1%

Inflation in the GRA hit 0.8% in September 2024, just above Saskatchewan's 0.7% and well below Canada's 1.6%. This led to a 0.5% interest rate cut by the Bank of Canada on October 22, 2024.

Source: Statistics Canada

Housing Price Index Benchmark Value grows

The GRA's Housing Price Index Benchmark Value (HPI) rose from \$299,600 in September 2023 to \$313,400 in September 2024. Year-over-year, the HPI went up by \$13,800 (4.6%) in September 2024.

Source: Saskatchewan Realtors Association

Unemployment rate up, but...

The GRA's average year-over-year unemployment rate rose to 6.7% (September 2024) from 5.5% (September 2023) – primarily due to a rise in its labour force population (+3,400). Saskatchewan's unemployment rate rose to 5.7%, but is still the second lowest provincial rate and below the national average (6.5%).

Source: Statistics Canada

Manufacturing sales decline

Year-to-date manufacturing sales in the GRA dropped to \$5.7M in July 2024 from \$6.2M in July 2023, a 6.7% decrease. This decline reflects the impact of high interest rates on the economy, particularly in manufacturing – a capital-intensive sector.

Source: Statistics Canada

Rental prices going up

In September 2024, the average apartment rental price in Regina is \$1,452, a 16% increase from September 2023. This remains well below (-33.7%) the national average of \$2,193.

Source: Rentals.ca

KEY NUMBERS

0.8%

THE GRA'S INFLATION RATE FOR SEPTEMBER 2024. THE RATES FOR SASKATCHEWAN AND CANADA WERE 0.7% AND 1.6% RESPECTIVELY.

Source: Statistics Canada

3.75%

BANK OF CANADA'S NEW POLICY RATE, A 50-BASIS POINT CUT FROM THE PREVIOUS DECISION-4.25%.

Source: Bank of Canada

\$313,400

THE GRA'S SEPTEMBER 2024 HOUSING PRICE INDEX BENCHMARK, A 4.6% RISE FROM SEPTEMBER 2023.

Source: Saskatchewan Realtors Association

6.7%

THE GRA'S UNEMPLOYMENT RATE IN SEPTEMBER 2024, COMPARED TO SASKATCHEWAN (5.7%) AND CANADA (6.5%).

Source: Statistics Canada



POSITIVE

NEED TO WATCH

NEGATIVE

A DEEPER LOOK...

Household debt across select Canadian cities

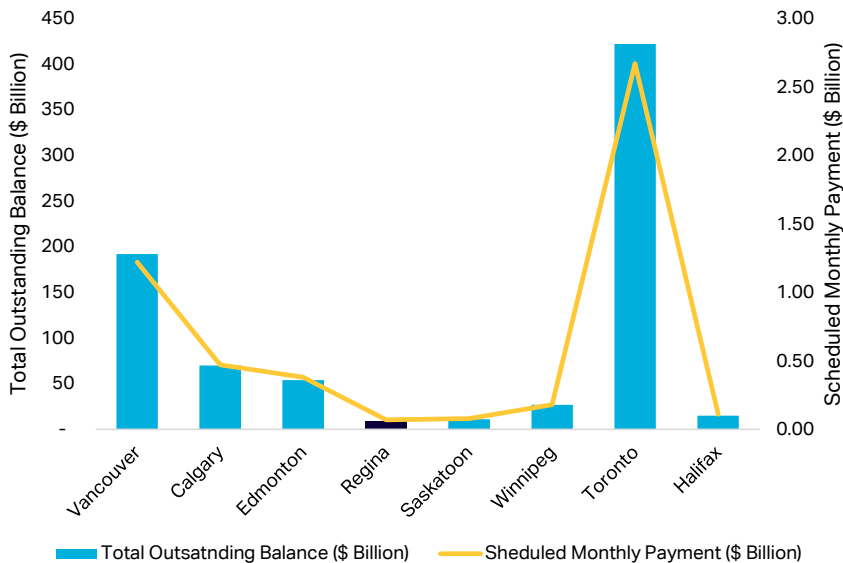
Data shows Mortgage and Home Equity Lines of Credit (HELOC) usage varies across Canadian cities, influenced by home prices, supply, interest rates, inflation, and job market conditions. Toronto has \$422B in mortgage debt and \$3B in monthly payments, reflecting high demand and prices. Vancouver follows with \$192B in mortgage debt and \$1B in payments. Both cities have high HELOC balances, with \$50B in Toronto and \$25B in Vancouver, showing residents are using home equity for financial needs.

Rising interest rates have tightened budgets, especially for variable-rate mortgage holders, putting financial pressure on homeowners, particularly recent buyers who stretched to afford their homes. Calgary has \$70B in mortgage debt and \$0.47B in monthly payments, while Edmonton has \$54B in debt and \$380M in payments. HELOC balances are lower, with \$8B in Calgary and \$1B in Edmonton. Although more affordable than Toronto or Vancouver, rising interest rates still affect borrowing costs in both cities. Additionally, job market volatility, particularly in Alberta's energy sector, impacts homeowners' ability to manage debt. Rapid population growth in Calgary and Edmonton has also reduced housing affordability.

Smaller cities like Regina, Saskatoon, Winnipeg, and Halifax have lower mortgage and HELOC levels. Regina has \$9B in mortgages with \$70M in monthly payments, while Halifax has \$15B in mortgages and \$2B in HELOCs. Though more affordable, rising interest rates still impact payments and reduce affordability.

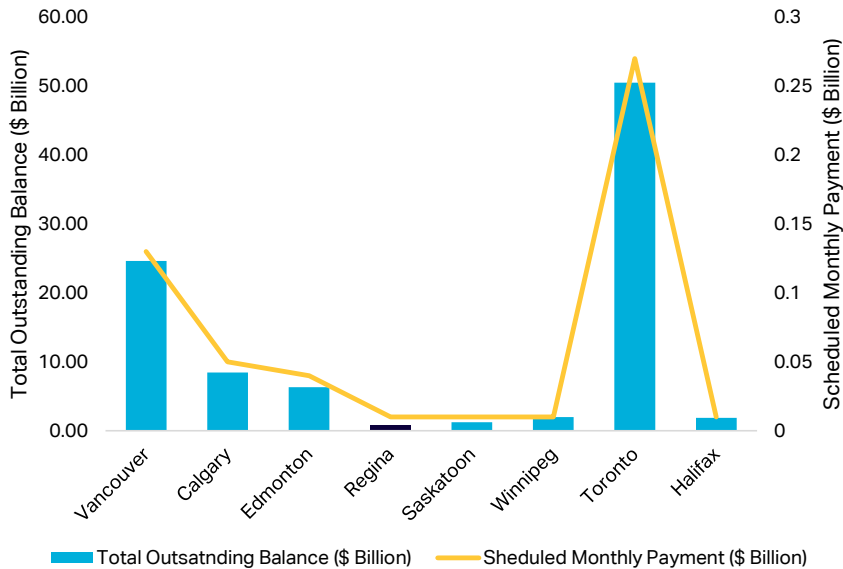
In summary, Toronto and Vancouver face the most financial strain from high home prices and interest rates, while smaller cities like Regina are less affected but still face some affordability challenges as rates and debt rise.

Total outstanding mortgage debts among selected Canadian cities (Q1-2024)



Source: Economic Development Regina, Canada Mortgage and Housing Corporation

Total outstanding HELOC debts among selected Canadian cities (Q1-2024)



Source: Economic Development Regina, Canada Mortgage and Housing Corporation

News Worth Watching

Bank of Canada cuts key rate by 50 basis points

The central bank's policy rate is now 3.75%, following its fourth rate cut since June and the largest since the COVID-19 outbreak.

Source: [Global News](#)

National jobless rate falls to 6.5% in September

The Canadian economy added 47,000 jobs in September, lowering the unemployment rate for the first time in 2024.

Source: [Global News](#)

Rent inflation is slowing, but affordability remains out of reach

Rental price increases are expected to slow, but structural factors will likely limit major improvements.

Source: [Desjardins](#)

Study reveals Agribition's significant impact

Canadian Western Agribition boosted the Saskatchewan economy by \$116.5M in 2023, a 20.7% increase from 2022, according to a recent study by Praxis Consulting Inc.

Source: [SaskToday](#)

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GRA REPORT CARD

YEAR OVER YEAR

	Sept 2023	Sept 2024	Chg	%Chg
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Employment

150,900	152,100	1,200	▲ 0.8%
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Employment Rate (%)

5.5	6.7	1.2	▼ -
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Housing Price Index
Benchmark Value (\$)

299,600	313,400	13,800	▲ 4.6%
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Consumer Price Index
(2002=100)

162.0	163.3	1.3	▲ 0.7%
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	Aug 2023	Aug 2024	Chg	%Chg
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Housing Starts Total
(Units)

90	49	-41	▼ -45.6%
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Building Permits Total
(\$000s)

94,841	73,628	-21,213	▼ -22.4%
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Building Permits
Residential (\$000s)

37,145	33,774	-3,371	▼ -9.1%
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Building Permits
Non-Residential (\$000s)

57,697	39,853	-17,844	▼ -30.9%
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	2022	2023	Chg	%Chg
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Population (persons)
July 1

260,534	271,119	10,585	▲ 4.1%
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	2023	2024f	Chg	%Chg
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Gross Domestic Product
(2012 \$M)

17,518	17,779	261	▲ 1.5%
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YEAR TO DATE

	Sept 2023 ytd	Sept 2024 ytd	Chg	%Chg
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145,711	151,378	5,667	▲ 3.9%
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4.9	6.2	1.3	▼ -
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302,667	309,322	6,656	▲ 2.2%
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160.4	162.8	2.5	▲ 1.5%
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	Aug 2023 ytd	Aug 2024 ytd	Chg	%Chg
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678	864	186	▲ 27.4%
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420,545	415,775	-4,770	▼ -1.1%
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168,714	204,832	36,118	▲ 21.4%
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251,832	210,943	-40,889	▼ -16.2%
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ECONOMIC
DEVELOPMENT

REGINA

Sources: Statistics Canada Cansim 2820128, 0270034, 326-0020, 0260003, 0510056, MLS® HPI, and Conference Board of Canada Major Cities Outlook June 2022 Outlook. Note: All data presented above is raw/not seasonally adjusted.