

REGINA'S ECONOMIC BRIEF

GRA thrives, but tariffs loom

The GRA's economy got off to a strong start in 2025. The GRA's population grew by 2.9% in 2024, driven by international migration, and real GDP is projected to rise 2.4% in 2025. January year-over-year employment grew by 0.8% (1,200 jobs) over the same period in 2024, while year-over-year unemployment rose to 6.7% from the 4.5% a year prior, as more people searched for jobs. While encouraging, this progress must be noted in the context of potential U.S. tariffs, which could put a \$174M dent in the GRA's economy and impact employment, inflation and other key metrics.

Source: Praxis Consulting (Unadjusted)

Job growth

In January 2025, the GRA added 1,200 jobs, a 0.8% increase from January 2024. Provincial job growth stood at 9,900 jobs, up 1.7% from January 2024, while Canada added 423,500 jobs (2.1%) over the same period.

Source: Statistics Canada

Falling rental prices

Regina's average 3-bedroom apartment rental in January 2025 fell 1% to \$1,742 from January 2024. Regina had the most affordable rental market among 25 cities with an average apartment rent of \$1,314.

Source: Rentals.ca

GRA's inflation rises to 2.5% in January 2025

Inflation in the GRA rose to 2.5% in January 2025, from 2.1% in December 2024. Saskatchewan and Canada's rates were 2.9% and 1.9%, respectively. These figures meet the Bank of Canada's target but indicate sticky inflationary pressure.

Source: Statistics Canada

Manufacturing sector struggles could deepen

Year-over-year manufacturing sales in the GRA dropped by \$121M (17.7%) from \$684M in December 2023 to \$563M in December 2024. Interest rate cuts may help, but potential U.S. tariffs on steel and aluminum could lead to further declines.

Source: Statistics Canada

Rising unemployment

In January 2025, the GRA's average year-over-year unemployment rate was 6.7%, up from 4.5% in January 2024. Saskatchewan's unemployment rate was 5.6%, the lowest in Canada, well below the national average of 7.1%.

Source: Statistics Canada

Bank of Canada cuts key interest rate

The Bank of Canada cut its lending rate by 25 basis points to 3% in January 2025, signaling confidence in controlling inflation, however concerns over unemployment, declining manufacturing, slow growth, and global uncertainties remain.

Source: Bank of Canada

KEY NUMBERS

\$174M

EXPECTED LOSS IN GRA'S GDP AS A RESULT OF POTENTIAL U.S. TARIFFS, EQUATING TO A LOSS OF \$1,129 PER RESIDENT.

Source: Economic Development Regina

2.5%

THE GRA'S INFLATION RATE FOR JANUARY 2025. THE RATES FOR SASKATCHEWAN AND CANADA WERE 2.4% AND 1.9% RESPECTIVELY.

Source: Statistics Canada

\$1,314

AVERAGE APARTMENT RENTAL PRICE IN REGINA IN JANUARY 2025, WELL BELOW THE NATIONAL AVERAGE OF \$2,088.

Source: Rentals.ca

6.7%

THE GRA'S UNEMPLOYMENT RATE IN JANUARY 2025, UP FROM 4.5% IN JANUARY 2024. THIS COMPARES TO SASKATCHEWAN (5.6%) AND CANADA (7.1%).

Source: Statistics Canada

3%

BANK OF CANADA'S NEW LENDING RATE, AFTER A 25 BASIS POINT CUT IN JANUARY 2025.

Source: Bank of Canada



POSITIVE

NEED TO WATCH

NEGATIVE

A DEEPER LOOK...

Regina scores 55 on the Regina Prosperity Matrix (RPM)

The GRA's economy shows resilience but faces risks. Strong consumer spending contrasts with challenges in manufacturing. In Q4 2024, the employment index was 47, reflecting moderate job stability, though hiring remains cautious amid high costs and uncertainty.

Manufacturing had an index of 27, signaling a slowdown in industrial production. Rising costs, global supply chain issues, and a stronger Canadian dollar hurt competitiveness. Proposed U.S. tariffs on steel and aluminum could worsen the impact, leading to job losses and economic strain.

Despite these challenges, housing (69) and consumer spending (83) were strong. People continue to buy homes, and spending levels suggest Regina residents feel financial confidence. However, affordability (51) is tightening as rising costs and high interest rates strain budgets. If wages don't keep up, affordability could decline further.

The Bank of Canada has cut rates to boost growth and curb unemployment. However, U.S. tariffs and a weaker dollar could fuel inflation, delaying further cuts. To protect the economy, Canada must look at new trading partners, strengthen local industries, the reduction in interprovincial trade barriers, and support for businesses facing prospective tariff pressures.

With a composite index of 55, the economy is strong, but facing challenges. Housing and spending provide stability, but uncertainties in manufacturing and trade pose risks and momentum could slow if not addressed. The GRA's ability to navigate these challenges will depend on policy decisions, global and domestic trade dynamics, and local resilience in the workforce and businesses.

Regina Prosperity Matrix (RPM)

The composite indicator is a statistical measure of the overall health of the regional economy. It is calculated by combining five equally weighted indicators to create a composite indicator. As each individual indicator approaches its maximum value, the composite indicator trends towards a maximum score of 100.



News Worth Watching

Sask. industries prepare for pain of U.S. steel, aluminum tariffs

Industries in Saskatchewan are bracing for the impact of the 25% tariffs on steel and aluminum announced by U.S. President Donald Trump this week.

Source: [CBC News](#)

\$2B canola investment paused, shakes Sask growers

A \$2B canola processing project in Regina, expected to produce renewable diesel and create 2,500 jobs, is on hold due to trade and biofuel uncertainty.

Source: [The Globe and Mail](#)

Ottawa invests \$1.3M in Saskatchewan's aviation and aerospace sector

The federal government is investing \$1.3M to address pilot shortages and boost aerospace manufacturing in Saskatchewan.

Source: [CTV News](#)

EDR optimistic about major initiatives

EDR launched the 'Regina 25' awards to honour local achievers, and a talent recruitment campaign to attract new residents.

Source: [SaskToday](#)

GROW YOUR WORLD HERE

GRA REPORT CARD

YEAR OVER YEAR

	Jan 2024	Jan 2025	Chg	%Chg
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Employment

143,000	144,200	1,200	▲ 0.8%
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Employment Rate (%)

4.5	6.7	2.2	▲ -
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Housing Price Index
Benchmark Value (\$)

300,300	316,300	16,000	▲ 5.3%
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Consumer Price Index
(2002=100)

160.8	164.9	4.1	▲ 2.5%
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	Dec 2023	Dec 2024	Chg	%Chg
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Housing Starts Total
(Units)

204	100	-104	▼ -51.0%
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Building Permits Total
(\$000s)

15,961	33,332	17,371	▲ 108.8%
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Building Permits
Residential (\$000s)

10,384	30,104	19,720	▲ 189.9%
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Manufacturing Sales
(\$000s)

684,026	563,075	-120,951	▼ -42.1%
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	2022	2023	Chg	%Chg
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Population (persons)
July 1

271,516	282,032	10,516	▲ 3.9%
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	2024	2025f	Chg	%Chg
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Gross Domestic Product
(2012 \$M)

18,226	18,674	448	▲ 2.5%
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YEAR TO DATE

	Jan 2024 ytd	Jan 2025 ytd	Chg	%Chg
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143,000	144,200	1,200	▲ 0.8%
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4.5	6.7	2.2	▲ -
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300,300	316,300	16,000	▲ 5.3%
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160.8	164.9	4.1	▲ 2.5%
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	Dec 2023 ytd	Dec 2024 ytd	Chg	%Chg
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1,177	1,223	46	▲ 3.9%
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583,868	593,280	9,412	▲ 1.6%
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290,104	330,268	40,164	▲ 13.8%
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684,026	563,075	-20,951	▼ -17.7%
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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.