ECONOMIC DEVELOPMENT REGINA

August 2025

REGINA'S ECONOMIC BRIEF

GRA stays strong amid uncertainty

Inflation in the Greater Regina Area (GRA) shrunk to 2.0% in July (June 2025: 2.1%), while year-over-year (YoY) employment growth rose 3.8% in July (July 2024: 147,500). Also in July, Regina added 5,600 jobs to the local economy, notably in agriculture, resource extraction, and construction, as YoY unemployment declined to 6.0% (July 2024: 6.5%). Lastly, manufacturing saw a YoY drop in sales, with a 5.8% fall in June 2025*, which resumed a downward trend.

*Manufacturing sales delayed by a month

Source: Praxis Consulting (Unadjusted)

Job market grows

The GRA added 5,600 jobs in July 2025, up 3.8% from last year, with the largest growth in agriculture, resource extraction, construction, and finance. That's more than enough jobs for all 5,300 students at Saskatchewan Polytechnic Regina Campus across all sectors. Saskatchewan's job pool also grew by 2.9% (17,600), outpacing national growth of 1.4% (291,100).

Source: Statistics Canada

GRA's inflation experiences slight dip

Inflation in the GRA was 2.0% in July 2025, a slight dip from 2.1% in June 2025. Saskatchewan and Canada's rates were 1.4% and 1.7% respectively, and inflation has remained favourable as low prices for energy, electricity, and gasoline continue.

Source: Statistics Canada

Manufacturing sales dwindle YoY

Manufacturing sales in the GRA fell 5.8% YoY in June 2025 to $582M (June 2024: $618M). This decrease signals reduced sales in transportation and primary metals.

Source: Statistics Canada

Unemployment rate shrinks

In July 2025, the GRA's average YoY unemployment rate dropped to 6.0% (July 2024: 6.5%). Saskatchewan still leads Canada with the lowest unemployment rate among all provinces (5.0%) and is well below the national average (6.9%).

Source: Statistics Canada

Rental prices unmoved

In July 2025, the average apartment monthly rental cost held at $1,408, while the average 1-bedroom apartment rental in Regina fell to $1,302, a 2% drop (July 2024: $1,333). Regina once again defended its title as the most affordable rental market in the 25 cities compared across Canada.

Source: Rentals.ca

Bank of Canada holds key interest rate

The Bank of Canada held its lending rate in July 2025 at 2.75%, the third straight hold this year. Despite economic uncertainty stemming from Chinese and U.S. tariffs and trade policy, the Canadian economy is resilient, allowing the Bank of Canada to maintain its rate since March 2025.

Source: Bank of Canada

POSITIVE NEED TO WATCH NEGATIVE

KEY NUMBERS

2.0%

GRA'S INFLATION RATE FOR JULY 2025, HIGHER THAN SASKATCHEWAN (1.4%) AND CANADA (1.7%).

Source: Statistics Canada

$343,000

AVERAGE HOUSE PRICE IN THE GRA IN JULY 2025. UP 7.8% YoY.

Source: Canadian Real Estate Association

$65M

THE VALUE OF TOTAL BUILDING PERMITS IN JUNE 2025.

Source: Economic Development Regina

75.8%

THE TARIFF PLACED ON CANADIAN CANOLA BY CHINA THAT CAME INTO EFFECT ON AUGUST 14.

Source: Government of Saskatchewan

2.75%

THE BANK OF CANADA'S LENDING RATE, HELD FOR THE THIRD TIME THIS YEAR ON JULY 30.

Source: Bank of Canada

A DEEPER LOOK...

Regina's Building Paradox: Home Builds Soar, Business Builds Stall

As 2025 shapes up to be a landmark year for housing construction, Regina's skyline remains the same.

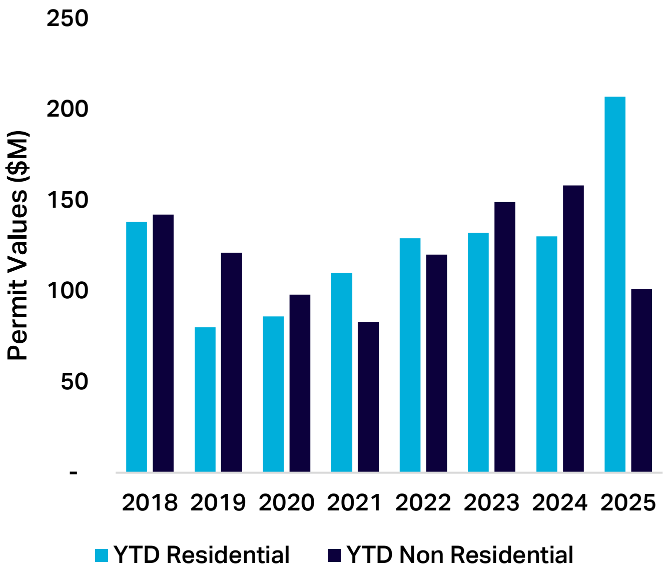
Over 7 years (from 2018 to 2025), the June year-to-date (YTD) results for total building permit values for both residential and non-residential projects only grew a modest 10% (from $279.5M to $307.8M) across Regina. The real journey, however, has been anything but smooth with dips during the pandemic (from 2019 to 2021) followed by strong rebounds (2022 and 2023).

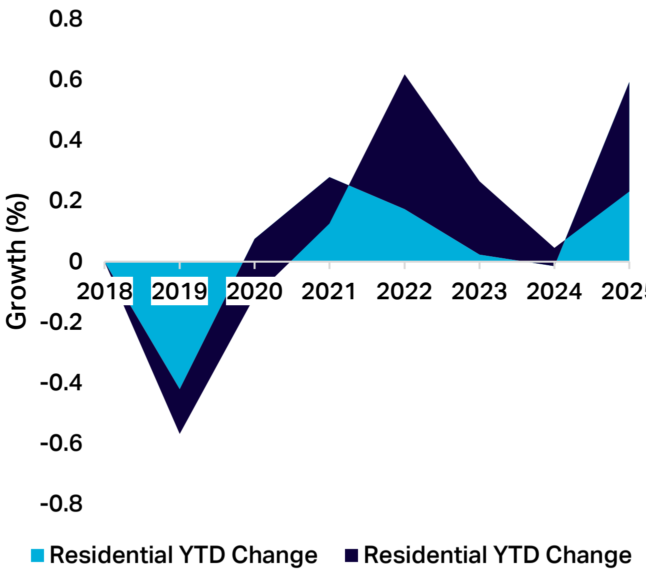
The headline this year is residential investment. At $207.1M in 2025, YTD residential investment increased a remarkable 60% on 2024 ($129.6M), a record high. Multi-dwelling projects are leading the way, increasing 66% to $115.3M (2024: $69.2M) and indicating a shift towards higher-density living. Single-family construction is also strong, growing 52% to $91.9M (2024: $60.3M). This surge reflects the city's rapid population growth (about 3.6% annually), mainly driven by international immigration (see June's Economic Brief) and its low vacancy rates (under 2%).

The non-residential side tells a different story. YTD investment fell 36% to $100.7M (2024: $157.6M), with less commercial activity (-11%), though industrial efforts posted a massive rebound (168%). The primary driver of the decline is a steep 82% drop in institutional and governmental investment compared to 2024 as retail and office markets continue to recalibrate in a post-pandemic, tense geopolitical, and uncertain environment.

Regina is experiencing a housing market boom, driven by demand from a growing population. But without a similar revival in commercial, industrial, and institutional development, the city risks leaning too heavily on opportunities in housing, while ignoring key commercial and industrial development crucial to long-term economic diversification and business expansion.

Figure 1: Regina's June YTD Building Permit Value and Growth Rate (2018 – 2025)*





Source: Economic Development Regina, Statistics Canada *Seasonally adjusted

News Worth Watching

Federal government announces $1.3M for 3 Sask. businesses to boost AI development

The federal government has announced more than $1.3M in interest-free loans for three Saskatchewan companies to support AI innovation in key and emerging sectors in the country.

Source: CBC News

CPI growth slowed in July despite trade conflict

Despite the trade conflict with the U.S., consumer price growth in Canada slowed in July. Canada's CPI rose 1.7% (YoY), down from a 1.9% increase in June. The impact of tariff pass-through to consumer prices has yet to materialize.

Source: Conference Board of Canada

Sask. canola farmers already feel strain of 'anti-dumping' Chinese tariffs

China's 75.8% tariff on Canadian canola came into effect on August 14, and farming operations across the country are already dealing with a substantial dip in the market.

Source: CBC News

Regina Airport seeing massive uptick in U.S. travellers

Regina Airport Authority (RAA) CEO said that, between January and June 2025, the airport saw over 39,000 passengers to and from the U.S.

Source: SaskToday

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