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 toward a maximum score of 100.

Q4 2025

Employment

61 Down 8 from Q3

Manufacturing

8 Down 17 from Q3

Housing

52 Down 3 from Q3

Consumption

43 Down 17 from Q3

Household Affordability

66 Up 3 from Q3

Insight:

Regina's economy cooled in Q4, with the overall index falling to 46 from 54 last quarter as weaker manufacturing and slower consumer spending weighed on momentum. The labour market remained a key strength, with the Employment Index at 61, still well above 47 last year, as participation rose above 70% and employment approached 66%.

Manufacturing declined sharply, with the index dropping to 8 amid softer export demand, trade uncertainty, and higher borrowing costs. Housing eased to 52, continuing its shift toward a more balanced market, with home prices rising above $340,000 despite higher borrowing costs.

Consumer spending slowed significantly, with the Consumption Index falling to 43 as households focused more on essentials. Household affordability improved to 66, reflecting lower debt pressures and cautious borrowing. Overall, Regina's economy is moderating but remains stable, supported by strong employment and improving household finances.

*See back page for full calibration details

ECONOMIC DEVELOPMENT REGINA

Q4 2025 RPM DEEP DIVE

61

EMPLOYMENT INDEX: DOWN FROM 69 LAST QUARTER

Between late 2024 and the end of 2025, Regina's labour market improved significantly before leveling off. The employment index rose from 47 in Q4 2024 to 61 by Q4 2025, showing the shift from recovery to a more stable and balanced job market.

Labour force participation increased from 67% to just over 70% as confidence improved and more people returned to work. The employment rate followed a similar path, rising from about 63% to nearly 66%, reflecting steady job creation and fewer people without work.

By late 2025, job vacancy rates declined as hiring stabilized and employers filled open roles more efficiently. Participation and employment levels remained high, suggesting the labour market was operating close to full capacity. Overall, Regina's labour market showed strong resilience, high employment, and steady wage growth – signs of a healthy but more mature stage of economic growth.

8

MANUFACTURING INDEX: DOWN FROM 25 LAST QUARTER

Regina's manufacturing sector faced stronger economic headwinds in 2025. The manufacturing index dropped from 27 in Q4 2024 to 8 by Q4 2025, signalling a clear slowdown. The decline reflects lower production, reduced demand, and fewer manufacturing jobs, although wages remained relatively stable.

From late 2024 to mid-2025, manufacturing sales fell from around $935M to roughly $630–$700 million. This drop was driven by weaker export demand, businesses reducing inventories, and tighter financing conditions that limited production.

By Q4 2025, the slowdown became more pronounced. Sales became more volatile, and employment moved to the lower end of its recent range as businesses remained cautious due to global trade uncertainty and higher borrowing costs.

Despite the slowdown, average weekly earnings stayed fairly steady. This suggests employers are still facing skill shortages and are trying to keep experienced workers. Overall, Regina's manufacturing sector shifted from post-pandemic recovery to a demand-driven slowdown, with leaner operations but stable wages.

Q4 2025 RPM DEEP DIVE

52

HOUSING INDEX: FROM 55 FROM LAST QUARTER

Regina's housing market cooled in 2025, shifting from an overheated market to a more balanced—but still supply-limited—environment. The city's housing index declined from 69 in Q4 2024 to 52 in Q4 2025, showing moderation rather than a true downturn.

By mid-2025, higher borrowing costs and affordability pressures slowed demand. Benchmark home prices still increased, rising from the low $320,000 range to over $340,000. At the same time, unabsorbed inventory grew, suggesting the market was gradually rebalancing. Rental price growth paused briefly as new units came onto the market and renters reached affordability limits. Meanwhile, residential building permits increased as developers responded to population growth and strong long-term demand.

By late 2025, the housing index settled at 52, signalling a period of stabilization. Home prices remained steady due to limited resale supply and continued population growth. Rental prices began rising again as vacancy pressures remained tight, and unabsorbed inventory declined, indicating homes were selling faster.

Overall, Regina's housing market moved toward a more sustainable balance. Demand softened due to higher costs, but limited supply and population growth continued to support strong prices.

43

CONSUMPTION INDEX: DOWN FROM 60 LAST QUARTER

From late 2024 through 2025, Regina's consumption index shows a shift from strong post-pandemic spending to more cautious, essentials-focused spending. The index dropped from 83 in late 2024 to 43 by the end of 2025, reflecting weaker household demand as higher interest rates and rising living costs put pressure on budgets.

Retail and wholesale employment declined as businesses adjusted to slower sales and streamlined operations. Even so, total household consumption continued to rise slightly, mainly because of population growth and higher prices—not because people were spending more in real terms.

Overall, the data suggest household spending is being supported more by population growth than by stronger incomes. Policymakers may need to keep a close eye on affordability and credit conditions, as ongoing cost pressures could further limit household spending if wage growth and purchasing power do not improve.

Q4 2025 RPM DEEP DIVE

HOUSEHOLD AFFORDABILITY INDEX: UP FROM 63 LAST QUARTER

From late 2024 to the end of 2025, Regina's household affordability index showed steady improvement. The index rose from 52 to 66, indicating that households were better able to manage debt and adjust to higher interest rates.

Between late 2024 and mid-2025, affordability improved as the debt service ratio declined, meaning households spent a smaller share of their income on loan payments. This was supported by income growth, mortgage refinancing, and reduced discretionary spending. The stable average value of new mortgages also suggests people were borrowing cautiously and avoiding taking on additional debt.

By late 2025, the index rose slightly again as debt servicing remained stable and delinquency rates levelled off. Overall, Regina households showed stronger financial stability and more sustainable balance sheets, suggesting they are adapting to higher borrowing costs and maintaining healthier credit conditions.

OVERALL ECONOMIC INDEX: DOWN FROM 54 LAST QUARTER

Regina ended 2024 in a strong position, supported by steady consumer spending, a tight housing market, and improving household finances. But as 2025 went on, economic momentum began to slow. By the third quarter, strong job growth and stable household finances helped offset weaker consumer spending and housing activity, keeping overall conditions fairly steady. By the end of the year, however, the city's composite economic index fell to 46, reflecting weaker manufacturing output and more cautious household spending, even though the labour market remained strong.

Trade tensions also added pressure. Rising tariffs and the threat of new trade measures hit manufacturers the hardest by increasing input costs, reducing profit margins, and weakening exports. The effects spread to transportation, wholesale trade, and other related industries. In response, many businesses delayed major investments and tightened spending to protect their finances.

For residents, this meant jobs remained available but income growth was limited. For policymakers, the takeaway is clear: diversifying the economy, investing in strategic infrastructure, and rebuilding business confidence will be important to support long-term growth.

Regina Prosperity Matrix (RPM)

Interpretation

Interpretation of the index will be based on the calibrations in the table. This index can be tracked over time to understand trends in GRA's economy.

Index Range	Category	Interpretation
85 - 100	Outstanding	This range indicates that the economy is performing exceptionally well, showing high levels of investment, strong growth (GDP), high employment, and a booming housing market. An economy in this category is resilient to economic shocks and has very low risk levels.
70 - 84	Very Strong	An economy in this category has strong growth and sound fundamentals, with a high degree of stability and resilience. This economy is still attractive for investment and has a positive outlook, though it might have slightly higher risks compared to the "Outstanding" category.
55 - 69	Strong	Good economic performance with stable growth and manageable risks. While the fundamentals are sound, there may be some vulnerability to external shocks. Growth is solid but not as robust as in higher categories.
40 - 54	Moderate	This range reflects an economy with mixed indicators – some strengths, but also significant challenges. There is stability, but growth is average, and the economy is more exposed to external risks.
25 - 39	Weak	Below-average economic performance with considerable vulnerabilities and limited growth potential. The economy is struggling and highly susceptible to downturns, making it less attractive for investment.
10 - 24	Very Weak	Severe economic problems are present, with low or negative growth, high unemployment, and potential for fiscal crises. There is a high risk of further deterioration, and recovery prospects are uncertain.
0 - 9	Poor	The economy is in deep distress, showing very poor performance across key indicators, and may be on the brink of economic collapse or recession (inability to sustain basic economic functions).

ECONOMIC DEVELOPMENT REGINA