

REGINA'S ECONOMIC BRIEF

Sustained economic upswing

The Greater Regina Area's (GRA) economy in the first quarter of 2024 has shown strong growth, with a 6.1% (8,567 positions) increase in year-to-date employment compared to the same period in 2023 (0.4%), outpacing the provincial rate (2.2%). The GRA accounts for about two-thirds of the province's overall employment growth, driven by well-paying full-time jobs in logistics, finance, insurance, professional services, health, and education sectors. Although unemployment rose slightly to 5.1% (compared to 5% last year) as a result a modest expansion in the labor force due to international migration, the inflation rate remains moderate at 1.9%.

Source: Praxis Consulting (Unadjusted)

Employment growth remains strong

Average year-to-date total employment in March 2024 in the GRA was up 6.1% over the same period in 2023, compared to 2.2% provincially.

Source: Praxis Consulting

Housing Price Index on the rise

The average year-to-date Housing Price Index Benchmark Composite Price is up 1% to \$301,767 in March 2024 from \$298,633 in March 2023.

Source: Saskatchewan Realtor's Association

GRA's Inflation Rate on a downward trend

The GRA's all-items price growth was 1.9% year-over-year, marking continuous decreases since the start of 2024. The national inflation rate was 2.9%.

Source: Statistics Canada

Unemployment rate exceeds 5% threshold

Regina's March 2024 unemployment rate was 5.4%, just above the 5% mark, which indicates full employment. The increase may be due to immigration and seasonal factors.

Source: Government of Saskatchewan

Assessing potential interest rate drops

Canada's March 2024 inflation rate was 2.9%, showing reduced pressures across goods and services. Shelter price inflation remains high (6.5%) due to increased rent and mortgage interest expenses. The Bank of Canada will monitor this trend to assess potential rate cuts.

Source: Bank of Canada

Carbon tax rebates for Saskatchewan residents

Saskatchewan families of four will receive around \$376 quarterly, while singles will receive \$188. The Prime Minister announced carbon rebates for Saskatchewan residents will continue despite the Province withholding natural gas levies to Ottawa.

Source: Canada Revenue Agency, Global News

KEY NUMBERS

1.5%

SASKATCHEWAN'S MARCH 2024 INFLATION RATE, JUST OVER HALF THE NATIONAL RATE OF 2.9%.

Source: Statistics Canada

3%

CANADA'S MARCH 2024 FOOD INFLATION RATE, THE LOWEST SINCE AUGUST 2021.

Source: Statistics Canada

202,000

NEW EMPLOYEES JOINING CANADA'S PUBLIC SECTOR IN 2023, COMPARED TO 141,300 THAT JOINED THE PRIVATE SECTOR IN THE SAME YEAR.

Source: Fraser Institute

750,000

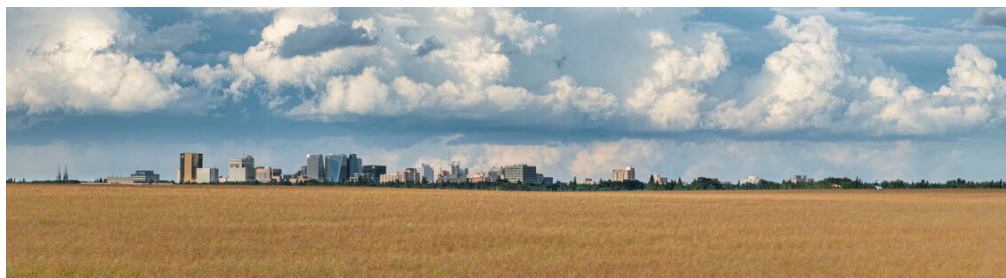
NUMBER OF TAX-FREE FIRST HOME SAVINGS ACCOUNTS OPENED BY CANADIANS SINCE 2023.

Source: Government of Canada

\$535B

TOTAL FEDERAL GOVERNMENT SPENDING FOR THE 2024-25 FISCAL YEAR, COMPARED TO \$20.1B IN SASKATCHEWAN.

Source: Government of Canada



A DEEPER LOOK...

Canada's productivity concerns

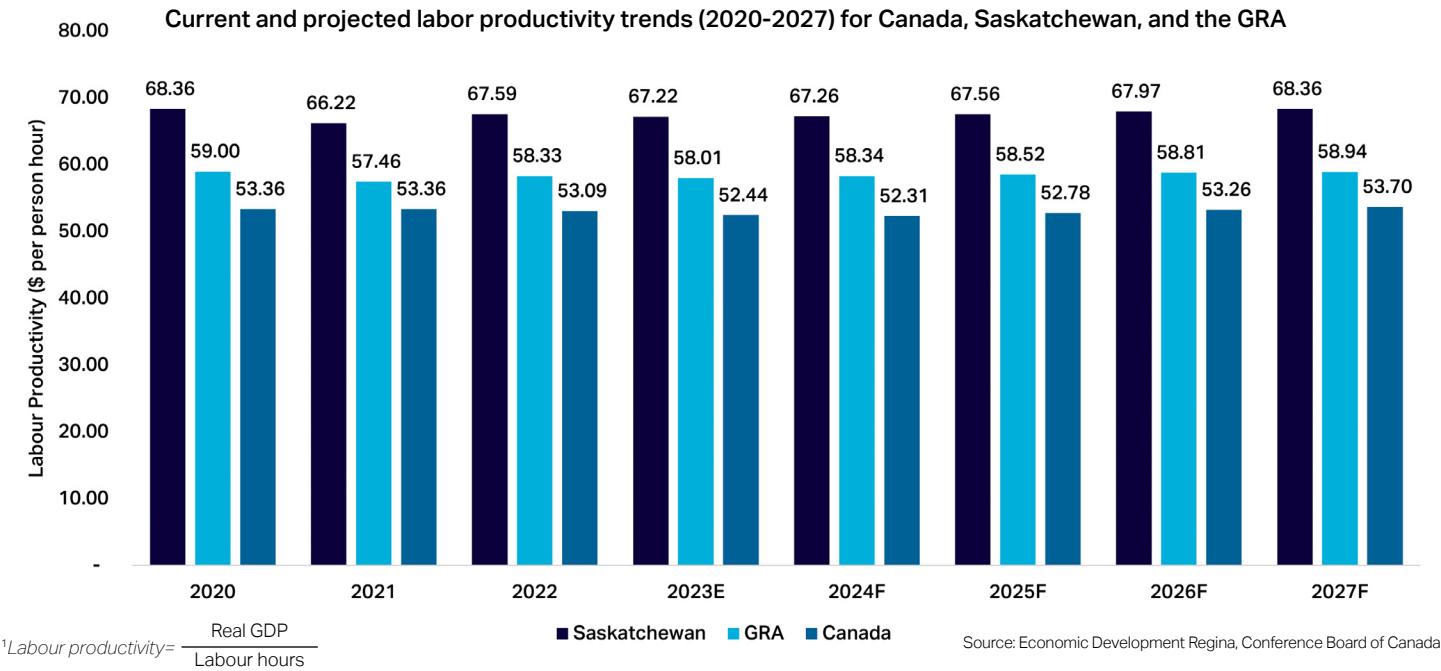
Canada's higher than targeted inflation rate is due in part to stagnant productivity. Improved productivity is crucial for a stable economy, boosting growth, jobs, and wages. However, Canada's productivity has fallen to second-last among G7 countries (ahead of Italy).

Productivity is represented as the ratio of Real GDP to labour hours. Canada's productivity was steady from 2020 to 2022, and is projected to gradually rise by 2027, signaling improved national labor efficiency. Saskatchewan's productivity peaked in 2020, dipped in 2021 before rising from 2022 onwards. It is projected to reach \$68.36¹ per person hours by 2027, showing both recovery and steady growth. The GRA experienced similar productivity fluctuations, following a trajectory similar to Saskatchewan's, though with slightly lower figures. By comparison, the 2023 US productivity number is \$81.26 (USD) per person hours.

When comparing national and local trends, both Saskatchewan and the GRA generally demonstrate higher productivity than Canada, suggesting greater efficiency. However, Canada's productivity displays more stability over time, with fewer fluctuations as shown in the graph.

Differences in levels and growth stability between Canada, Saskatchewan, and the GRA were noticeable. It's essential to address these gaps and promote consistent growth across regions for long-term economic success. Saskatchewan's increased investment incentives, announced in the 2024 budget, aim to enhance productivity. Conversely, the federal government's increase to the capital gains tax inclusion rate might exacerbate Canada's productivity challenges ([Globe and Mail](#)).

Tackling the productivity challenge needs investment in education and skills training, innovation and technology, infrastructure, and business competitiveness. Productivity growth can ease inflationary pressures by increasing economic output and efficiency.



News Worth Watching

Canada's 2024 Budget

The 2024 budget promises substantial investments across key sectors to stimulate growth and prosperity, allocating billions towards infrastructure development, healthcare enhancements, and social programs.

Source: [CTV News](#)

Canada raises inclusion rate on capital gains taxes in 2024 Budget

Budget 2024 proposes Canada's Government to increase the inclusion rate on annual capital gains exceeding \$250,000 for individuals and all capital gains for corporations and trusts from one-half to two-thirds.

Source: [BNN Bloomberg](#)

Dewdney Avenue revitalization project

The long-awaited Dewdney Avenue Corridor Revitalization Project is said to fuel growth in Regina's Warehouse District.

Source: [Regina Leader-Post](#)

Saskatchewan boasts year of record exports in 2023

According to the annual State of Trade report, the total value of Saskatchewan exports was \$49.3B in 2023. Goods from the province went to 163 countries last year, with 32 of them receiving more than \$100M in exports each.

Source: [Government of Saskatchewan](#)

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