

REGINA'S ECONOMIC BRIEFING

Strong economic momentum

The Greater Regina Area is experiencing strong momentum as it enters the latter half of 2023. July year-to-date employment comes in at 1,929 positions over 2022. Unemployment remains low at 4.8%. Employment growth was driven by higher paying positions in professional, scientific and technical services, manufacturing, and full-time jobs. Higher interest rates haven't dampened residential building activity, which remains above 2022 levels with higher housing construction and permitting activity. Inflation is moderating and, at 3.1%, is at its lowest level since early 2022.

Source: Praxis Consulting

Employment gains locally and provincially

Average year-to-date total employment in the GRA was up 1.4% or 1,929 positions in July 2023 over the same period in 2022. Provincially, employment increased by 1.3%.

Source: Praxis Consulting

Inflation remains top of mind

Regina's year-over-year rate of change in the all-items Consumer Price Index (inflation) in July 2023 over July 2022 was 3.1%, down from 3.5% in June and below the national average of 3.3%.

Source: : Praxis Consulting, Statistics Canada

Housing starts ramp up

Benefitting from a surge in apartment/condo units, June 2023, total year-to-date housing starts are up by 94 units or 20.5% over the same period in 2022.

Source: Praxis Consulting

Commercial building permits down

Commercial (-69.4%) posted a decline in building permits relative to the same time last year.

Source: Praxis Consulting

A tenth rate hike

Despite slowing inflation, on July 12, the Bank of Canada raised its benchmark interest rate by 25 basis points to 5%, citing stronger than anticipated consumer demand and a tight labour market. A larger than expected bump in July's Consumer Price Index may also impact future rate decisions.

Source: Praxis Consulting

Labour force participation drops

The number of those of labour force age but not in the labour force increased by 5,729 over last year as a number of potential workers withdrew from the labour market. Workers on the edges of the 15 to 65 age range account for much of this change.

Source: Praxis Consulting



KEY NUMBERS

8/10

JULY INFLATION INCREASED IN 8 OUT OF 10 PROVINCES. IN SASKATCHEWAN, THE RATE OF INFLATION DROPPED FROM 3.3% IN JUNE, TO 3.0 IN JULY.

Source: Praxis Consulting , Statistics Canada

151,900

PEOPLE EMPLOYED IN SASKATCHEWAN IN JULY 2023, A 4.5% YEAR-OVER-YEAR INCREASE.

Source: Praxis Consulting , Statistics Canada

\$7.2B

SASKATCHEWAN'S JUNE 2023 WHOLESALE TRADE NUMBERS CAME IN AT \$7.2B: A 70.5 PER CENT YEAR-OVER-YEAR INCREASE.

Source: Praxis Consulting , Statistics Canada

\$312,600

REGINA'S AVERAGE HOUSE PRICE, WELL BELOW THE NATIONAL AVERAGE OF \$668,900.

Source: Praxis Consulting, Canadian Real Estate Association

553

TOTAL YEAR-TO-DATE HOUSING STARTS IN REGINA, UP 20.5% OVER 2022.

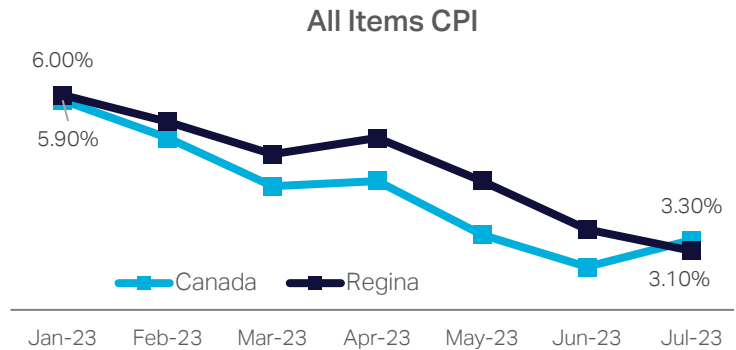
Source: Praxis Consulting

A DEEPER LOOK...

A closer look at inflation in Regina

Bucking the trend

- Inflation in the Regina Central Metropolitan Area stood at 3.1% for the month of July 2023. Down from 3.5% in June.
- Saskatchewan is one of only two provinces to see decreases.
- This metric reflects the general increase in prices across various goods and services, impacting consumer purchasing power.

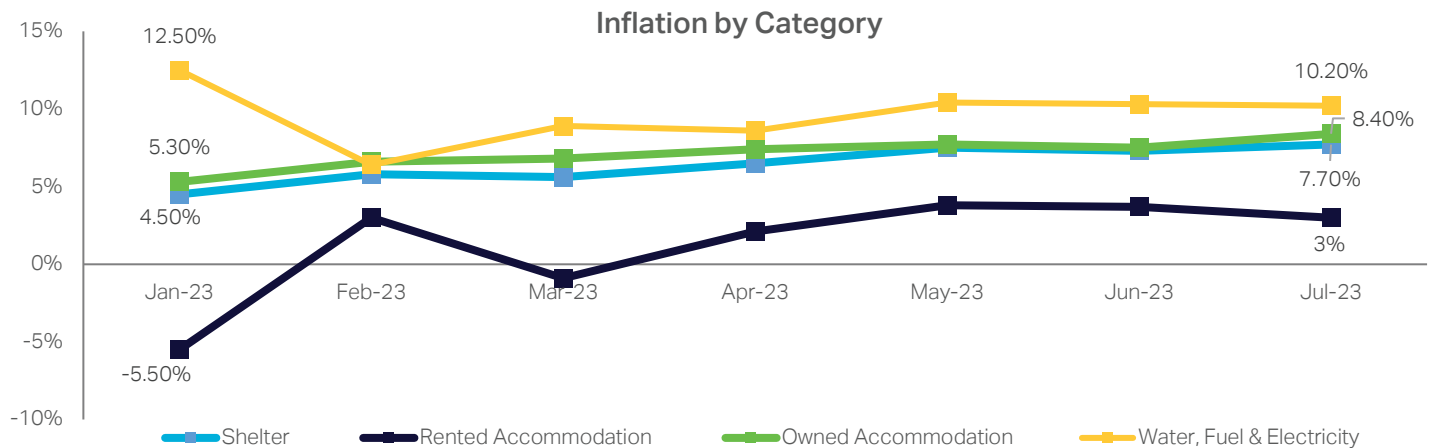


What's fueling inflation?

- A key driver for inflation over the past 12 months has been water, fuel, and electricity (in Regina, that mostly means gasoline), with this category experiencing an average increase of approximately 10%.
- These price hikes are influenced in part by supply-demand dynamics and external factors affecting energy markets (such as the war in Ukraine and production cuts from the Organization of Petroleum Exporting Countries and its allies).

Hitting home

- Owned accommodation and shelter are the second-highest contributors to inflation, with an average monthly increase of 7% ytd.
- The rising costs in this category can be attributed to factors such as increased demand for housing, construction expenses, and possibly changing real estate market conditions.
- Rental accommodation in Regina has displayed a relatively slower inflation rate, with prices up an average of 1.5% ytd.



Source: Statistics Canada, Economic Development Regina

News Worth Watching

Strong US ties

In 2022, the United States was Saskatchewan's top trading partner. Exports to the U.S. increased by 47.1 per cent from \$19.9 billion in 2021 to \$29.3 billion in 2022. The province and the U.S. continue to be strong and reliable partners.

Source: [Government of Saskatchewan](#)

First Nations coalition seeking hydrogen pipeline

A new coalition of First Nations is coming together with the goal of building the Wawátéwák Corridor between Churchill, MB and northern Alberta

Source: [Leader-Post](#)

Regina's Celestial Labs rockets ahead in aerospace ingenuity

Founded by U of R students, Celestial Labs is exploring a critical question for future space exploration: How would you successfully build an airlock for astronauts on Mars?

Source: [Innovation Saskatchewan](#)

Residents hit by June storms can apply for financial help

Regina residents who were negatively impacted by heavy rainfall on June 2 and 7 can now apply for assistance from the province.

Source: [CTV News](#)

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