

REGINA'S ECONOMIC BRIEFING

Kick start to 2023

The GRA's labour market kicked off 2023 on a positive note with a modest increase in those working (predominantly full-time) and further reduction in the already low unemployment rate to 4.6%. However, new home starts, building permits, and housing prices are beginning to feel the impact of higher borrowing costs. Inflation, while lower, remains at 6.6%. Add to that higher lending rates and an increase on those of labour force age not seeking employment, and we have some challenges to watch.

Source: Praxis Consulting / Economic Development Regina

Growing population

New population figures from July 2022 saw the Region's population reach an all-time high of 268,804, up 4,429 people.

Source: Statistics Canada

Increasing Employment

Average YTD total employment in the GRA was up 400 positions in January 2023 over the same period in 2022. Provincially, average year to date employment increased by 16,400 positions.

Source: Praxis Consulting

Employment growth potential

135,000+ job openings are forecasted for Saskatchewan from 2022 to 2026. Of these, 46% are due to economic growth and 54% are due to replacement demand.

Source: Government of Saskatchewan

Stalling growth in construction

December 2022, total YTD housing starts are down by 46 units (4.7%) over the same period in 2021. YTD declines were noted in singles (-84) and semi-detached units (-30). YTD increases were observed in row (45) and apartment and other types (23).

Source: Praxis Consulting

Rate hikes slowing down inflation

On January 25, the Bank of Canada raised its benchmark interest rate by .25 basis points to 4.5%, the eighth raise since March 2022, in effort to battle inflation. However, the bank has indicated it may be done with hiking rates in the next few months.

Source: Praxis Consulting

KEY NUMBERS

4.6%

AVERAGE UNEMPLOYMENT RATE IN JANUARY 2023 COMPARED TO 4.7% IN JANUARY 2022

Source: Praxis Consulting / Statistics Canada

3.5%

REGINA'S REAL GDP TO INCREASE BY 3.5% IN 2023 AFTER ADVANCING BY 4.8% IN 2022 AND 3.1% IN 2021

Source: Conference Board of Canada

88,000+

NUMBER OF PEOPLE WHO VISITED FROST THIS YEAR. 55,000 OF THESE PEOPLE WERE FIRST-TIMERS AT THE EVENT

Source: Global News

\$312,200

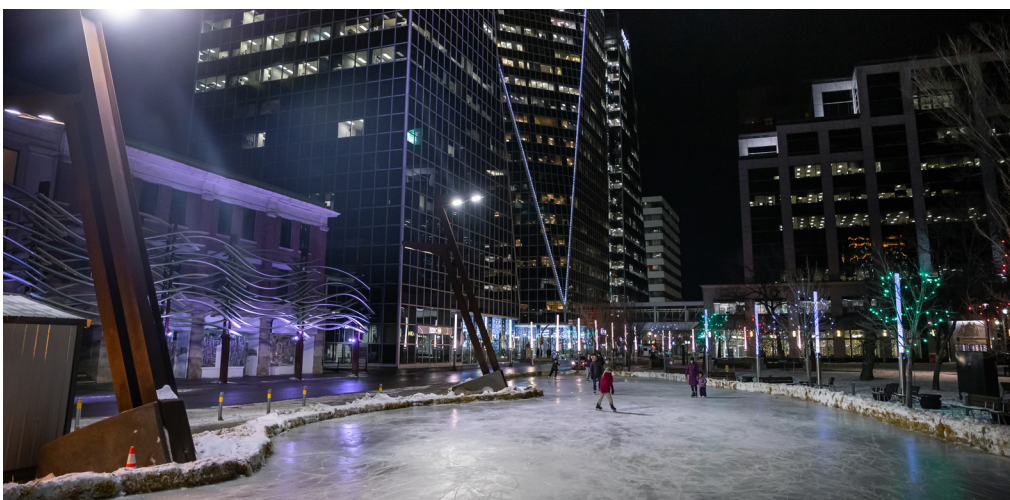
REFLECTING HIGHER BORROWING COSTS, THE AVERAGE YTD HOUSING PRICE INDEX BENCHMARK COMPOSITE PRICE IS DOWN FROM \$315,400 IN JANUARY 2022 TO \$312,200 IN JANUARY 2023

Source: Statistics Canada

6.0%

REGINA'S CONSUMER PRICE INDEX FOR JANUARY – JUST OVER THE NATIONAL AVERAGE OF 5.9%. KEY CONTRIBUTORS WERE FOOD, TRANSPORTATION, AND ENERGY

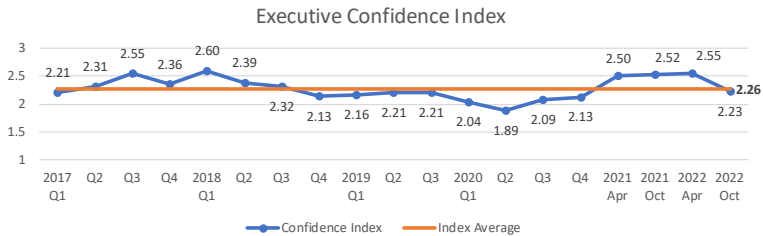
Source: Statistics Canada



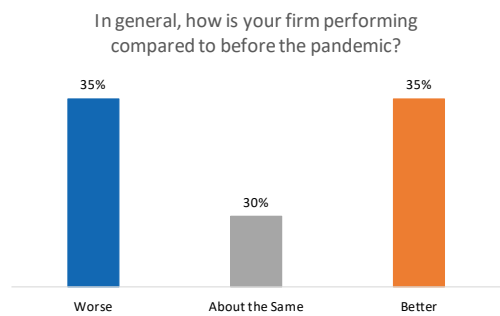
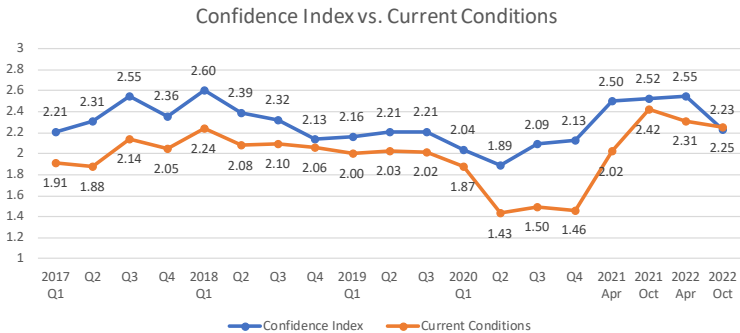
A DEEPER LOOK...

Regina Executive Leadership Outlook (RELO)

The Executive Confidence Index, which measures forward-looking optimism among executives, has dropped to 2.23 (down from 2.55 in April 2022). It now sits below the index average (2.26) for the first time since Q4 2020 but remains well above pre-pandemic levels.

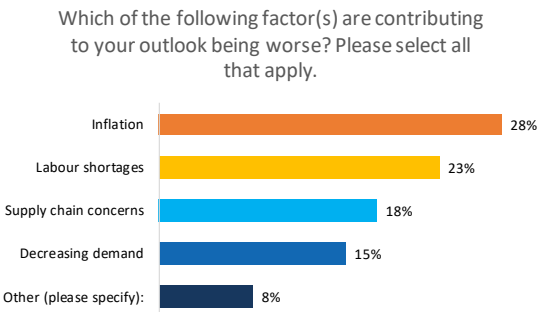


Similarly, the Current Conditions Index, which aggregates executive ratings of current economic business conditions compared to one year ago, has also dropped slightly to 2.25 (from 2.31 in April 2022).



Almost three quarters of business leaders say their business outlook is either the same or better than it was pre-pandemic.

However, there are several factors causing concern looking forward, including inflation, availability of skilled employees, and supply chain challenges.



News Worth Watching

SK methane emissions higher than reported

New research suggests heavy oil facilities in Saskatchewan are releasing almost 4x the amount of a powerful greenhouse gas than they report to government.

Source: [Regina Leader Post](#)

Regina urgent care centre 50% complete

Expected to be completed in late 2023, it will function as an alternative emergency department for illnesses, injuries, and mental health issues.

Source: [Global News](#)

City of Regina shares plan to save \$2.9M in 2023 budget

The City of Regina has outlined its plan to save nearly \$3 million from the 2023 municipal budget.

Source: [Global News](#)

FNUniv, URegina partners with Mongolian National University

The institutions will work together to promote Indigenous cultures in Canada and Mongolian cultures in different forms.

Source: [Global News](#)

Regina city council approves 20% Indigenous procurement policy











The procurement policy puts tools in place to foster success for Indigenous-led businesses.

Source: [Global News](#)

GRA REPORT CARD

Month to Month

Year to Date

		Jan 2022	Jan 2023	Chg	%Chg	Jan 2022 ytd	Jan 2023 ytd	Chg	%Chg
	Employment	138,900	139,300	400	▲ 0.3%	138,900	139,300	400	▲ 0.3%
	Unemployment Rate (%)	4.7	4.6	-0.1	▼ -2.1%	4.7	4.6	-0.1	▼ -2.1%
	Housing Price Index Benchmark Value(\$)	315,400	312,200	-3,200	▼ -1.0%	315,400	312,200	-3,200	▼ -1.0%
		Dec 2021	Dec 2022	Chg	%Chg	Dec 2021 ytd	Dec 2022 ytd	Chg	%Chg
	Consumer Price Index (2002=100)	146.6	156.7	10.1	▲ 6.9%	144.7	154.2	9.5	▲ 6.6%
	Housing Starts Total (Units)	89	47	-42	▼ -47.2%	983	937	-46	▼ -4.7%
	Building Permits Total (\$000s)	33,365	21,322	-12,043	▼ -36.1%	438,916	396,018	-42,898	▼ -9.8%
	Building Permits Residential (\$000s)	25,779	9,056	-16,723	▼ -64.9%	233,046	206,552	-26,494	▼ -11.4%
	Building Permits Non-Residential (\$000s)	7,586	12,266	4,680	▲ 61.7%	205,869	189,468	-16,401	▼ -8.0%
		2020	2021	Chg	%Chg				
	Population (persons) July 1	264,375	268,804	4,429	▲ 1.7%				
		2022	2023f	Chg	%Chg				
	Gross Domestic Product (2012 \$M)	17,185	17,778	593	▲ 3.5%				