

REGINA'S ECONOMIC BRIEF

Economic expansion

Entering the second quarter of 2024, the Greater Regina Area's (GRA) economy saw a 5.8% employment growth, adding 8,150 jobs in high-paying sectors like logistics, finance, professional services, health, and education. This makes up two-thirds of all Saskatchewan's 12,550 new jobs. The GRA's unemployment rate rose to 6.4% (March 2024: 5.4%) due to a growing labor force. Inflation moderated to 1.2%, down from 1.9% the previous month. However, high borrowing costs, stalled housing starts (compared to 2023), and weak growth in residential permits and house prices were the only downside.

Source: Praxis Consulting (Unadjusted)

GRA's employment growth remains strong

In April 2024, the GRA added 6,900 jobs, a 4.8% year-over-year increase. Provincially, employment rose by 12,300 jobs, a 2.1% increase from April 2023.

Source: Praxis Consulting

Housing Price Index continues recovery

The average year-over-year Housing Price Index Benchmark Composite Price is up 2.8% to \$313,700 in April 2024 from \$305,100 in April 2023.

Source: Saskatchewan Realtor's Association

GRA's Inflation Rate improves

The GRA's all-items price growth was 1.2% year-over-year, significantly lower than March 2024 (1.9%), noticeably lower than the national inflation rate of 2.7%.

Source: Statistics Canada

Unemployment rate continues to rise

In April 2024, the GRA's unemployment rate was 6.4%, higher than the provincial rate of 5.7%. Strong population growth is fueling the rise in the unemployment rate in the region.

Source: Government of Saskatchewan

GRA's GDP growth rate set to slow

The Conference Board of Canada forecasted a 2% GDP increase for the GRA in 2023, down from 3.6% in 2022. A slowdown in economic activity resulting from the high cost of borrowing is cited for the decline in the GDP growth rate.

Source: Conference Board of Canada

Increase in Canadian home listings

Newly listed homes in Canada increased by 2.8% from March to April 2024. Slower sales and more listings led to a 6.5% rise in available properties, the highest since before the COVID-19 pandemic. Buyers remain cautious amid rising inventory.

Source: Canadian Real Estate Association

KEY NUMBERS

2.7%

CANADA'S APRIL 2024 INFLATION RATE, LOWEST SINCE APRIL 2021 (3.4%).

Source: Statistics Canada

90,400

NUMBER OF NET-NEW JOBS CANADA ADDED IN APRIL 2024, OF WHICH 1,100 WERE IN SASK.

Source: Statistics Canada

\$34.95

THE AVERAGE CANADIAN HOURLY WAGE IN APRIL 2024, UP 4.7% OR \$1.57 FROM 2023. COMPARED TO SASK'S HOURLY WAGE OF \$29.79 IN APRIL 2024.

Source: Statistics Canada

\$535B

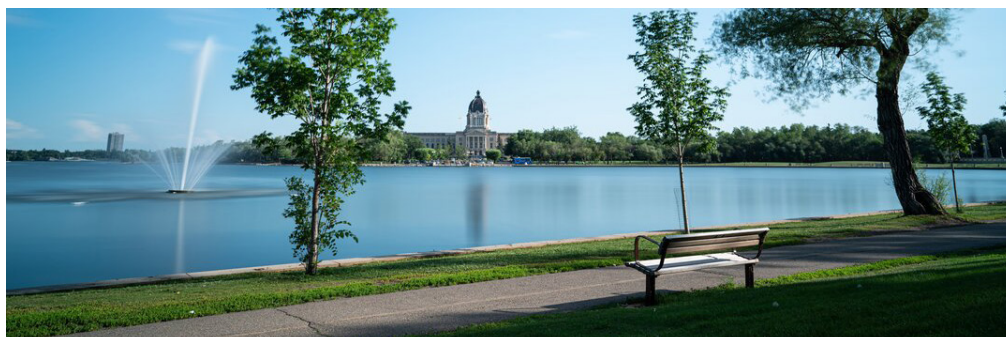
TOTAL FEDERAL GOVERNMENT SPENDING FOR THE 2024-25 FISCAL YEAR, COMPARED TO \$20.1B IN SASK.

Source: Government of Canada

\$77.9B

SASKATCHEWAN'S REAL GROSS DOMESTIC PRODUCT IN 2023, 1.6% HIGHER THAN IN 2022 AND HIGHER THAN THE NATIONAL AVERAGE OF 1.2%.

Source: Government of Saskatchewan



POSITIVE

NEED TO WATCH

NEGATIVE

A DEEPER LOOK...

A booming manufacturing sector in Regina

According to Statistics Canada, Canadian manufacturing sales fell to \$69.9B in March 2024, a 2.1% drop compared to February 2024 (\$71.6B). This drop is mainly due to declining sales in petroleum and coal products (-8.0%) and motor vehicles (-7.9%). However, the machinery subsector increased by 2.9% to \$4.5B.

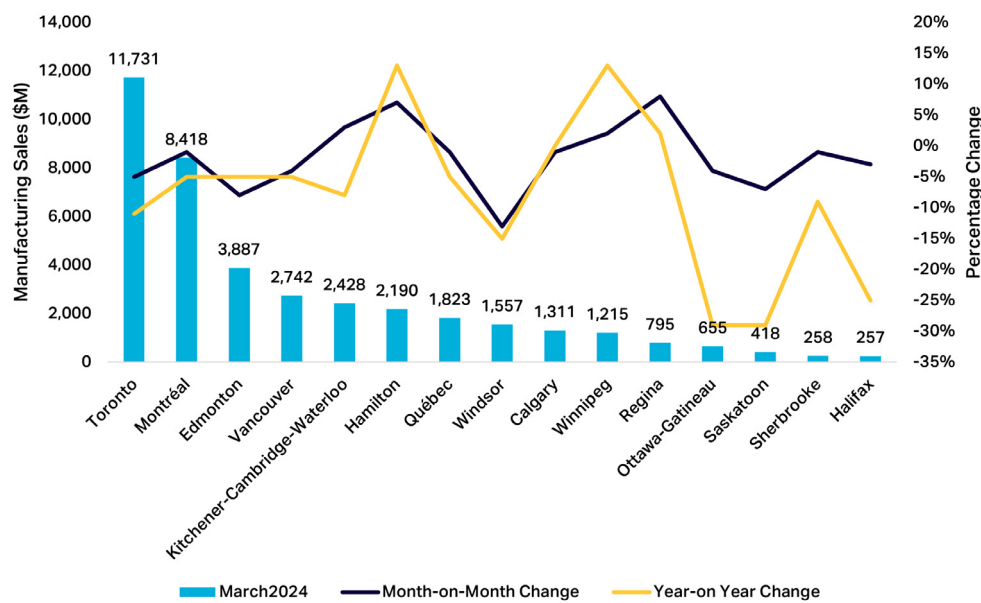
In March 2024, the total value of Regina's manufacturing sales was \$795M, moderate compared to other cities, higher than Halifax (\$257M) and Saskatoon (\$418M) but lower than Toronto (\$12B), Montréal (\$8B), and Vancouver (\$3B). Regina's year-on-year growth is +2.26%, up from \$777M in 2023, compared to Winnipeg (+12.99%), and Hamilton (+12.58%). Regina's month-on-month growth rate (+7.61%) outpaced other cities like Windsor (-13.34%) and Saskatoon (-7.01%).

[Regina's April Economic Brief](#) highlighted overall productivity in Canadian cities and the potential impact of a higher capital gains tax inclusion rate. This rate change can influence investor behaviour, consumer spending, and corporate investment, affecting manufacturing sales. This proposed increase by the Government of Canada could impact investment and spending, leading to lower manufacturing sales.

Key takeaways

- High interest rates from the Bank of Canada are impacting all economic sectors, including manufacturing.
- Regina shows positive year-on-year change and the highest month-on-month growth, indicating strong performance and resilience compared to many cities experiencing declines. This makes Regina's growth more significant.
- Regina's performance is noteworthy given its relative size to Canada's largest cities by total value.
- EDR's analysis illustrates Regina's strong growth metrics, highlighting the region's positive momentum amid declines in other urban areas.

March 2024 manufacturing sales for 15 selected Census Metropolitan Areas



In conclusion, Regina's manufacturing sector is experiencing growth, making the city an attractive destination for companies and investors eager to capitalize on a robust manufacturing sector, with a mature supply chain, in a strong strategic location.

News Worth Watching

Saskatchewan inflation remains low due to removal of carbon tax

Saskatchewan's Consumer Price Index (CPI) rose by only 1% in April 2024 over April 2023. This marks the second lowest increase among the provinces and sits far below the national average of 2.7%.

Source: [Government of Saskatchewan](#)

Canada's inflation rate inches closer to the Central Banks target

Canada's inflation rate slowed to 2.7% in April as cooling grocery price pressures offset higher fuel costs.

Source: [Global News](#)

Manufacturing sales down 2.1% in March at \$69.9B

Manufacturing sales dropped 2.1% to \$69.9B in March, according to Statistics Canada, with declines in petroleum and coal products, as well as motor vehicles.

Source: [BNN Bloomberg](#)

Bioeconomy Forum sets the stage for multi-billion dollar biomass cluster

EDR is making the case for growing a biomass cluster in the GRA – an opportunity set to generate as much as \$1.8B in economic activity by 2027.

Source: [Economic Development Regina](#)

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