

# SREDA News Release



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## Saskatoon #1 in country

Saskatoon reigns as Canada's fastest growing metropolitan area in 2007

Saskatoon, SK - Saskatoon has been recognized as the fastest-growing metropolitan economy in Canada. In the Conference Board's *Metropolitan Outlook-Autumn 2007*, Saskatoon's real domestic product (GDP) growth of 4.7 percent will surpass previous top performer, Calgary.

"This is a considerable achievement for the Saskatoon region," commented Alan Migneault, CEO of the Saskatoon Regional Economic Development Authority (SREDA) Inc. "Although, this is just the start. We believe that Saskatoon's economy will continue to grow and exceed expectations on a national level."

According to the Conference Board, Saskatoon's growth can be attributed to the influx of inter-provincial migrants, who have been drawn to the low cost of living in the region and increase in job opportunities. This has caused housing starts to hit their highest level in over 20 years, which has contributed to the strong overall economic performance in the Saskatoon region. It is expected that output will expand by 4.7% in 2007, the fastest since 1997, and the fastest in the country.

SREDA's Economic Development Analyst, Shaun Dyck, pointed out many highlights that favour the continuance of Saskatoon's economic strength. "Strong demand for potash, uranium, and agricultural products has fuelled the increases in primary sector GDP in Saskatoon."

Goods sector growth is forecast to expand by 3.4 percent and the service sector by 5.2 percent, reflecting increased demand in retail and wholesale trade, as well as in the Finance, Insurance, and Real Estate sectors. The majority of employment growth will be experienced in the service sector, and employment overall is forecasted to advance by 4.8 percent, nearly four times last year's increase of 1.3 percent.

The report also indicates that local construction employment increased by 25% last year. Local construction is a significant driver for the economy, as output increased 5.5% in 2007. This is due to the +75% annual increase in housing starts (Source: CMHC). Non-residential projects will also contribute to the construction boom over the next few years. Housing starts are forecasted to peak this year, but as demand for serviced lots in Saskatoon exceeds supply, forecasts for 2008 will be partially dependent on housing starts.

SREDA is an economic development organization committed to the attraction, retention, growth and expansion of opportunities in the Saskatoon region.

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