



# CHAMBERLINK



## Fighting inflation only with interest rates = slow down

*By Stu Niebergall*

*President & CEO of the Regina & Region Home Builders Association*

If you put tariffs or restrictions in place, it creates inflation. If you create inflation, you must raise interest rates. If you raise interest rates, you slow down the economy. This is basic economics.

What has occurred during the pandemic and post-pandemic period is a nearly 40-year high for inflation, produced by too much Covid-era stimulus, supply-chain issues, and global market disruptions, including the Russian war against Ukraine. The combined result of all these elements is increased interest rates that have created the conditions for an economic slowdown.

While the Bank of Canada has been aggressively tightening monetary policy, there has been a missed opportunity at all levels of government to address the supply side of the economy properly and effectively, where inflation can be more efficiently fought. As the Federal government continues to fall behind the inflation curve, our leadership has adopted an approach to convince markets that it is in the inflation fight we need to win at all costs.

Regina & Region  
Home Builders'  
Association



It is evident that rising interest rates combined with higher construction costs is deteriorating housing affordability and becoming a significant impediment for people and families who are trying to access new housing.

In the 2022 Federal Budget, the government of Canada finally acknowledged that Canada does not have enough homes. They stated that we'll need to build at least 3.5 million new homes by 2031. If the market is going to deliver even half that number, Federal and Provincial governments must ensure there are no impediments to the market delivering that supply and that requires municipalities to buy in and ensure little resistance for the increase in supply. Without municipal support, there will be no increased supply.

For Municipalities, you need to grow housing supply faster than historical averages, ensure fast and efficient approval times. This means ensuring more land and housing is available so individuals, newcomers and families can make a home right here. This also means tackling 'Not In My Back Yard' (Nimbyism) that is an impediment to intensification.

While municipalities must add supply, they need to combine this with new approaches to ensure development charges do not erode housing affordability any further than they

have over the past decade (which have increased 9x the rate of inflation over the past 15 years).

In the meantime, developers and builders will be cautious with respect to investment in new supply. The Bank of Canada has indicated that it plans to hold interest rates higher for longer. This means, unfortunately, the homeownership rate will continue to decline in 2023. I anticipate that these conditions will firmly place housing on the political agenda of the next set of municipal, provincial and federal elections.

## UPCOMING REGINA CHAMBER EVENTS

### WEDNESDAY, OCTOBER 12

#### Prospective Board Member Event

This is an opportunity to gather information about serving on the Chamber Board of Directors

Roots Kitchen & Bar

5 p.m. -- 7 p.m.



### THURSDAY, OCTOBER 20

#### ALL-NATIONS CAREER & BUSINESS SHOWCASE

Sponsored by SaskJobs

Conexus Arts Centre

10 a.m. -- 5 p.m.



For more information or to register for this outstanding Chamber event click [HERE](#)

*"We acknowledge, with respect and truth, that we work and support the business community in Treaty 4 Territory and the traditional lands of the nēhiyawak (Cree), Anihšīnāpēk (Saulteaux), Dakota, Lakota, Nakoda, and on the homeland of the Métis Nation."*

Luncheon with  
**PREMIER SCOTT MOE**

PRESENTED BY **Nutrien**  
Feeding the Future™

📅 MONDAY, OCTOBER 24, 2022  
🕒 11:15AM - 1:30PM  
📍 PRAIRIELAND PARK - HALL C

MEMBERS \$50 + GST  
NON-MEMBERS \$65 + GST



SPONSORED BY



## CPP Investments providing information on CPP Fund

CPP Investments will host a public information meeting in Regina on Wednesday, October 12 at the Delta Hotel.

CPP Investments is the organization responsible for investing CPP contributions not immediately needed to pay benefits. The meeting will be an opportunity for people to hear directly about how the CPP Fund is doing.

A member of the senior management team for CPP Investments will also be available to answer questions about the CPP fund.

The event will run from 12 noon until 1 p.m.

For those unable to attend the in-person meeting, a national virtual meeting will be held on Tuesday, November 1 from 10 a.m. until 11 a.m. Participants are asked to pre-register for the virtual meeting on the CPP Investments [website](#). Questions about the CPP Fund or questions participants would like to submit in advance of the broadcast should be emailed to [contact@cppib.com](mailto:contact@cppib.com)

For more information visit [cppinvestments.com](http://cppinvestments.com).



**CPP Investments**

**SMALL BUSINESS WEEK**

Celebrating Immigrant Entrepreneurs



**OCT 16 to 21**

[reginalibrary.ca/smallbusiness](http://reginalibrary.ca/smallbusiness)

**Get on board for breast health!**



You can help ensure Saskatchewan women have access to breast screening mammograms.

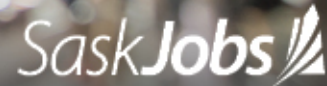
Donate Today | [cancerfoundationsask.ca](http://cancerfoundationsask.ca)



## Employer Services

We'll be at the All-Nations Career & Business Showcase to engage and assist you to source, recruit, train and retain your workforce.

[saskatchewan.ca](http://saskatchewan.ca)



**PRAIRIE TRUSTED**  
employee benefits



Click for a free  
**Chambers Plan** quote!





Regina & District Chamber of Commerce | 2145 Albert St., Regina, S4P 2V1 Canada

[Unsubscribe info@reginachamber.com](mailto:info@reginachamber.com)

[Update Profile](#) | [Constant Contact Data Notice](#)

Sent by [info@reginachamber.com](mailto:info@reginachamber.com) powered by



Try email marketing for free today!