

Albertans beginning to turn their wagons east

Saskatchewan offers greener pastures for some people

By Blair Braitenbach
Staff reporter



For years Saskatchewan has stood in the shadow of oil-rich Alberta, but as housing markets and the cost of living continue to rise, many are making the trek east.

Tim Landry, originally from Saskatoon and an Okotokian for nine years, is one such person who has decided to pack up his family and move to small-town Saskatchewan where housing is still relatively affordable. Landry, the former owner of Country Fitness in Okotoks, decided to capitalize on his housing investment and moved to Unity, Sask. about a month ago – a town with a population of approximately 2,800 and an hour-and-a-half drive west of Saskatoon. The house he raised his family in Okotoks sold for \$460,000; the newer house he purchased in Unity was \$175,000. But Landry was told by his realtor he could sell his new house for another \$50,000 before he even moved in.

“The boom is really coming on here now because the housing market there in Alberta has gotten so way out of hand that most people can’t afford it so they have no choice

but to come back to Saskatchewan,” Landry said.

But not everything is hunky dory in Saskatchewan. Although an influx of population and higher values on houses is what many people have wanted in the prairie province for years, there are some possible setbacks to Saskatchewan’s recent boom. Landry acknowledged Saskatchewan may become too much like Alberta, for good or bad. The rising housing market in Saskatchewan is a great thing for those who already own houses or for those with a big bank account from a major sale in Alberta, however, Landry said those not in the market may end up suffering like many in Alberta as housing prices climb to levels never seen before.

“The infrastructure headaches that are going on in Calgary and Edmonton are going to be going on in Saskatoon and Regina. I was just watching the Saskatoon news and they were talking about people who have normal jobs who can’t even afford basic rent anymore,” Landry said.

“The job market is good, but I don’t think there are enough high-paying jobs to keep up with the way inflation on everything else is going,” Landry said, adding that he believes it would be a good thing if the industry would slow down a little so that inflation would drop.

However, Alan Migneault, CEO of the Saskatoon Regional Economic Development Authority (SREDA), welcomes the economic and housing growth to Saskatoon and Saskatchewan. Major developments are taking place in Saskatoon and surrounding areas because to many Saskatoon is one of the most desirable places in the province to live. The average price for a house in Saskatoon rose from \$160,000 in June 2006 to \$252,000 by June of this year. That is a major jump in only one year, however compared to Calgary’s average of \$429,000 for a house, Saskatoon remains a reasonably priced city to buy. With one of the country’s lowest unemployment rates at 4.3 per cent and an annual inflation rate of 3.2 per cent, approximately half of Calgary and Edmonton, Migneault said Saskatchewan is ready for the economic upturn.

“We have a strong labour market growth that is both helping the boom and construction of housing as well as leading that requirement for new home construction,” Migneault said.

Migneault said Saskatoon has one of the most diversified economies in Canada. He said the Conference Board of Canada reports that in 2006 the only industry that didn’t have significant growth was agriculture, oil and gas and mining (combined). However, he said every other industry was strong and in 2007 there were no declines in all industries and “a significant increase in the industries surrounding oil and gas, mining and agriculture.”

“We don’t have pump jacks in downtown Saskatoon, but around us we contribute to that economy,” Migneault said.

Although Migneault couldn’t comment specifically as to how many Albertans are moving to the green and white land, he said during the first two quarters of the year, Saskatchewan had a net migration of 2,000 people, of which he assumed a significant number of those were from Alberta.

Saskatchewan is indeed growing quickly, but Migneault said Landry's concern over Saskatchewan being the next Alberta with its infrastructure and affordable housing issues is unlikely.

"We have a market nearby that we can look at and use as an example of some strong growth in similar industries that we have in relationship in Saskatchewan." As a result, we are in a very good position to learn from recent examples in Calgary, Edmonton and Vancouver," Migneault said, adding that the City of Saskatoon is committed to affordable housing before it gets too difficult for people to find affordable places to live.

Saskatchewan's Culture

Unknown to many Albertans, Saskatchewan, and Saskatoon specifically, has always had a strong sense of unique culture and identity. Up until recently, Saskatoon's evolution was that of a separate entity to many other cities in the country. In Saskatoon there are many independent stores and restaurants that successfully compete with big chains and brand name box stores (Saskatoon didn't get its first Starbucks until four years ago). As well, Saskatoon's University of Saskatchewan attracts people from all over Canada and the world with its top rate levels of education. And one can't forget the natural beauty displayed throughout Saskatoon and the province as a whole as the provincial government has kept development of natural resources to a minimum. With the trend of Albertans moving back to Saskatchewan and the oil industry making a more significant impact in the province, many are concerned Saskatoon may lose some of its individual character.

Jackie Davies and Elyse Nelubowich, two retail associates at the clothing store Divine located on Saskatoon's trendy Broadway Avenue, said it sometimes upsets them that Saskatoon has not received the artistic recognition it deserves. The pair agreed that with big cultural events, such as the annual Jazz and Fringe festivals, along with a major art and thriving music scene, it would be disappointing for Saskatoon to lose its distinctiveness. "I don't think we will ever turn into another Calgary because we have such diversity in art and culture," Nelubowich said, adding that Saskatoon has a more communal feel than cities like Calgary and Edmonton.

"You can get to know someone randomly usually if you say you are from Saskatoon. That's a connection in itself. We're not quarantined off in sections," referring to Calgary's quadrants.

Davies concurred with Nelubowich.

"Saskatoon is a hidden secret, that's why it's so great," Davies said. "We've expanded on our own without outside industries. Now all of a sudden people are realizing that. I'm proud to be from Saskatoon and that's why it hurts when people don't see how amazing it is. We're going through a boom and it's kind of scary, but it's nice to see our city growing. But it's our baby and I don't want it to grow too much."

Whether or not the boom in Saskatchewan will be positive in the long run has yet to be seen. Clearly the sustainability of the growth will be determined through proper governmental management. But in the meantime, many are thankful Saskatchewan is finally seeing some of the wealth Alberta has known for years. And people in Landry's position are finally finding a place in Saskatchewan to utilize their success from wise investments in Alberta.