

# Executive Summary

## Introduction

The purpose of this project is to accurately measure economic activities of all First Nation and Indigenous communities within the Saskatchewan borders and to demonstrate their economic impacts on a broader provincial scale. The study rests on various historical analysis of data such as population, labor force, business registry, corporate profits, income and wages, employment by industry by community, imports, exports, and gross domestic product. The ultimate goal is to present to the province, for the first time, a study that accurately quantifies the size of the First Nation economy in Saskatchewan and to demonstrate the real economic contributions of First Nation communities, business and economic development activities on the broader provincial economy. A further intention is to incorporate this study into a framework of any future discussions and initiatives taken among Indigenous leaders, local, provincial and federal governments. Hence, this report is a benchmark as well as replicable method that can be used to measure the economic performance in current and subsequent years

This project is significant because the First Nation contributions to Saskatchewan's economy have yet not been examined or accurately calculated. Study results will also be invaluable to assist in help framing discussions and initiatives among First Nation (and other Indigenous) community leaders, as well as Local, Provincial and Federal Governments, and the public at large.

The Project rests on historical analysis of data such as population, labor force, the business registry, corporate profits, income and wages, employment by industry by community, imports, exports, and gross domestic product. This study has been designed to provide both benchmarks and replicable methods to measure the economic performance of the Saskatchewan First Nation (and other Indigenous) economy in subsequent years.

Throughout this study the term First Nations (also know as North American Indian according to the Statistics Canada definition) refers to whether the person identified with the First Nations peoples of Canada. Explicitly excluded from this definition of First Nation are those identified as Métis or Inuk (Inuit).

Economic impacts for Metis and Inuk were calculated separately and added to First Nation results for a total Indigenous economic impact.

## Indigenous Identity and Definitions

Table 1: Indigenous Population in Saskatchewan 2021.

Indigenous identity	Indigenous identity	Single Indigenous responses	First Nations (North American Indian)	Métis	Inuk (Inuit)	Multiple Indigenous responses	Indigenous responses not included elsewhere
<b>Total - Residence on or off reserve</b>	187,885	184,435	121,175	62,800	460	2,030	1,425
<b>On reserve</b>	54,970	54,475	53,970	505	0	90	405
<b>Off reserve</b>	132,915	129,960	67,205	62,300	455	1,935	1,025

Statistics Canada. Table 98-10-0264-01 Indigenous identity by Registered or Treaty Indian status and residence by Indigenous geography: Canada, provinces and territories

Indigenous identity refers to whether the person identified with the Indigenous peoples of Canada. This includes those who identify as First Nations (North American Indian), Métis and/or Inuk (Inuit).

Single response includes persons who identify as only one Indigenous group, that is First Nations (North American Indian), Métis or Inuk (Inuit).

Multiple response includes persons who identify as any two or all three of the following: First Nations (North American Indian), Métis and/or Inuk (Inuit).

Indigenous responses not included elsewhere includes persons who do not identify as First Nations (North American Indian), Métis or Inuk (Inuit) but who report having Registered or Treaty Indian status and/or Membership in a First Nation or Indian band.

In total there are 187,885 individuals identifying as Indigenous in Saskatchewan in 2021. Of these, 121,175 were First Nations, 62,800 were Métis, 460 were Inuk (Inuit), 2,030 were multiple responses, and 1,425 were Indigenous responses not included elsewhere. This is up from 175,015 in 2016.

## Saskatchewan's First Nation Economy

Data for 2021 shows there are 352 First Nation businesses with employees that operate on First Nations in Saskatchewan, including SIGA, and a further 438 businesses are estimated to be off reserve. These businesses employ some 5,352 workers directly and indirectly and spend \$1,030 million dollars on goods and services. In addition, Indigenous government, including infrastructure and housing spending, accounts for a further \$1,630 million and on-reserve and off reserve household spending adds \$ 2,292 million. Total spend is estimated at \$4,952 million.

## Summary of Results

This analysis presents results based on standard methodologies for estimating economic contributions for sub-national geographies. Results are the sum of direct, indirect, and induced impacts for Infrastructure and housing investment, Indigenous government spending, and household and business spending for 2021.

All impacts are considered incremental to the Base Case, a hypothetical scenario representing no First Nation or Indigenous economy. Direct impact is the total initial expenditure, usually construction or operating outlays. Indirect impact is the secondary impact that includes inter-industry transactions: purchases of inputs from supporting industries. Induced impact is the additional impact from changes in household spending as additional labor is hired.

GDP measures net economic activity within a prescribed geographic area. It represents the payments made to final factors of production: labour, unincorporated business profits, and other operating surplus (corporate profits, interest income, inventory valuation adjustments, and capital consumption allowances). Gross domestic product excludes the value of intermediate goods and services used in production. Labour income includes wages, salaries, and employer contributions to pensions and benefit packages.

Gross Output measures total expenditures on local goods and services as well as payments to labour and business profits. Gross output is the total value of goods and services produced by an industry and includes intermediate inputs that are foreign and domestically-produced goods and services used by an

industry in the production of its gross output. Value added is the difference between gross output and intermediate inputs and represents the value of labour and capital used in producing gross output. The sum of value added across all industries is equal to gross domestic product for the economy.

A simple example illustrates how gross output is different from GDP. A baker buys water, eggs, and flour which he uses to make bread. The baker sells the bread to households and the baker's gross output is the revenue earned from bread sale. Intermediate inputs are calculated as the cost of water, eggs, and flour for the baker and value added is calculated as the difference between revenue earned and the cost of intermediate inputs. Because gross output can include sales to other industries, it can be duplicative in nature. An industry's value added is defined as the total value of an industry's production less the cost of inputs purchased from other industries and eliminates this duplication.

Employment is defined as positions and is a mix of full and part-time jobs and is not to be confused with the number of First Nation people working. Employment results are rounded to the nearest whole number, and as such, columns sums may not necessarily add to the table total.

Table 2: Summary of Provincial Impacts – First Nations 2021

Provincial Impacts	Gross Output (\$M)	Gross Domestic Product (\$M)	Employment (Positions)	Labour Income (\$M)
<b>Infrastructure and Housing Spending Impact</b>	318.7	150.2	1,286	69.5
<b>Indigenous Government Spending Impact</b>	2,859.1	1,782.8	19,009	1,086.8
<b>Household Spending Impact</b>	2,563.7	1,577.3	14,360	624.4
<b>Business Spending Impact</b>	1,222.1	639.3	5,352	221.2
<b>Total Impact</b>	<b>6,963.6</b>	<b>4,149.6</b>	<b>40,006</b>	<b>2,001.9</b>

Table 3: Summary of Provincial Impacts – Metis and Inuk 2021

Provincial Impacts	Gross Output (\$M)	Gross Domestic Product (\$M)	Employment (Positions)	Labour Income (\$M)
<b>Infrastructure and Housing Spending Impact</b>	0	0	0	0
<b>Indigenous Government Spending Impact</b>	109.7	68.4	729	41.7
<b>Household Spending Impact</b>	1,633.7	1,005.1	9,151	397.9
<b>Business Spending Impact</b>	590.7	305.5	2,479	102.8
<b>Total Impact</b>	<b>2,334.2</b>	<b>1,379.1</b>	<b>12,360</b>	<b>542.4</b>

Table 4: Summary of Provincial Impacts – Total Indigenous

Provincial Impacts	Gross Output (\$M)	Gross Domestic Product (\$M)	Employment (Positions)	Labour Income (\$M)
<b>Infrastructure and Housing Spending Impact</b>	318.7	150.2	1,286	69.5
<b>Indigenous Government Spending Impact</b>	2,968.8	1,851.2	19,738	1,128.5
<b>Household Spending Impact</b>	4,197.4	2,582.4	23,510	1,022.2
<b>Business Spending Impact</b>	1,812.8	944.8	7,832	324.0
<b>Total Impact</b>	<b>9,297.7</b>	<b>5,528.7</b>	<b>52,366</b>	<b>2,544.3</b>

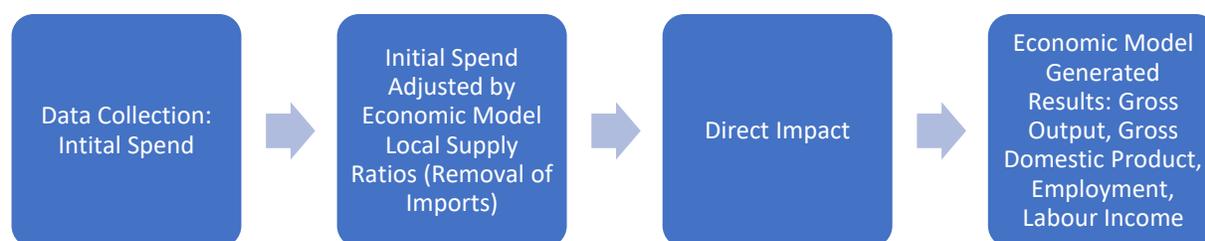
At a high level, results in table 4 were derived by using the initial spend by type, after adjusting for leakages (largely imports) as economic model inputs. The economic models, in turn, generate results in

terms of production (gross output and GDP), employment, and new labour income. The import adjustment is made because an imported input (a car, for example) does not count towards current regional production.

Table 5: Economic Model Inputs and Outputs – Saskatchewan – Total Indigenous 2021

	Model Inputs			Model Outputs			
	Initial Spend (\$M)	Less leakages (\$M)	Direct Impact (\$M)	Gross Output (\$M)	Gross Domestic Product (\$M)	Employment (Positions)	Labour Income (\$M)
<b>Infrastructure Spending Impact</b>	193.2	-0.2	193.0	318.7	150.2	1,286	69.5
<b>First Nation and Tribal Council Spending Impact</b>	1,437.3	-55.6	1,381.7	2,968.8	1,851.2	19,738	1,128.5
<b>Household Spending Impact</b>	3,752.3	-1,267.3	2,485.0	4,197.4	2,582.4	23,510	1,022.2
<b>Business Spending Impact</b>	917.0	209.3	1,126.3	1,812.8	944.8	7,832	324.0
<b>Total Impact</b>	<b>6,299.8</b>	<b>-1,113.7</b>	<b>5,186.0</b>	<b>9,297.7</b>	<b>5,528.7</b>	<b>52,366</b>	<b>2,544.3</b>

Graphically, model inputs and outputs are represented below:



## Conclusion

In summary, the First Nation economy in Saskatchewan in 2021 added \$4,149.6 million to provincial GDP (5.4% of the total economy), created or maintained 40,006 jobs in the province (7% of total employment), and added \$1,042.0 million to government revenues (\$622.6 million Federal and \$419.5 million Provincial). Roughly 1 in every 14 jobs in the province depends directly or indirectly on the First Nation economy.

Including all Indigenous economic activity, the economic impact is more striking. The Indigenous economy in Saskatchewan in 2021 added \$5,528.7 million to provincial GDP (7.2% of the total economy), created or maintained 52,366 jobs in the province (9.2% of total employment), and added \$1,330.7 million to government revenues (\$786.3 million Federal and \$544.4 million Provincial). Roughly 1 in every 11 jobs in the province depends directly or indirectly on the Indigenous economy.