



Economic Impact Studies Summaries

Survey:

Insightrix Research Services Inc. was hired to conduct an economic impact survey of Innovation Place in Regina, Saskatoon and The Forest Centre building in October and November 2006. The survey was designed to obtain data on each client's salary expenditures (gross and net), expenditures on goods and services (in each city and in Saskatchewan), and number of employees (headcount and FTE). The data was used to estimate the direct and indirect economic impact of the research parks on each city and the province, in terms of cash flow into the economy and employment generated. The method for the economic impact analysis was developed by the University of Saskatchewan.

Multiplier Effects:

The direct impact of salaries, purchases, and employment is augmented by indirect or "multiplier effects", as a portion of money spent in the area is re-spent within that region, and jobs are created to produce and handle goods and services required by direct employees. Insightrix is using the same multiplier as used by the University of Saskatchewan in the Economic Impact 2001 study and used by Insightrix in each subsequent year.

Innovation Place in Saskatoon Economic Impact:

Impact on the City of Saskatoon

Direct Impact: Net Payroll plus Local Purchases = \$136.3 M

Total Impact: Direct Impact X Multiplier of 1.43 = \$194.9 M

Total Employment Impact: FTEs X Multiplier of 2 = 3692 FTE

Impact on the Province (including Saskatoon)

Direct Impact: Net Payroll plus Provincial Purchases = \$157.2 M

Total Impact: Direct Impact X Multiplier of 1.65 = \$259.4 M

Total Employment Impact: FTEs X Multiplier of 2.3 = 4246 FTE

In summary, the economic impact model suggests Innovation Place generated approximately \$195 million in the city economy and approximately \$259 million in the provincial economy in 2006. Approximately 3,692 FTE jobs in the city and 4,246 jobs in the province are attributable to the presence of Innovation Place in Saskatoon.

Innovation Place in Regina Economic Impact:

Impact on the City of Regina

Direct Impact: Net Payroll plus Local Purchases = \$145.1 M

Total Impact: Direct Impact X Multiplier of 1.43 = \$207.5 M

Total Employment Impact: FTEs X Multiplier of 2 = 1890 FTE

Impact on the Province (including Regina)

Direct Impact: Net Payroll plus Provincial Purchases = \$163.3 M

Total Impact: Direct Impact X Multiplier of 1.65 = \$269.4 M

Total Employment Impact: FTEs X Multiplier of 2.3 = 2173.5 FTE

In summary, our economic impact model suggest Innovation Place in Regina generated more than \$207 million in the city economy and more than \$269 million in the provincial economy in 2006, and that a total of approximately 1890 FTE jobs in the city and 2173 jobs in the province are attributable to the presence of the research park in Regina.

The Forest Centre Economic Impact:

Impact on the City of Prince Albert

Direct Impact: Net Payroll plus Local Purchases = \$9.0 M

Total Impact: Direct Impact X Multiplier of 1.43 = \$12.9 M

Total Employment Impact: FTEs X Multiplier of 2 = 264 FTE

Impact on the Province (including Prince Albert)

Direct Impact: Net Payroll plus Provincial Purchases = \$19.5 M

Total Impact: Direct Impact X Multiplier of 1.65 = \$32.2 M

Total Employment Impact: FTEs X Multiplier of 2.3 = 304 FTE

In summary, the economic impact model suggests The Forest Centre generated approximately \$13 million in the Prince Albert economy and approximately \$32 million in the provincial economy in 2006. Approximately 264 FTE jobs in the city and 304 jobs in the province are attributable to the presence of The Forest Centre.

Combined Research Park Economic Impact on the Province

The aggregated payroll, purchasing and employment data used for the economic impact analysis of the combined research parks in 2006:

2006:

Local Net Payroll (excluding benefits) = 153.1 M

Total Value of Goods & Services purchased = 291.3 M

Provincial Purchases as percent of total = 64.2%

Value of Provincial Purchases = 186.9 M

Full-time Equivalent (FTE) Employment = 2923 FTE

Impact on the Province

Direct Impact: Net Payroll plus Provincial Purchases = 340.0 M
Total Impact: Direct Impact X Multiplier of 1.65 = 561.1 M
Total Employment Impact: FTEs X Multiplier of 2.3 = 6723 FTE

2005:

Local Net Payroll (excluding benefits) = 147.2 M
Total Value of Goods & Services purchased = 250.3 M
Provincial Purchases as percent of total = 68.8%
Value of Provincial Purchases = 172.4 M
Full-time Equivalent (FTE) Employment = 2,904 FTE

Impact on the Province

Direct Impact: Net Payroll plus Provincial Purchases = 319.6 M
Total Impact: Direct Impact X Multiplier of 1.65 = 527.3 M
Total Employment Impact: FTEs X Multiplier of 2.3 = 6,679.2 FTE

2004:

Local Net Payroll (excluding benefits) = 138.1 M
Total Value of Goods & Services purchased = 256.1 M
Provincial Purchases as percent of total = 64.5%
Value of Provincial Purchases = 165.2 M
Full-time Equivalent (FTE) Employment = 2,715 FTE

Impact on the Province (including Regina and Saskatoon)

Direct Impact: Net Payroll plus Provincial Purchases = 303.3 M
Total Impact: Direct Impact X Multiplier of 1.65 = 500.4 M
Total Employment Impact: FTEs X Multiplier of 2.3 = 6,244.5 FTE

In summary, our economic impact analysis suggests that the research parks together generated 561 million dollars in the provincial economy in 2006, and that a total of approximately 6723 FTE jobs in the province are attributable to the presence of the research parks.

37% of tenants in Saskatoon, 18% in Regina and 37.5% in Prince Albert have plans to expand in the near future.