



Economic Impact Studies Summaries

Survey

Insightrix Research Services Inc. was hired to conduct an economic impact survey of Innovation Place facilities in Regina, Saskatoon and Prince Albert in December, 2007 and January, 2008. 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 full-time equivalent [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 = \$172.0 M

Total Impact: Direct Impact X Multiplier of 1.43 = \$245.9 M

Total Employment Impact: FTEs X Multiplier of 2 = 4174 FTE

Impact on the Province (including Saskatoon)

Direct Impact: Net Payroll plus Provincial Purchases = \$203.8M

Total Impact: Direct Impact X Multiplier of 1.65 = \$336.3M

Total Employment Impact: FTEs X Multiplier of 2.3 = 4800 FTE

In summary, the economic impact model suggests Innovation Place generated approximately \$246 million in the city economy and approximately \$336 million in the provincial economy in 2007. Approximately 4,174 FTE jobs in the city and 4,800 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 = \$121.1 M

Total Impact: Direct Impact X Multiplier of 1.43 = \$173.2 M

Total Employment Impact: FTEs X Multiplier of 2 = 1792 FTE

Impact on the Province (including Regina)

Direct Impact: Net Payroll plus Provincial Purchases = \$139.9 M

Total Impact: Direct Impact X Multiplier of 1.65 = \$230.8 M

Total Employment Impact: FTEs X Multiplier of 2.3 = 2060 FTE

In summary, our economic impact model suggests Innovation Place in Regina generated more than \$173 million in the city economy and more than \$231 million in the provincial economy in 2007, and that a total of approximately 1792 FTE jobs in the city and 2060 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 = \$8.4 M

Total Impact: Direct Impact X Multiplier of 1.43 = \$12.1 M

Total Employment Impact: FTEs X Multiplier of 2 = 226 FTE

Impact on the Province (including Prince Albert)

Direct Impact: Net Payroll plus Provincial Purchases = \$15.2 M

Total Impact: Direct Impact X Multiplier of 1.65 = \$25.1 M

Total Employment Impact: FTEs X Multiplier of 2.3 = 260 FTE

In summary, the economic impact model suggests the Forest Centre generated approximately \$12 million in the Prince Albert economy and approximately \$25 million in the provincial economy in 2006. Approximately 226 FTE jobs in the city and 260 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:

2007:

Local Net Payroll (excluding benefits) = 162.8 M
Total Value of Goods & Services purchased = 308.7 M
Provincial Purchases as percent of total = 63.5%
Value of Provincial Purchases = 196.1 M
Full-time Equivalent (FTE) Employment = 3096 FTE

Impact on the Province

Direct Impact: Net Payroll plus Provincial Purchases = 358.9 M
Total Impact: Direct Impact X Multiplier of 1.65 = 592.2 M
Total Employment Impact: FTEs X Multiplier of 2.3 = 7120 FTE

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

In summary, our economic impact analysis suggests the research parks together generated 592 million dollars in the provincial economy in 2007, and a total of approximately 7120 FTE jobs in the province are attributable to the presence of the research parks.

(CEO Survey) - 33.6% of tenants in Saskatoon, 46.2% in Regina and 37.5% in Prince Albert have plans to expand in the near future.