

# Chapter 2:

## Indigenous Contributions to the Manitoba Economy 2016

Indigenous Contributions to the  
Manitoba Economy



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.....
- » *Indigenous societies redistributed wealth, raised overall standards of living, minimized risks, and created a system of saving and borrowing.*  
.....
- » *As in today's modern economy, trade allowed both groups to be better off than they would have been on their own.*

## Introduction

The thriving First Nations economy preceded the arrival of Europeans and is foundational to the economy in what is today Manitoba. This pre-contact and early-contact First Nations economy included specialization in production; trading networks; public infrastructure to support trade; commercial laws, standards, and dispute resolution processes; mediums of exchange; and property rights.<sup>1</sup> Despite this backdrop of complex relations and regulations, gift-giving and ethics of generosity and reciprocity implied to explorers that First Nations were a collectivist society, with little use of individual property ownership or rights or economic competition.<sup>2</sup> In fact, gift-giving was an established exchange mechanism through which Indigenous societies redistributed wealth, raised overall standards of living, minimized risks, and created a system of saving and borrowing.<sup>3</sup>

First Nations people in Manitoba benefited from an extensive North American trade network well before European contact.<sup>4</sup> They traded with the Inuit people along the northern edge of their territory (what is now the border between Manitoba and Nunavut).<sup>5</sup> Archeological sources suggest that trading within the northern plains emerged due to the co-existence of two types of communities: farming settlements as unearthed at Lockport,<sup>6</sup> and nomadic hunter-gatherers.<sup>7</sup> As in today's modern economy, trade allowed both groups to be better off than they would have been on their own. With the arrival of Europeans, the existing First Nations economy merged with the nascent immigrant economy, to form a new economy based on the fur trade. The fur trade economy brought new goods, more complex trade arrangements, and a new people, called Métis.

In time, British, French, and later Canadian initiatives greatly eroded Indigenous peoples' opportunities to contribute to the economy: for example, the Indian Act contained a number of provisions prohibiting everything from the use of modern farm machinery to buying or selling goods without a permit<sup>8</sup> and the residential school system affected the well-being of multiple generations. Following the Truth

1 Le Dressay, A., Lavellee, N., & Reeves, J. (2010).

2 Flanagan, T., Alcantara, C., & Le Dressay, A. (2010). Excerpt available from the National Post, March 27, 2010: <https://nationalpost.com/full-comment/tom-flanagan-christopher-alcantara-and-andre-le-dressay-lets-give-the-first-nations-homes-of-their-own/>

3 Carlos, A., & Lewis, F. (2012).

4 Carlos, A., & Lewis, F. (2012).

5 Inuit Heritage Trust. (2009).

6 Flynn, C. & Leigh Syms, E. (1996).

7 Carlos, A., & Lewis, F. (2012).

8 Kelly, B. (2016).

and Reconciliation Commission, there are increasing calls throughout Canadian society to begin to redress the wrongs and recognize the contributions that Indigenous people make to the Canadian economy.

Today, this project seeks to clarify the economic contributions of Indigenous people in Manitoba. Following the Indigenous economic study from Atlantic Canada,<sup>9</sup> this report uses macroeconomic analysis to provide an initial set of results. An alternative approach would have been an analysis at the level of individual First Nations communities. This would require much more time and resources, along with clarity about the need and use of results from such a detailed investigation. In many ways, the “big picture” results reported in this chapter are useful to leaders from Indigenous communities and government, along with businesses and many others.

With any economic analysis, quality and accurate data are essential. As with the Atlantic survey, the challenge is with data—in many cases, lack of data. Key data sources include Statistics Canada’s 2016 census data, which we began to access in late November 2017. Other key data were drawn from the First Nations community profiles from Indigenous Services Canada (ISC), ISC’s National First Nations Investment Plan, Statistics Canada’s Business Register, and the Province of Manitoba’s Indigenous and Northern Relations department. Sources also include the annual financial statements of First Nations governments, the Manitoba Métis Federation, and the Manitoba Urban Inuit Association. This analysis is for the year 2016. Data on Indigenous businesses, particularly small or unregistered businesses, were very limited. This understates the number of Indigenous businesses, resulting in low estimates of spending and related impacts. Estimates were also necessary to account for the higher cost of living in Manitoba’s northern and remote regions, along with the impacts of traditional lifestyles and traditional activities such as hunting, fishing, trapping, and gathering.

The sections in this chapter follow the process of a macroeconomic analysis by beginning with spending. Such an analysis focuses on spending and impacts created by the Indigenous peoples in Manitoba. This includes First Nations, Métis, and Inuit. At times, Statistics Canada uses the word “Aboriginal.” In this report, where possible, the word “Indigenous” refers to all three. Four of the largest sources of Indigenous spending are spending on infrastructure and spending by Indigenous governments, businesses, and households. See Figure 2.1. Spending creates impacts on the Manitoba economy, which are calculated with a standard input-output model. This model calculates four types of impacts: on Gross

*The challenge is with data—in many cases, lack of data.* ‹‹

9 Group ATN Consulting Inc. (2016).

» To reflect on some of the differences within Manitoba, a sub-provincial analysis estimates spending and impacts for the North and the South.

Domestic Product (GDP), employment, labour income, and fiscal impacts for federal and provincial governments. To reflect on some of the differences within Manitoba, a sub-provincial analysis estimates spending and impacts for the North and the South. These areas reflect the geography of two First Nations provincial-territorial organizations (PTOS): Manitoba Keewatinowi Okimakanak Inc. (MKO) and the Southern Chiefs' Organization (SCO).<sup>10</sup> Such analyses may be also useful to inform discussions with the federal and provincial governments, as well as the Look North initiative and southern Manitoba initiatives.

In terms of the Indigenous populations and the two geographic areas, North and South, Table 2.1 provides a snapshot of population for 2016.

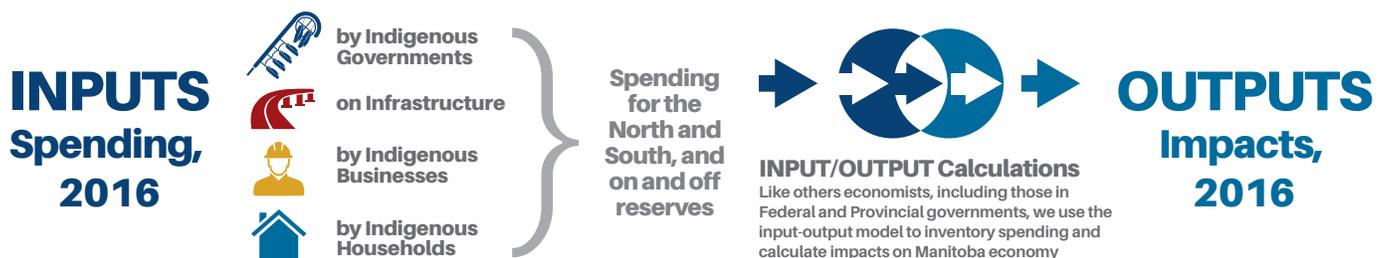
**TABLE 2.1: Indigenous population of Manitoba, North and South, 2016**

Manitoba areas	First Nations	Métis	Inuit	Multiple responses <sup>1</sup>	Total Indigenous population
North	47,510	4,495	75	270	52,350
South	82,995	84,860	535	2,565	170,955
<b>Total</b>	<b>130,505</b>	<b>89,355</b>	<b>610</b>	<b>2,840</b>	<b>223,310</b>

<sup>1</sup> People who identified as two or more of First Nations, Métis, and Inuit.

Source: Statistics Canada, Aboriginal Population Profile, 2016

**FIGURE 2.1: Changing spending into impacts: Four categories of spending\***



\*Financial data for spending is an input for the input-output economic analysis.

<sup>10</sup> See Figure 3.2: Tribal Council Areas for a map.

## Spending By Indigenous People Creates Economic Impacts

Spending by First Nations, Métis, and Inuit are the inputs for this economic model. Based on that spending, the model estimates the impact that millions of dollars of Indigenous spending has on the overall provincial economy. The output—the impact of spending by Indigenous people—is calculated in terms of Gross Domestic Product (GDP), employment (jobs), labour income, and government revenues. GDP measures the monetary value of all final<sup>11</sup> goods and services produced in Manitoba as a result of spending by Indigenous people. The impact that Indigenous spending has on employment is measured by the number of jobs maintained or created in the Manitoba economy, including a mix of full- and part-time positions. For instance, if a First Nation orders an environmental assessment, someone is employed in providing that service. If a Métis person purchases a product, an employee at the business that is providing the product must spend time to fulfill the order. A third impact is labour income, which includes wages (e.g., hourly), salaries, and employer benefits paid out to those employed as a result of Indigenous spending.

Indigenous spending has ripple effects in the economy that must be calculated to fully assess the economic impact of the spending. Spending impacts can be categorized as direct, indirect, or induced. Direct impacts result from the initial money spent by Indigenous governments, businesses, and households or spent on infrastructure projects. For example, an Indigenous business spends money on photocopies at a stationery store, and the purchase of the photocopies has direct impacts on the sales, labour income, and jobs maintained at the store. That initial money spent then has an effect on the businesses that supply the goods and services to the stationery store, and these secondary effects are called indirect impacts. For example, when the stationery store places an order with a paper supplier, it has an indirect impact, such as the impact on jobs maintained at the paper supplier. Finally, when the employees of the stationery store or paper supplier spend their additional earned wages on consumer goods and services, these household purchases are termed induced impacts. For each of the four impacts—GDP, employment, labour income, and government revenues—the direct, indirect, and induced effects of spending must be calculated and totaled. Figure 2.1 illustrates the output or impacts from Indigenous spending.

<sup>11</sup> A final good or service is something that is purchased and used or consumed by the end user, as opposed to something that is purchased in order to be used to make something else which is then sold. For example, if you buy flour to make bannock to eat yourself, the flour was a final good. If you buy flour to make bannock and then you sell the bannock, the flour was an intermediate good and the bannock was a final good.

» First Nations people pay taxes on the same basis as other Canadians.

**FIGURE 2.2: Four categories of impacts on the Manitoba economy from Indigenous spending**



A fourth category of impact in Figure 2.2 is federal and provincial government tax revenues resulting from Indigenous spending. Businesses supplying goods and services to Indigenous people, businesses, and governments pay federal and provincial taxes. Indigenous businesses pay taxes as well. On a household level, there are well-established Canada Revenue Agency rules regarding the taxation of Indigenous people. Inuit and Métis people always pay the same taxes as other Canadians, as do First Nations who do not have legally identified Indian status.<sup>12</sup> Taxation is complex but there are two important points: Indigenous people are paying taxes and some First Nations people have exemptions in some circumstances, as regulated by the Canada Revenue Agency.

For some, there is a misconception that First Nations people do not pay taxes. In fact, First Nations people pay taxes on the same basis as other Canadians, with one exception. The one exception, under Section 87 of the *Indian Act*, is for personal property of status Indians on reserve.<sup>13</sup> For example, Status Indians who earn income on reserve are not taxed on that income. Status Indians who earn income off reserve pay tax on that income—sometimes even if their employer is located on the reserve.<sup>14</sup> First Nations with registered status who purchase goods and services on reserves do not have to pay sales tax—but not all goods and services are available on reserve. When they purchase goods and services off reserve, including online, status Indians are taxed, unless the goods are delivered to a reserve. In many cases, the delivery charge would be more than the tax, and so the exemption affords no advantage.<sup>15</sup> In addition, a status Indian living off reserve would not be able to use the exemption, unless

<sup>12</sup> Indigenous Corporate Training Inc. (2015, August 4).

<sup>13</sup> *Indian Act*. (1985).

<sup>14</sup> Government of Canada. (2013, Nov. 21).

<sup>15</sup> Sagan, A. (2015, April 24).

they were travelling to a reserve to do their shopping. First Nations businesses pay taxes based on whether their revenue-generating activities occur on or off reserve, where their customers are located, and where their office or books are located.<sup>16</sup> In addition, First Nation corporations always pay provincial sales tax in Manitoba.<sup>17</sup> In some cases, First Nations people may also pay property taxes and goods and services taxes to their First Nations government.<sup>18</sup> In short, Indigenous people do pay taxes.<sup>19</sup>

The remainder of this chapter provides key results about Indigenous spending and its impacts on the Manitoba economy in 2016.<sup>20</sup>

## Indigenous Government - Spending and Impacts

Indigenous government spending refers to remuneration, expenses, and other spending presented in financial statements by First Nations governments, Tribal Councils, and Métis and Inuit organizations. The data from ISC and others include audited consolidated financial statements and Schedules of Remuneration and Expenses.<sup>21</sup>

In Table 2.2, Indigenous government spending<sup>22</sup> totaled \$1,447.4 million in the 2015–2016 fiscal year. Spending was similar in the two areas of Manitoba: North (\$681.6 M, 46.8%) and South (\$765.9 M, 53.2%). Given the limited data, the research involved several assumptions; for example, all First Nations government spending is considered to be on reserve where the government operations are headquartered. Conversely, all Métis and Inuit government spending is considered to be off reserve. From half to 72% of Indigenous government spending was on “other operating surplus” and “wages and salaries,” as noted in Appendix A.

*Status Indians are  
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to a reserve.* <<



**\$1.45 Billion**  
Spent by  
**First Nations,  
Métis & Inuit  
Governments**

<sup>16</sup> Sagan, A. (2015, April 24).

<sup>17</sup> Manitoba Finance (2016, August).

<sup>18</sup> Sagan, A. (2015, April 24). Also see First Nations Tax Commission at <http://fntc.ca/>

<sup>19</sup> First Nations governments may pay service fees in lieu of municipal taxes to an urban municipality on which the First Nation has an urban reserve. These taxes are not included in this macroeconomic analysis.

<sup>20</sup> The associated descriptions of methods and use of data are in a technical brief available upon request from RDI.

<sup>21</sup> The First Nations Financial Transparency Act (INAC, 2018) requires each First Nation to which the Act applies to digitally publish within 120 days after the end of each financial year the following documents: audited consolidated financial statements, Schedule of Remuneration and Expenses, an auditor’s written report respecting the consolidated financial statements, and an auditor’s report or the review engagement report respecting the Schedule of Remuneration and Expenses.

<sup>22</sup> Less amortization and capital projects.

**TABLE 2.2: Spending by Indigenous governments (\$ million)<sup>23</sup>**

	Spending 2016		
	NORTH	SOUTH	MB
On Reserve (FN)	\$671.2	\$732.1	\$1,403.2
Off Reserve	\$10.4	\$33.8	\$44.2
<b>Total</b>	<b>\$681.6</b>	<b>\$765.9</b>	<b>\$1,447.4</b>



Tables 2.3 and 2.4 illustrate that the \$1,447.4 million of spending results in an impact of \$953.2 million to the GDP, while creating or maintaining the equivalent of 19,821 jobs and contributing \$643.3 million in labour income to the greater Manitoba economy.<sup>24</sup> Each of these impacts is concentrated largely in the government sector, such that 91.6% of the effect on GDP occurs in the government sector, 96.5% of the impact on employment, and 95.1% of the labour income impact.<sup>25</sup> See Appendix B.

<sup>23</sup> In this table, as with all tables in the report, each amount is rounded, and as such, summing the amounts in the columns may not necessarily add up to the column totals provided.

<sup>24</sup> This \$1,447 million was applied to the industry commodity split of inputs 2016 “Other Aboriginal Government.” Employment of 19,821 was used as direct employment at the industry average labour income, and gross operating surplus was adjusted upwards to ensure model balance.

<sup>25</sup> First Nation and Tribal Council spending impacts were calculated by creating a mixed endogenous-exogenous model. This approach allows modification of the input structure of an industry, in this case, “Other Aboriginal Government” (defined as “Establishments of aboriginal governments primarily engaged in providing to their constituents, a wide variety of government services that would otherwise be provided by federal, provincial or municipal levels of governments” in North American Industrial Classification System 914), part of the wider government sector industry category.

**TABLE 2.3: Impacts from Indigenous government spending (\$ million)<sup>26</sup>**

<b>Impacts 2016</b>			
	<b>NORTH</b>	<b>SOUTH</b>	<b>MB</b>
GDP	\$432.3	\$520.9	\$953.2
Employment	9,442	10,379	19,821
Labour Income	\$304.0	\$339.3	\$643.3

**TABLE 2.4: Details of impacts from Indigenous government spending (\$ million)**

<b>Details of Impacts 2016</b>			
	<b>NORTH</b>	<b>SOUTH</b>	<b>MB</b>
<b>GDP (\$M)</b>			
Direct	\$414.6	\$459.0	\$873.7
Indirect	\$10.5	\$18.1	\$28.7
Induced	\$7.1	\$43.7	\$50.8
<b>Total</b>	<b>\$432.3</b>	<b>\$520.9</b>	<b>\$953.2</b>
<b>Employment (Jobs)</b>			
Direct	9,207	9,933	19,140
Indirect	150	203	353
Induced	85	243	329
<b>Total</b>	<b>9,442</b>	<b>10,379</b>	<b>19,821</b>

<sup>26</sup> The totals in Table 2.3 are the sum of the estimated impacts by industry found in Appendix B, Table 2B.1.

» *Greater economic self-reliance is a path to increased self-determination for Indigenous peoples in Manitoba.*

<b>Details of Impacts 2016</b>			
	<b>NORTH</b>	<b>SOUTH</b>	<b>MB</b>
<b>Labour Income (\$M)</b>			
Direct	\$294.8	\$317.3	\$612.1
Indirect	\$5.2	\$8.2	\$3.4
Induced	\$3.9	\$13.9	\$17.8
<b>Total</b>	<b>\$304.0</b>	<b>\$339.3</b>	<b>\$643.3</b>

## Summary of Indigenous Government Spending and Impacts

Altogether, Indigenous governments spent an estimated \$1,447.4 million in 2016. This spending contributed to the Manitoba economy by generating impacts totaling \$953.2 million in GDP, employment of 19,821, and labour income of \$643.3 million. However, the impact of Indigenous government spending goes beyond these economic numbers. Indigenous governments spend money to improve the quality of life of community members via housing, job training, health services, and much more. Indigenous people are increasingly pursuing self-government to enhance their financial decision-making authority. With increased self-determination and settlement of treaty land claims, which may include land or financial compensation or both, Indigenous people can develop their lands and generate increased own-source revenues. Greater economic self-reliance is a path to increased self-determination for Indigenous peoples in Manitoba.

## Infrastructure Investment – Spending and Impacts

Roads, airstrips, internet connectivity, water and wastewater treatment, housing, education, health and other community facilities and services all require infrastructure spending for construction and maintenance. These facilities and assets constitute the backbone of a healthy economy.

Infrastructure spending is critical to enhance the health and well-being of a region on all levels.<sup>27</sup> Infrastructure enables Indigenous people, organizations, businesses, and individuals to produce goods and services more efficiently. Increased infrastructure spending is generally expected to result in higher economic activity and improved quality of life in the short term by stimulating demand and responding to needs, and in the long term by supporting and increasing overall productivity.

Infrastructure and capital spending require years of planning and often years of construction. The administrative process may present many challenges, including delays around project approval and feasibility studies. For any given year, infrastructure spending includes what was spent that year—in this case, in 2016. Multi-year cost estimates are presented by Indigenous Services Canada (ISC) for First Nations infrastructure and capital spending. Typically, such spending is on community infrastructure, contaminated sites, education, housing, and water/wastewater. There was no infrastructure spending data available for Métis or Inuit. The First Nations infrastructure spending totaled \$419.5 million, based on data from the federal government, the Province of Manitoba, and First Nations' audited financial statements. The ISC's *National First Nations Infrastructure Investment Plan* indicated that \$273.3 million was spent by First Nations in Manitoba on infrastructure in 2015–2016.<sup>28</sup> Added to this total is First Nations capital spending of \$144.8 million,<sup>29</sup> as well as a further \$1.6 million based on data from the Province of Manitoba's capital grants and community capital support. For this report, all infrastructure spending is considered to be on reserve. Thus \$419.5 million was spent on First Nations infrastructure.

As noted in Table 2.5, infrastructure spending for the North was \$187.2 million, or about 45%, and for the South, it was \$232.3 million, or about 55%, for a total of \$419.5 million.

*Infrastructure* <<  
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 enhance the health  
 and well-being of a  
 region on all levels.*

27 Indigenous and Northern Affairs Canada (INAC) (2016); Ashton, W., Bollman, R., & Kelly, W. (2013).

28 INAC. (2016).

29 Spending on infrastructure by First Nations governments was removed from the Indigenous government spending and impact totals and added to infrastructure spending and impacts to avoid double counting.



**\$420 Million**  
Spent by Federal,  
Indigenous and Provincial  
Governments on  
**Infrastructure**

**TABLE 2.5: Indigenous infrastructure spending\* in Manitoba (\$ million)**

	Spending 2016		
	NORTH	SOUTH	MB
On Reserve	\$187.2	\$232.3	\$419.5
Off Reserve	N/A	N/A	N/A
<b>Total</b>	<b>\$187.2</b>	<b>\$232.3</b>	<b>\$419.5</b>

\* There is no record of Indigenous spending on off-reserve infrastructure.



Indigenous people spent \$419.5 million on infrastructure in 2016, and the impact of that spending on GDP totaled \$136.8 million. This same spending generated or maintained the equivalent of 1,533 jobs and contributed \$86.1 million in labour income. See Tables 2.6 and 2.7 for details. Geographically, about 40% of these impacts are from the North and 60% from the South. The infrastructure spending is concentrated on the construction sector, as are the impacts. The impact on the construction sector accounts for 87.0% of the impacts on GDP, 88.9% of employment impacts, and 90.7% of labour income impacts. See Appendix B.

**TABLE 2.6: Impacts of infrastructure from spending on reserve (\$ million)<sup>30</sup>**

	Impacts 2016		
	NORTH	SOUTH	MB
GDP	\$56.7	\$80.1	\$136.8
Employment	648	885	1,533
Labour Income	\$36.7	\$49.4	\$86.1

<sup>30</sup> The totals in Table 2.6 are the sum of the estimated impacts by industry found in Table 2B.2.

**TABLE 2.7:** Details of impacts of infrastructure from spending on reserve (\$ million)

<b>Details of Impacts 2016</b>			
	<b>NORTH</b>	<b>SOUTH</b>	<b>MB</b>
<b>GDP (\$M)</b>			
Direct	\$52.9	\$65.7	\$118.6
Indirect	\$2.8	\$9.3	\$12.1
Induced	\$1.0	\$5.0	\$6.1
<b>Total</b>	<b>\$56.7</b>	<b>\$80.1</b>	<b>\$136.8</b>
<b>Employment (Jobs)</b>			
Direct	606	754	1360
Indirect	28	99	127
Induced	13	32	45
<b>Total</b>	<b>648</b>	<b>885</b>	<b>1533</b>
<b>Labour Income (\$M)</b>			
Direct	\$34.7	\$43.2	\$77.9
Indirect	\$1.3	\$4.4	\$5.6
Induced	\$0.7	\$1.8	\$2.5
<b>Total</b>	<b>\$36.7</b>	<b>\$49.4</b>	<b>\$86.1</b>

» *Infrastructure spending impacts are largely on the construction sector.*

## Summary of Infrastructure Investment Spending and Impacts

First Nations spending on infrastructure is synonymous with Indigenous spending on infrastructure for this analysis, and it is estimated at \$419.5 million in 2016. In turn, this spending contributes \$136.8 million to GDP, generates or maintains about 1,533 jobs, and contributes about \$86.1 million in labour income. Usually the majority of spending on is building the asset or service, and as such, infrastructure spending impacts are largely on the construction sector. Indigenous people are pursuing opportunities from infrastructure spending year after year, in terms of continually enhancing skills training in trades, project management, and more.<sup>31</sup>

## Indigenous Businesses – Spending and Impacts

There is a wide range of Indigenous businesses in Manitoba, from tourism outfitters to construction. However, a great deal of economic activities, such as hunting, fishing, and trapping, occur in the traditional realm, outside of formal business operations, and are difficult to capture. This project incorporates estimates about the effects of these informal economic activities in the household spending and impacts section below. Within households, this report assumes that fish and game supplement expensive purchased food and are shared and bartered in the informal economy.

At the same time, there is data available on the traditional activities of hunting, fishing, and trapping when they occur in the formal commercial sector. Two excellent examples are the commercial net fishing sector and the commercial tourism sector. Out of the 64 First Nations communities in Manitoba, 46 are actively involved in either or both of these industry sectors. The commercial net fishing sector is the primary source of income for approximately 1,000 Indigenous harvesters in Manitoba, the majority of whom live in northern and remote communities.<sup>32</sup> A further 1,000 Indigenous people work as hired helpers and packers in the industry. Commercial tourism lodges and outfitting operations, most of which offer angling services, also employ approximately 900 Indigenous people annually. Both of these industries are important for

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<sup>31</sup> INAC (2015, May 7).

<sup>32</sup> Galbraith, W. (2018, October 10).

Manitoba's economy in that they bring money in from the outside: over 80% of commercially caught fish in Manitoba are sold to international markets<sup>33</sup> and Americans purchase the majority of outfitter packages and professional services for anglers.<sup>34</sup> Therefore, this one example shows how an important Indigenous tradition, fishing, takes place in the realm of informal sharing or barter economy and in the realm of global trade at the same time.

Although the data on the informal economy is very limited, even quality data on formal Indigenous businesses is also limited. There is no one list or inventory of Indigenous businesses for the province, nor is there a source of information on all business spending. As a result, the standard practice of economists is to use data from the Business Register.<sup>35</sup> By associating 2016 business counts by geographic locations and the numbers employed per location (Manitoba Census Subdivisions), coupled with estimates of expenditures per employee, it is possible to derive annual total gross business expenditures (excluding capital) for 2016. These expenditures can then be broken down further by type, including utilities, office space rent, transportation and warehousing, and so on.<sup>36</sup> This report also estimates the range of industry sectors impacted by this Indigenous business spending.<sup>37</sup>

Included in the Business Register are all Canadian businesses that meet at least one of the three following criteria:

- Have an employee workforce for which they submit payroll remittances to CRA; or
- Have a minimum of \$30,000 in annual revenue; or
- Are incorporated under a federal or provincial act and have filed a federal corporate income tax form within the past three years.

Determining the number of Indigenous businesses involved using Business Register data for First Nations' businesses on reserve.

*Hunting, fishing, and trapping occur in the traditional realm, outside of formal business operations, and are difficult to capture.*



**NORTH**

**87**  
Businesses

**12%**

**SOUTH**

**619**  
Businesses

**88%**

33 Galbraith, W. (2018, October 10).

34 Travel Manitoba. (2012, February).

35 The Business Register (BR) is Statistics Canada's continuously maintained central repository of baseline information on businesses and institutions operating in Canada. The Business Register maintains a complete, up-to-date and unduplicated list of all businesses in Canada that have a corporate income tax account, an employer payroll deduction remittance account, a GST/HST account, a T5013 partnership account, and/or registered charities account. Persons reporting any of the various types of business income on personal tax forms (T1) are also included on the Register (regardless of whether they have GST/HST or PD7 remittances). The BR receives its updates from the Stats Can survey program and the Canada Revenue Agency's Business Number account files.

36 See Table 2A.2.

37 This report details business spending impacts by industry sector in Table 2B.3. The economic model used by SJ Research Services Inc. outputs these estimates, and they are derived from the economic model inputs detailed in Table 2A.2.

» *Indigenous business spending is positively contributing to the Manitoba economy.*

Due to the lack of data on off-reserve businesses, off-reserve business counts and business spending were estimated.<sup>38</sup> The number of First Nation businesses are 163 (58 in the North, 105 in South). Métis and Inuit business counts are based on a ratio related to population, with 29 in the North and 514 in the South. As a result, Indigenous businesses number 706 in total, with 87 the North and 619 in the South. See Table 2.8. Some businesses were categorized in the Business Register as having no employees and were excluded due to insufficient data. Further research is needed to clarify spending and impacts for these businesses, along with the overall count of Indigenous businesses in Manitoba. As a result, the businesses counts are conservative, meaning the number is likely larger but there is not enough data to make the estimate more accurate.

**TABLE 2.8: Indigenous businesses in Manitoba, North and South**

Indigenous Businesses*			
	NORTH	SOUTH	MB
On Reserve	58	105	163
Off Reserve	29	514	543
<b>Total</b>	<b>87</b>	<b>619</b>	<b>706</b>

\* The business counts are conservative estimates, which underestimate the number of actual Indigenous businesses for three main reasons: there are 187 businesses without employees on First Nations (24 in the North and 163 in the South), which are excluded due to lack of data; the existence of unregistered businesses with no data; and the difficulty in measuring the traditional economy, which is not captured in government data.

In Table 2.9, the estimate of spending by 706 Indigenous businesses totaled \$6,011.5 million. In the North, business spending is \$532.8 million (8.9%) and \$5,478.7 million (91.1%) is from the South.

<sup>38</sup> This project estimated off-reserve business spending by using the ratio of off-reserve population to on-reserve population in both the North and the South multiplied by business spending by type. Off-reserve business counts were likewise estimated.

**TABLE 2.9: Spending by Indigenous businesses**  
(\$ million)<sup>39</sup>

	Spending 2016		
	NORTH	SOUTH	MB
On Reserve	\$354.6	\$929.6	\$1,284.2
Off Reserve	\$178.2	\$4,549.1	\$4,727.3
<b>Total</b>	<b>\$532.8</b>	<b>\$5,478.7</b>	<b>\$6,011.5</b>

The spending of \$6,011.5 million by Indigenous businesses has an impact concentrated in the manufacturing, finance, administrative, and accommodation sectors.

Indigenous business spending is positively contributing to the Manitoba economy. See Tables 2.10 and 2.11. Indigenous business spending contributed \$1,121.7 million toward Manitoba's GDP, with about 5.9% (\$65.7 million) a result of spending in the North and 94.1% (\$1,056.0 million) a result of spending in the South. Indeed, similar percentages for North and South are evident for the 13,688 new or maintained jobs in Manitoba and as much as \$556.4 million in labour income. Indigenous business spending is concentrated in the key industry sectors of manufacturing and finance (including insurance, real estate, and rental and leasing), followed by spending in the professional and administrative sectors. (See Appendix A.) The spending of \$6,011.5 million by Indigenous businesses has an impact concentrated in the manufacturing, finance, administrative, and accommodation sectors.

**TABLE 2.10: Impacts from business spending on and off reserve** (\$ million)

	Impacts 2016		
	NORTH	SOUTH	MB
GDP	\$65.7	\$1,056.0	\$1121.7
Employment	851	12,838	13,688
Labour Income	\$30.8	\$535.6	\$566.4

<sup>39</sup> The totals in Table 2.9 are generated by the economic input-output model.

**TABLE 2.11:** Details of impacts from Indigenous business spending

<b>Details of Impacts 2016</b>			
	<b>NORTH</b>	<b>SOUTH</b>	<b>MB</b>
<b>GDP (\$M)</b>			
Direct	\$64.4	\$971.4	\$1,035.8
Indirect	\$0.9	\$52.5	\$53.5
Induced	\$0.7	\$32.1	\$32.5
<b>Total</b>	<b>\$65.7</b>	<b>\$1,056.0</b>	<b>\$1,121.7</b>
<b>Employment (Jobs)</b>			
Direct	834	12,094	12,928
Indirect	12	540	552
Induced	5	204	209
<b>Total</b>	<b>851</b>	<b>12,838</b>	<b>13,688</b>
<b>Labour Income (\$M)</b>			
Direct	\$30.0	\$499.1	\$529.1
Indirect	\$0.5	\$24.8	\$25.4
Induced	\$0.3	\$11.6	\$11.9
<b>Total</b>	<b>\$30.8</b>	<b>\$535.6</b>	<b>\$566.4</b>

## Summary of Business Spending and Impacts

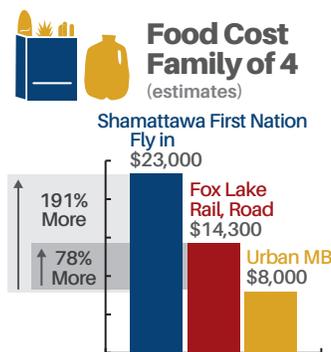
Indigenous businesses are estimated to have spent \$6011.5 million in 2016. This spending contributed \$1121.7 million to Manitoba's GDP; 13,688 Manitoba jobs; and labour income of \$566.4 million. Small and medium-sized Indigenous enterprises are significant growth engines, just as they are in the Canadian economy. These businesses can also serve as a training ground where employees and leaders gain transferable skills and knowledge. Indigenous leaders guide business development and growth while maintaining and enhancing social and cultural development in their communities.

## Indigenous Household – Spending and Impacts

Household spending is the amount spent by resident households to meet their everyday needs. This can include food, clothing, rent, energy, transport, cars, health expenses, leisure, and miscellaneous services. Historically, Indigenous people were self-sufficient and able to live off the bounty of the land by hunting, trapping, fishing, gathering, and other traditional lifestyle practices. This traditional food provisioning has decreased for a variety of reasons: “lack of access to traditional lands, the extinction and decreased density of plant and animal species, changes in animal migratory patterns, decreased transfer of cultural knowledge from elders to young people, a decrease in time and energy available for harvesting due to paid employment, loss of taste for traditional foods due to the uptake of market food, lack of money for expenses related to hunting and fishing, not having someone in the family to harvest, and disincentives to harvesting built into social assistance programs.”<sup>40</sup> Although this report assumes that Indigenous people do supplement their household spending with traditional food provisioning, over time a portion of traditional ways give way to a greater reliance on outside service providers and supplies from distant places. In parts of the North, and especially in remote communities, some household-spending items common in the urban South may not be available at all. In some remote locations, what is available for purchase may have a price well above the provincial average consumer price, in part due to shipping or fly-in expenses. This means there are household price variations across Manitoba but especially between urban centres in the South as compared to remote areas of the North. While there

<sup>40</sup> Power, E. (2008).

» Assumes household spending is higher in the North, and for some remote areas of the South.



will be price variations in the South, in most situations, they will be less on average than the difference between the North and the South. All these factors are considered in order to estimate Indigenous household spending.

Therefore, this report assumes household spending is higher in the North, and for some remote areas of the South. Some people may have household spending partially offset with a higher salary, a Northern allowance, or through the use of an informal exchange or barter economy. At present, there is no source of data to estimate the variations in household costs resulting from traditional lifestyles and the barter economy. To account for variations in household spending,<sup>41</sup> we depended on a recent report, though anecdotal,<sup>42</sup> to estimate the percentage of household income spent on consumer goods and services. In southern Manitoba, which is the base case, 75.9% of household income from all sources goes towards personal expenditures on goods and services.<sup>43</sup> In the North, without reliable public data on total cost of living, higher percentages were used, with the highest percentages reserved for communities without all-season road access. Results showed that in many communities slightly more was spent by households than their income would allow. In these cases, it was assumed that households supplemented with traditional hunting and fishing or went without. Altogether, these calculations took into account the higher cost of living in the North as compared to the South.

In the North, there are an estimated 10,980 households with 27% (2,955) off reserve. In the South, there are an estimated 52,675 households with 85% (44,650) off reserve.

In total, household spending by Indigenous people in 2016 is \$1,378.8 million. Indigenous households spend \$493.4 million in the North, with 69% of that (\$340.2 million) spent by on-reserve households and 31% (\$153.2 million) spent by off-reserve households. See Table 2.12. In the South, household spending totalled \$885.4 million, with 17.7% (\$156.5 million) of that spending from on-reserve households and 8.3% (\$728.9 million) from off-reserve households.

41 Jarosiewicz, S. (2013); Statistics Canada. (2017).

42 Epp-Koop, S. (2016).

43 Cansim Table 384-0012: Sources of disposition of personal income.

**TABLE 2.12: Indigenous household spending (\$ million)<sup>44</sup>**

	Spending 2016		
	NORTH	SOUTH	MB
On Reserve	\$340.2	\$156.5	\$496.7
Off Reserve	\$153.2	\$728.9	\$882.1
<b>Total</b>	<b>\$493.4</b>	<b>\$885.4</b>	<b>\$1,378.8</b>

Economic impacts from First Nations household spending of \$1,378.8 million in 2016 contributed \$99.1 million toward provincial GDP, created or maintained 691 jobs, and produced \$38.7 million in labour income. See Tables 2.12 and 2.13. Examining 25 top industry sectors,<sup>45</sup> Indigenous household spending primarily impacted the finance, insurance, and real estate sector. See Appendix B.

**TABLE 2.13: Impacts from household spending (\$ million)**

	Impacts 2016		
	NORTH	SOUTH	MB
GDP	\$9.8	\$89.2	\$99.1
Employment	125	567	691
Labour Income	\$6.4	\$32.3	\$38.7

**NORTH****10,980**  
Households**16%****SOUTH****55,675**  
Households**84%****\$1.38 Billion**Spent by  
**Indigenous**  
**Households**

Household Locations

**17%** in the North  
**83%** in the South

<sup>44</sup> The totals in Table 2.12 are the sum of the estimated spending by industry found in Table 2A.3.

<sup>45</sup> Statistics Canada. (2018).

» Household spending is estimated at \$1,378.8 million in 2016. This resulted in impacts which contributed as much as \$99.1 million to the provincial GDP, created or maintained upwards of 691 jobs, and provided \$38.7 million in wages and salaries.

**TABLE 2.14:** Details of impacts from Indigenous household spending (\$ million)

<b>Details of Impacts 2016</b>			
	<b>NORTH</b>	<b>SOUTH</b>	<b>MB</b>
<b>GDP (\$M)</b>			
Direct	\$9.2	\$78.8	\$88.0
Indirect	\$0.4	\$7.1	\$7.5
Induced	\$0.2	\$3.3	\$3.5
<b>Total</b>	<b>\$9.8</b>	<b>\$89.2</b>	<b>\$99.1</b>
<b>Employment (Jobs)</b>			
Direct	117	480	597
Indirect	5	66	71
Induced	2	21	23
<b>Total</b>	<b>125</b>	<b>567</b>	<b>691</b>
<b>Labour Income (\$M)</b>			
Direct	\$6.0	\$28.0	\$34.0
Indirect	\$0.2	\$3.2	\$3.4
Induced	\$0.1	\$1.2	\$1.3
<b>Total</b>	<b>\$6.4</b>	<b>\$32.3</b>	<b>\$38.7</b>

## Summary of Household Spending and Impacts

The above analysis of Indigenous household spending is unique in acknowledging and estimating the effects of both the higher cost of living and traditional lifestyles of Indigenous peoples. These higher costs occur primarily in the North but are also accounted for in remote locations in the South. For many, these high costs may be offset with traditional activities such as hunting, trapping, fishing, and gathering. Household spending is estimated at \$1,378.8 million in 2016. This resulted in impacts which contributed as much as \$99.1 million to the provincial GDP, created or maintained upwards of 691 jobs, and provided \$38.7 million in wages and salaries.

*Indigenous spending also has an impact on government revenues through the collection of federal and provincial taxes.*

## Indigenous Spending – Impact on Government Revenues

Indigenous spending also has an impact on government revenues through the collection of federal and provincial taxes. These can include federal and provincial personal income tax, income taxes on corporations and unincorporated businesses, federal and provincial sales taxes, and federal excise taxes. For instance, workers pay federal and provincial income tax on additional labour income earned due to Indigenous spending. In addition, businesses that sell goods and services to Indigenous governments, businesses, and households pay tax on those profits. To be clear, non-Indigenous people and businesses pay these taxes, and in many cases, so do Indigenous people and businesses.

This report calculates the economic impact on government tax revenues based on 2016 provincial and federal tax rates and budgets. Personal income tax on labour income earned by First Nations working on reserve is excluded.<sup>46</sup>

Table 2.15 shows the government taxes resulting from spending by Indigenous people (i.e. spending on infrastructure and spending by Indigenous governments, households, and businesses). When taken together, Indigenous spending generates an estimated \$230.7 million in revenues for governments in 2016. Federal taxes amounted to 58.3% (\$134.6 million) of all taxes, and 41.7% (\$96.0 million) were provincial taxes. About 53.0% came from personal income tax (\$122.0 million),

<sup>46</sup> This exclusion is for taxes resulting from direct impacts only. This report includes all tax revenues, including personal income tax, calculated to result from indirect and induced economic activities. A more detailed microanalysis might shed light on what proportion of personal income from these activities is earned on and off reserve.

while corporate income tax accounted for 21.4% (\$55.7 million).<sup>47</sup> Further research is needed to inventory municipal taxes or service fees for urban reserves in Manitoba.

**TABLE 2.15: Summary of government fiscal impacts from all Indigenous spending (\$ million)**

	Personal income tax	Corporate income tax	Taxes on unincorporated business profits	Sales and excise taxes	Total revenue
Federal	\$73.3	\$30.60	\$30.7	\$0.01	<b>\$134.6</b> 58.3%
Provincial	\$48.7	\$25.2	\$22.2	\$0.00	<b>\$96.0</b> 41.7%
<b>Total</b>	<b>\$122.04</b>	<b>\$55.7</b>	<b>\$52.9</b>	<b>\$0.01</b>	<b>\$230.7</b> 100%

## Summary of Tax Revenues from First Nations Spending

Indigenous spending resulted in tax revenues to governments amounting to \$230.7 million in 2016. This fiscal contribution to governments demonstrates the level of impact that Indigenous have annually. These tax amounts can be cited when discussions occur between Indigenous leaders and those in government regarding Indigenous peoples' direct contributions to governments.

<sup>47</sup> Tax estimates are not adjusted for any changes to equalization entitlements.

# Summary of Indigenous Spending and Related Impacts on the Manitoba Economy

This chapter examines Indigenous spending and the related impacts on the economy of Manitoba. Even with the most up-to-date data for 2016, estimates are still required to improve the accuracy of spending and impacts. Considerable efforts were made to calculate spending by Indigenous people in the North and South of Manitoba, and the spending totals \$9,257.2 million. See Table 2.16.

**TABLE 2.16:** Spending by Indigenous (\$ million)

Spending 2016			
	NORTH	SOUTH	MB
Indigenous Government	\$681.6	\$765.9	\$1,447.4
Infrastructure	\$187.2	\$232.3	\$419.5
Businesses*	\$532.8	\$5,478.7	\$6,011.5
Households*	\$493.4	\$885.4	\$1,378.8
<b>Total</b>	<b>\$1,895.0</b>	<b>\$7,362.3</b>	<b>\$9,257.2</b>

\* Includes on- and off-reserve spending.

**\$9.3 BILLION** Spent by Indigenous People in Manitoba 2016 (First Nations, Métis & Inuit)

\$6.2 Billion spending from First Nations

  
**\$6 Billion**  
 Spent by over  
**700 Indigenous  
 Businesses**

  
**\$145 Billion**  
 Spent by  
**First Nations,  
 Métis & Inuit  
 Governments**

  
**\$138 Billion**  
 Spent by  
**Indigenous  
 Households**

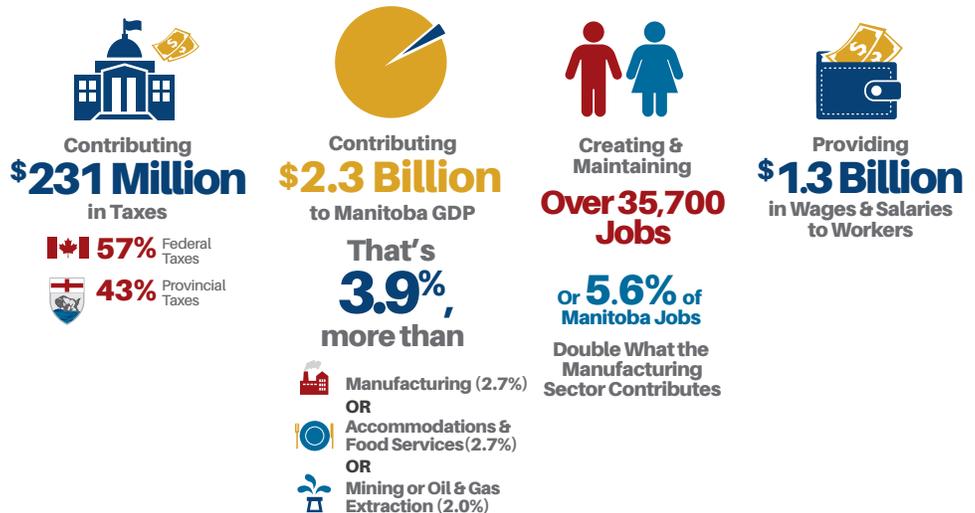
  
**\$420 Million**  
 Spent by Federal,  
 Indigenous and Provincial  
 Governments on  
**Infrastructure**

» *The Indigenous economy in Manitoba in 2016 added \$2,310.8 to provincial GDP, created or maintained 35,734 jobs in the province, and added \$1,334.5 million to labour income.*

Given such spending by Indigenous people, the impact on the Manitoba economy can be calculated using the well-established input-output model. In summary (see Table 2.17), the Indigenous economy in Manitoba in 2016 added \$2,310.8 to provincial GDP, created or maintained 35,734 jobs in the province, and added \$1,334.5 million to labour income.

**TABLE 2.17: Impacts from Indigenous spending on the Manitoba economy (\$ million)**

Impacts 2016			
SPENDING SOURCE	GDP	EMPLOYMENT	LABOUR INCOME
Indigenous government	\$953.2	19,821	\$643.3
Infrastructure	\$136.8	1,533	\$86.1
Business	\$1,121.7	13,688	\$566.4
Household	\$99.1	691	\$38.7
<b>Total</b>	<b>\$2,310.8</b>	<b>35,734</b>	<b>\$1,334.5</b>



Another way of analysing the Indigenous economy is to compare it to the province as a whole. See Table 2.18. Indigenous spending of \$9,257.2 million in 2016 accounts for 3.87% of the Manitoba GDP. In addition, it accounts for 35,734 of the jobs in the province, which constitutes 5.64% of Manitoba employment. These Indigenous contributions to the Manitoba economy are comparable to other major industry sectors: the Indigenous economy contributes more to provincial GDP than the manufacturing sector (which is 2.72% of provincial GDP), the accommodations and food sector (2.65%), or the mining and oil and gas extraction sector (1.95%).<sup>48</sup> In terms of job created and maintained, the Indigenous economy contributes more than double the employment compared to the manufacturing sector (which contributes 2.63% of Manitoba jobs).<sup>49</sup>

*Indigenous contributions to the Manitoba economy are comparable to other major industry sectors.*

*The Indigenous economy contributes more than double the employment compared to the manufacturing sector.*

**TABLE 2.18: Comparison to provincial indicators (\$ million)**

<b>Indigenous spending (\$M)</b>	\$9,257.2
<b>Indigenous spending impacts on MB GDP (\$M)</b>	\$2,310.8
<b>Manitoba GDP (\$M)*</b>	\$59,766.0
<b>Indigenous impact on MB GDP as % of Manitoba GDP</b>	3.87%
<b>Indigenous spending impacts on employment (positions)</b>	35,734
<b>Manitoba employment (positions)</b>	633,567
<b>Indigenous impact on employment as % of Manitoba employment</b>	5.64%

\* The latest current-dollar GDP estimate available for the province of Manitoba is from 2014.

Source: Cansim 381-0030, 381-0035, and 282-0087

48 Source: Statistics Canada Table 36-10-0438-01 Supply and use tables, summary level, provincial and territorial (x 1,000,000).

49 Source: Statistics Canada Table 36-10-0438-01 Supply and use tables, summary level, provincial and territorial (x 1,000,000).

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## Appendix 2A: Spending

Infrastructure spending is excluded from this appendix because the initial direct spending is confined to the construction industry.

**TABLE 2A.1: Indigenous Government Spending by Industry<sup>50</sup>**

Indigenous Government Spending By Industry	On Reserve North (\$M)	On Reserve South (\$M)	Off Reserve North (\$M)	Off Reserve South (\$M)
Crop and Animal Production	0.0	0.0	0.0	0.0
Forestry and Logging	0.1	0.1	0.0	0.0
Fishing, Hunting and Trapping	0.0	0.0	0.0	0.0
Support Activities for Agriculture and forestry	0.0	0.0	0.0	0.0
Mining and Oil and Gas Extraction	1.8	2.0	0.0	0.0
Utilities	14.1	15.4	0.0	0.5
Construction	0.0	0.0	0.0	0.0
Manufacturing	16.0	17.5	0.0	0.0
Wholesale Trade	2.6	2.8	0.0	0.1
Retail Trade	1.2	1.3	0.0	0.0
Transportation and Warehousing	6.9	7.6	0.1	0.3
Information and Cultural Industries	1.6	1.7	0.0	0.0
Finance, Insurance, Real Estate and Rental and Leasing	3.0	3.3	0.0	0.1
Professional, Scientific and Technical Services	5.7	6.2	0.0	0.4
Administrative and Support, Waste Management and Remediation Services	16.3	17.7	0.2	0.5
Educational Services	27.0	29.5	0.0	0.0
Health Care and Social Assistance	34.2	37.3	0.3	0.6
Arts, Entertainment and Recreation	0.0	0.0	0.0	0.0
Accommodation and Food Services	3.6	4.0	0.0	0.0
Other Services (Except Public Administration)	5.9	6.5	0.0	0.0

<sup>50</sup> Data in Table 2A.1 is based on the industry split of spending by "Other Aboriginal Government" 2016 from Statistics Canada Table 36-10-0438-01: Supply and use tables, summary level, provincial and territorial. "Other Aboriginal Government" is defined as "establishments of aboriginal governments primarily engaged in providing to their constituents, a wide variety of government services that would otherwise be provided by federal, provincial or municipal levels of governments" in North American Industrial Classification System 914.

<b>Indigenous Government Spending By Industry</b>	<b>On Reserve North (\$M)</b>	<b>On Reserve South (\$M)</b>	<b>Off Reserve North (\$M)</b>	<b>Off Reserve South (\$M)</b>
Operating, Office, Cafeteria and Laboratory Supplies	0.0	0.0	0.0	0.0
Travel, Entertainment, Advertising and Promotion	0.0	0.0	0.0	0.0
Transportation Margins	0.0	0.0	0.0	0.0
Non-Profit Institutions Serving Households	0.0	0.0	0.0	0.0
Government Sector	0.0	0.0	0.0	0.0
Indirect taxes on products`	0.4	0.4	0.0	0.1
Subsidies on products	0.0	0.0	0.0	0.0
Subsidies on production	0.0	0.0	0.0	0.0
Indirect taxes on production	0.0	0.0	0.0	0.0
Wages and salaries	377.8	412.1	0.3	1.1
Supplementary labour income	41.5	45.3	0.0	0.0
Mixed income	0.0	0.0	0.0	0.0
Other operating surplus	111.3	121.4	4.4	14.5
<b>Total</b>	<b>671.2</b>	<b>732.1</b>	<b>10.4</b>	<b>33.8</b>

**TABLE 2A.2: Business Spending by Industry<sup>51</sup>**

<b>Business Spending By Industry</b>	<b>On Reserve North (\$M)</b>	<b>On Reserve South (\$M)</b>	<b>Off Reserve North (\$M)</b>	<b>Off Reserve South (\$M)</b>
Crop and Animal Production	10.6	21.8	8.4	85.6
Forestry and Logging	1.1	1.2	0.8	4.5
Fishing, Hunting and Trapping	0.9	2.9	0.7	11.5
Support Activities for Agriculture and forestry	1.5	4.4	1.2	17.4
Mining and Oil and Gas Extraction	8.5	19.0	6.8	74.5
Utilities	8.8	22.0	7.0	86.5
Construction	5.3	15.4	4.2	60.6
Manufacturing	95.5	180.2	76.1	707.4
Wholesale Trade	20.2	45.8	16.1	179.7
Retail Trade	18.3	38.7	14.5	152.0
Transportation and Warehousing	21.3	47.8	17.0	187.8

<sup>51</sup> The data in Table 2A.2 was calculated using business registry data by region for each First Nation. By including estimated employment and estimated expenditures per employee, it is possible to derive annual total gross business expenditures, excluding capital. These can further be broken down by expenditures by type using the S-Level provincial IO "Use tables" assuming a relatively consistent level of expenditures by category per employee between the region and the province. Source: Statistics Canada Table 36-10-0438-01 Supply and use tables, summary level, provincial and territorial (x 1,000,000).

<b>Business Spending By Industry</b>	<b>On Reserve North (\$M)</b>	<b>On Reserve South (\$M)</b>	<b>Off Reserve North (\$M)</b>	<b>Off Reserve South (\$M)</b>
Information and Cultural Industries	16.5	35.3	13.2	138.5
Finance, Insurance, Real Estate and Rental and Leasing	66.6	127.2	53.0	499.4
Professional, Scientific and Technical Services	22.5	52.9	18.0	207.7
Administrative and Support, Waste Management and Remediation Services	20.7	52.3	16.5	205.4
Educational Services	0.5	15.8	0.4	62.2
Health Care and Social Assistance	0.4	16.6	0.3	65.3
Arts, Entertainment and Recreation	4.5	25.0	3.6	98.0
Accommodation and Food Services	8.4	35.1	6.7	137.9
Other Services (Except Public Administration)	9.6	37.7	7.6	148.0
Operating, Office, Cafeteria and Laboratory Supplies	0.0	20.0	0.0	78.5
Travel, Entertainment, Advertising and Promotion	0.0	21.0	0.0	82.5
Transportation Margins	0.0	22.0	0.0	86.4
Non-Profit Institutions Serving Households	1.7	26.1	1.4	102.6
Government Sector	10.9	43.2	8.7	169.6
<b>Total</b>	<b>354.6</b>	<b>929.6</b>	<b>282.4</b>	<b>3649.7</b>

**TABLE 2A.3: Household Spending by Industry<sup>52</sup>**

<b>Household Spending By Industry</b>	<b>On Reserve North (\$M)</b>	<b>On Reserve South (\$M)</b>	<b>Off Reserve North (\$M)</b>	<b>Off Reserve South (\$M)</b>
Crop and Animal Production	2.9	1.3	1.3	6.3
Forestry and Logging	0.1	0.0	0.0	0.2
Fishing, Hunting and Trapping	0.2	0.1	0.1	0.5
Support Activities for Agriculture and forestry	0.0	0.0	0.0	0.0
Mining and Oil and Gas Extraction	1.3	0.6	0.6	2.7
Utilities	8.7	4.0	3.9	18.6
Construction	0.4	0.2	0.2	0.8

52 Source: Statistics Canada Table 36-10-0438-01 Supply and use tables, summary level, provincial and territorial (x 1,000,000).

<b>Household Spending By Industry</b>	<b>On Reserve North (\$M)</b>	<b>On Reserve South (\$M)</b>	<b>Off Reserve North (\$M)</b>	<b>Off Reserve South (\$M)</b>
Manufacturing	73.8	33.9	33.2	158.1
Wholesale Trade	15.6	7.2	7.0	33.4
Retail Trade	41.3	19.0	18.6	88.4
Transportation and Warehousing	11.7	5.4	5.3	25.2
Information and Cultural Industries	13.1	6.0	5.9	28.0
Finance, Insurance, Real Estate and Rental and Leasing	102.8	47.3	46.3	220.3
Professional, Scientific and Technical Services	1.8	0.8	0.8	3.9
Administrative and Support, Waste Management and Remediation Services	1.1	0.5	0.5	2.4
Educational Services	1.1	0.5	0.5	2.3
Health Care and Social Assistance	9.3	4.3	4.2	20.0
Arts, Entertainment and Recreation	8.0	3.7	3.6	17.2
Accommodation and Food Services	23.3	10.7	10.5	49.8
Other Services (Except Public Administration)	8.2	3.8	3.7	17.6
Operating, Office, Cafeteria and Laboratory Supplies	0.0	0.0	0.0	0.0
Travel, Entertainment, Advertising and Promotion	0.0	0.0	0.0	0.0
Transportation Margins	0.0	0.0	0.0	0.0
Non-Profit Institutions Serving Households	4.7	2.2	2.1	10.0
Government Sector	10.9	5.0	4.9	23.3
<b>Total</b>	<b>340.2</b>	<b>156.5</b>	<b>153.2</b>	<b>728.9</b>

## Appendix 2B: Impacts of Indigenous Spending by Sector

Tables 2B.1 through 2B.4 portray total impacts (direct, indirect, and induced) of infrastructure investment and Indigenous government, household, and business spending on the provincial economy for 25 industry sectors.

**TABLE 2B.1: Impacts by Industry – Province – Indigenous Government Spending**

Impacts By Industry – Province – Indigenous Government Spending	GDP at Basic Prices Impact (\$M)	Employment Impact (Positions)	Labour Income Impact (\$M)
Crop and Animal Production	0.7	11	0.1
Forestry and Logging	0.0	0	0.0
Fishing, Hunting and Trapping	0.0	0	0.0
Support Activities for Agriculture and forestry	0.0	0	0.0
Mining and Oil and Gas Extraction	1.5	3	0.3
Utilities	8.0	31	2.4
Construction	0.9	11	0.6
Manufacturing	0.7	6	0.4
Wholesale Trade	2.9	20	1.5
Retail Trade	0.0	0	0.0
Transportation and Warehousing	6.9	72	4.0
Information and Cultural Industries	3.2	21	1.1
Finance, Insurance, Real Estate and Rental and Leasing	27.3	87	5.8
Professional, Scientific and Technical Services	4.1	62	2.3
Administrative and Support, Waste Management and Remediation Services	7.4	161	4.6
Educational Services	0.0	0	0.0
Health Care and Social Assistance	13.9	165	6.2
Arts, Entertainment and Recreation	0.0	0	0.0
Accommodation and Food Services	0.0	0	0.0
Other Services (Except Public Administration)	0.0	0	0.0

Impacts By Industry - Province - Indigenous Government Spending	GDP at Basic Prices Impact (\$M)	Employment Impact (Positions)	Labour Income Impact (\$M)
Operating, Office, Cafeteria and Laboratory Supplies	0.0	0	0.0
Travel, Entertainment, Advertising and Promotion	0.0	0	0.0
Transportation Margins	0.0	0	0.0
Non-Profit Institutions Serving Households	2.0	29	1.8
Government Sector	873.7	19140	612.1
<b>Total</b>	<b>953.2</b>	<b>19821</b>	<b>643.3</b>

**TABLE 2B.2: Impacts by Industry - Province - Infrastructure Spending<sup>53</sup>**

Impacts By Industry - Province - Infrastructure Spending	GDP at Basic Prices Impact (\$M)	Employment Impact (Positions)	Labour Income Impact (\$M)
Crop and Animal Production	0.3	4	0.1
Forestry and Logging	0.0	0	0.0
Fishing, Hunting and Trapping	0.0	0	0.0
Support Activities for Agriculture and forestry	0.0	0	0.0
Mining and Oil and Gas Extraction	2.1	5	0.4
Utilities	0.5	2	0.2
Construction	118.9	1363	78.1
Manufacturing	0.3	3	0.2
Wholesale Trade	1.1	8	0.6
Retail Trade	0.0	0	0.0
Transportation and Warehousing	1.3	14	0.8
Information and Cultural Industries	0.4	3	0.1
Finance, Insurance, Real Estate and Rental and Leasing	4.0	13	0.9
Professional, Scientific and Technical Services	4.8	73	2.7
Administrative and Support, Waste Management and Remediation Services	0.6	14	0.4
Educational Services	0.0	0	0.0

<sup>53</sup> In Table 2B.2, economic model outputs determine the infrastructure spending breakdown by industry category.

Impacts By Industry - Province - Infrastructure Spending	GDP at Basic Prices Impact (\$M)	Employment Impact (Positions)	Labour Income Impact (\$M)
Health Care and Social Assistance	0.4	5	0.2
Arts, Entertainment and Recreation	0.0	0	0.0
Accommodation and Food Services	0.0	0	0.0
Other Services (Except Public Administration)	0.0	0	0.0
Operating, Office, Cafeteria and Laboratory Supplies	0.0	0	0.0
Travel, Entertainment, Advertising and Promotion	0.0	0	0.0
Transportation Margins	0.0	0	0.0
Non-Profit Institutions Serving Households	0.2	3	0.2
Government Sector	1.7	24	1.4
<b>Total</b>	<b>136.8</b>	<b>1533</b>	<b>86.1</b>

**TABLE 2B.3: Impacts by Industry - Province - Business Spending<sup>54</sup>**

Impacts By Industry - Province - Infrastructure Spending	GDP at Basic Prices Impact (\$M)	Employment Impact (Positions)	Labour Income Impact (\$M)
Crop and Animal Production	19.1	294	3.8
Forestry and Logging	0.0	0	0.0
Fishing, Hunting and Trapping	0.0	0	0.0
Support Activities for Agriculture and forestry	7.4	55	4.5
Mining and Oil and Gas Extraction	30.4	72	5.9
Utilities	44.8	177	13.4
Construction	21.7	249	14.3
Manufacturing	128.1	1117	76.6
Wholesale Trade	64.4	446	33.5
Retail Trade	58.9	1273	36.7
Transportation and Warehousing	54.6	570	31.5
Information and Cultural Industries	55.6	369	19.4

<sup>54</sup> In Table 2B.3, economic model outputs determine the business spending breakdown by industry category. The inputs come from Table 2A.2.

Impacts By Industry - Province - Infrastructure Spending	GDP at Basic Prices Impact (\$M)	Employment Impact (Positions)	Labour Income Impact (\$M)
Finance, Insurance, Real Estate and Rental and Leasing	216.1	688	46.0
Professional, Scientific and Technical Services	82.8	1252	46.0
Administrative and Support, Waste Management and Remediation Services	74.7	1629	46.7
Educational Services	17.9	760	11.2
Health Care and Social Assistance	44.9	533	19.9
Arts, Entertainment and Recreation	25.1	841	17.7
Accommodation and Food Services	33.0	1304	26.7
Other Services (Except Public Administration)	46.8	716	32.0
Operating, Office, Cafeteria and Laboratory Supplies	0.0	0	0.0
Travel, Entertainment, Advertising and Promotion	0.0	0	0.0
Transportation Margins	0.0	0	0.0
Non-Profit Institutions Serving Households	31.5	468	29.4
Government Sector	63.8	879	51.1
<b>Total</b>	<b>1121.7</b>	<b>13688</b>	<b>566.4</b>

**TABLE 2B.4: Impacts by Industry - Province - Household Spending<sup>55</sup>**

Impacts By Industry - Province - Household Spending	GDP at Basic Prices Impact (\$M)	Employment Impact (Positions)	Labour Income Impact (\$M)
Crop and Animal Production	1.2	18	0.2
Forestry and Logging	0.0	0	0.0
Fishing, Hunting and Trapping	0.0	0	0.0
Support Activities for Agriculture and forestry	0.0	0	0.0
Mining and Oil and Gas Extraction	1.0	2	0.2
Utilities	6.2	24	1.8
Construction	1.5	17	1.0

<sup>55</sup> In Table 2B.4, economic model outputs determine the household spending breakdown by industry category. The model inputs come from Table 2.12..

Impacts By Industry - Province - Household Spending	GDP at Basic Prices Impact (\$M)	Employment Impact (Positions)	Labour Income Impact (\$M)
Manufacturing	0.9	8	0.6
Wholesale Trade	4.7	32	2.4
Retail Trade	0.0	0	0.0
Transportation and Warehousing	6.7	70	3.9
Information and Cultural Industries	5.3	35	1.8
Finance, Insurance, Real Estate and Rental and Leasing	48.2	154	10.3
Professional, Scientific and Technical Services	2.9	44	1.6
Administrative and Support, Waste Management and Remediation Services	1.2	27	0.8
Educational Services	0.0	0	0.0
Health Care and Social Assistance	4.6	55	2.0
Arts, Entertainment and Recreation	0.0	0	0.0
Accommodation and Food Services	0.0	0	0.0
Other Services (Except Public Administration)	0.0	0	0.0
Operating, Office, Cafeteria and Laboratory Supplies	0.0	0	0.0
Travel, Entertainment, Advertising and Promotion	0.0	0	0.0
Transportation Margins	0.0	0	0.0
Non-Profit Institutions Serving Households	2.6	38	2.4
Government Sector	12.1	167	9.7
<b>Total</b>	<b>99.1</b>	<b>691</b>	<b>38.7</b>

