SURVEY OF INDIGENOUS-OWNED BUSINESSES

Select Results on Sources of Financing, Price and Wage Growth Expectations and Inflation Expectations

AUTHORS

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INTRODUCTION

Data on the Indigenous economy is lacking, meaning inflation and the transmission of **monetary policy in Indigenous communities is not well understood**. This is partly from some statistical products, such as Statistics Canada's Consumer Price Index, excluding businesses on Indigenous reserves. The Survey of Indigenous-owned Businesses (SIB) aims to better understand **the economy and experiences of Indigenous-owned firms**, such as their export intensity, major obstacles to growth and sources of financing. We also ask about firms' expectations for **price and wage growth as well as their overall inflation expectations** over the next 12 months.

A nationally-representative survey of more than **2,600 Indigenous entrepreneurs** will shed light on the Indigenous economy to the benefit of Indigenous businesses and communities. Results from the survey are an important step in designing effective trade programs and will **better inform monetary policy**. Indigenous leaders and businesses can also benefit from enhanced data on challenges and strengths in a comprehensive way.

METHODOLOGY

Telephone interviews were conducted with **2,603 First Nations, Inuit, and Métis** business owners across Canada between **May 10 and September 22, 2021**. This sample was drawn from CCAB's extensive list of Indigenous-owned enterprises, which is regularly updated.

Respondent Profile (unweighted)

Identity	
First Nations	1,670 (64%)
Inuit	203 (8%)
Métis	730 (28%)

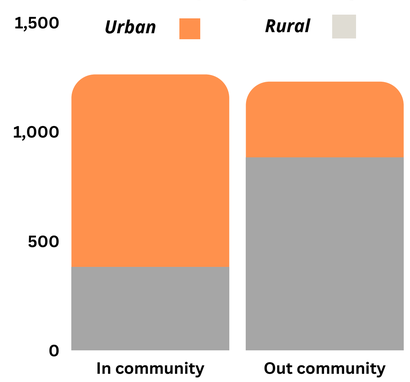
Ethical Standards

Strong information governance and data sovereignty are an integral part of conducting research with indigenous communities. As an Indigenous-led organization, CCAB will safeguard national survey data and control access for external analysts.

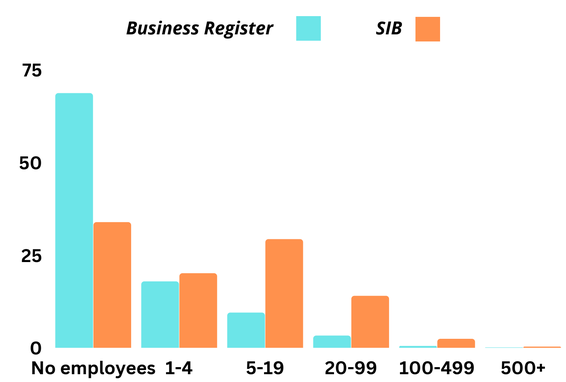
Furthermore, the survey scope and questionnaire was reviewed by an Indigenous business and academic advisory committee, and the survey design follows the Canadian Research Insights Council's professional standards and applicable federal regulations.

SAMPLE

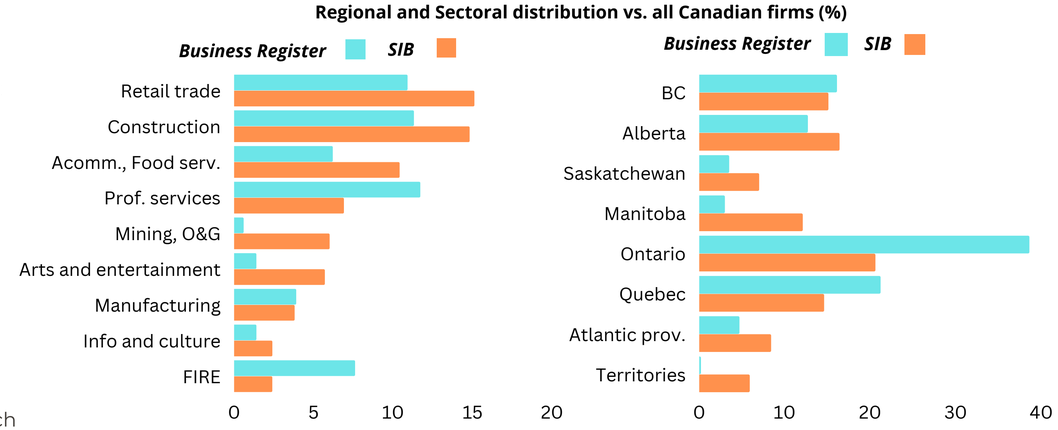
Rural/urban split by community status



Size distribution vs. all Canadian firms (%)



Regional and Sectoral distribution vs. all Canadian firms (%)



RESULTS

Sources of Financing

Indigenous-owned businesses report much more reliance on past earnings and relatively less reliance on financial institutions or personal debt to finance their businesses, compared to similar, non-indigenous owned businesses.

Price and Wage Growth

Indigenous-owned businesses report strong price growth expectations - 1/4 of businesses expect to raise their prices by more than 10% over the next 12 months.

Responses to another question on price growth drivers indicates prices for material inputs (i.e. fuel, commodities etc.) is behind strong price growth expectations.

Wage growth expectations are softer, but 15% of businesses still expect their employees' wages to grow by more than 10%.

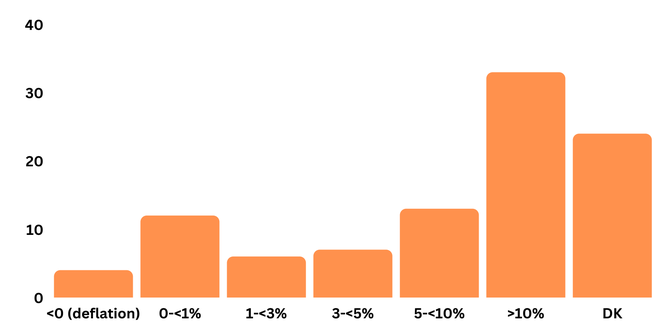
Inflation Expectations

Indigenous-owned businesses report strong inflation expectations - 1/3 of businesses expect inflation to surpass 10% in the next 12 months.

What is your main source of financing? (%)

By how much do you expect your firms' prices and wages will grow in the next 12 months?

What do you think the annual rate of inflation over the next 12 months will be?



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