

EXECUTIVE SUMMARY

ABOUT THE PROJECT

The objective of this project is to assess the employment and economic impacts of operations and construction of the Fond du Lac Band of Lake Superior Chippewa, Minnesota. This analysis includes both short-term impacts through operations in 2011 and the impact of construction projects.

This study applies an economic multiplier analysis and input-output model that was created in Minnesota by the MIG, Inc., and is used by state governments and the USDA Forest Service, among others. To generate economic effects of Fond du Lac, IMPLAN input-output models were constructed to estimate measures of Employment, Output, and Value Added impacts. Results from the IMPLAN models for these measures are reported in terms of direct, indirect, and induced impacts. Impacts are reported by showing estimated economic activity for operations in 2011 and for year-by-year construction costs for various projects. All values are reported in 2012 dollars.

IMPACTS FROM TOURISM OPERATIONS

During 2011, Fond du Lac was estimated to generate almost \$119.9 million in output spending and over \$67.3 million in value added spending, from tourism operations, in the MSA. This was done by generating almost \$73.2 million in revenue and by spending almost \$39.7 million in direct value added expenditures during 2011. This equates to an output spending multiplier of 1.64.

In 2011, Fond du Lac tourism operations was estimated to directly employ 1,090 full-time, part-time, and temporary workers, creating a total impact of 1,419.5 employees across the tri-county region. Included in the overall job creation are the sectors of Food Services and Drinking Places, Performing Arts Companies, and others that are a vital part of the regional tourist economy.

IMPACTS FROM RESERVATION SERVICES OPERATIONS

During 2011, Fond du Lac was estimated to generate almost \$124 million in output spending and almost \$63.9 million in value added spending in the area. This was done by generating over \$70.4 million in revenue and by spending over \$31.9 million in direct value added expenditures, related to reservation services, during 2011. This equates to an output spending multiplier of 1.76.

In 2011, Fond du Lac reservation services was estimated to directly employ 1,099 full-time, part-time, and temporary workers, creating a total impact of 1,895.9 employees across the region.

IMPACTS FROM PUBLIC SERVICES OPERATIONS

During 2011, Fond du Lac public services were estimated to generate almost \$61.2 million in output spending and over \$37.3 million in value added spending in the MSA. This was done by generating almost \$36.6 million in revenue and by spending almost \$22.2 million in direct value added expenditures during 2011. This equates to an output spending multiplier of 1.67.

In 2011, Fond du Lac was estimated to directly employ 170 full-time, part-time, and temporary workers, creating a total impact of 287.4 people across the three counties.

IMPACTS FROM CONSTRUCTION

During construction in years 2010 through 2013, it is estimated that the projects will generate over \$31.8 million in total output spending and just over \$14.9 million in total value added spending in Minnesota's Carlton and St. Louis Counties and Wisconsin's Douglas County. This is produced by directly expending approximately \$19.9 million on construction costs and an estimated \$8 million in value added spending. During these years, the Fond du Lac construction will also create an estimated yearly average of 75.7 jobs by directly employing an average of 41.7 people per year.

