

BUSINESS VIEW

May 2006

Greater Saskatoon Chamber of Commerce

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Great Saskatoon Chamber's 2006 Job Growth Target Will be Hard to Achieve but an Upward Turn Appears

*- seasonally adjusted working numbers turn upward
- the proportion of low wage workers declines in Saskatchewan
- hints of a provincial job creation turn around*

Business optimism and investment throughout the Saskatoon region in early 2006 has not yet translated into year over year job growth, but the Statistics Canada's most recent labour force survey released May 5, 2006 showed that a turnaround may be forthcoming. There were 3,200 fewer people working in Saskatoon in April 2006 compared to April 2005 on a seasonally unadjusted basis. This compares to 4,400 fewer people working in Saskatoon in March 2006 compared to March 2005. The difference represents net job growth from March 2005 to April 2006.

The job losses that occurred in late 2005 and early 2006 will make the Greater Saskatoon Chamber's 8,000 net new jobs target very difficult to hit in 2006. "We should remember that our Chamber's objective of 8,000 new jobs is a very aggressive target but it

was exceeded in 2005 so Saskatoon can achieve these employment growth levels. There were 10,000 more people working in Saskatoon in the year ended March 2005 compared to March 2004, but there was a clear slow down in employment growth in the latter part of 2005," commented Kent Smith-Windsor, Executive Director. "Fortunately we are showing signs of a turnaround in April 2006 based on Statistics Canada numbers," Smith-Windsor continued. The seasonally adjusted three month moving average for labour force and employment for the Saskatoon area showed accelerating growth with the labour force growing by 500 people to 131,500 and the employed workforce growing by 1,000 workers to 125,000 when comparing April 2006 to March 2006.

Continued on Page 9



Please watch for the June issue of Business View for a full listing of all winners from the May 9th Gala!



Photo Courtesy of Stuart Kasdorf Photographics Inc.

The President's View

by Coni Evans



Maura Davies, President and CEO of the Saskatoon Health Region recently spoke at a Chamber luncheon. I was personally very impressed with her presentation and have heard very positive comments from numerous Chamber members regarding the message.

The SHR is one of the largest employers in the province. Consequently, the issues that they face on a large-scale basis are often a reflection of the issues we all face on a smaller level. Healthcare affects all of us on a personal level as recipients of the services, but also on societal and business levels. A strong healthcare system presents better opportunities to improve our workforce. Healthy workers are more productive. A healthy community and an innovative strategic health system that works with the community to improve the health of everyone will have many positive effects on our City and improve the profile of Saskatoon on a global basis regarding innovative healthcare. Just imagine a Saskatoon twenty years down the road if we have the courage right now to become the best in the country as a leader in healthcare opportunities...dare I even say healthcare reform! We also can't forget that a more productive health system will lessen the burden on taxpayers.

Ms. Davies addressed three main challenges to the Health Region, and I believe it is important that each of us understand that their challenges affect us all as individuals and business leaders. She indicated the Region's challenges were that the population is changing, the workplace is changing and that we, as a community, aren't as healthy as we should be. We are aware of the first two challenges in our businesses but there are lessons to learn from what the Region does. The third challenge is daunting but helping the Region deal with improving the health of our employees is all of our responsibility. A healthy workplace is more productive, efficient and profitable. We owe it to ourselves, to our families, to our employees /employers and ultimately to our community as a whole to improve our health.

There are other ways the Chamber is continuing to address healthcare issues and opportunities. The Health Opportunities Committee is taking a new direction under the leadership of Chamber Board Member and Chair of the Committee, John Hyshka. The committee is in the process of formalizing a new Strategic plan that will be finalized and then implemented over the coming months and years. The Health Committee will definitely take the SHR's three concerns into consideration when they formalize their strategic plan. In addition, we will continue to ensure that the Saskatoon Health Region takes our recommendations for tangible productivity improvements and targets to heart.

For further information on the health committee, please contact John Hyshka or myself.

Chamber Joins Forces with Martensville Business Association

A recent initiative of the Greater Saskatoon Chamber of Commerce's Past President Jack Brodsky and Executive Director Kent Smith-Windsor has the Chamber joining forces with the Martensville Business Association (MBA). The goal of the initiative is for the Chamber to reach out to Saskatoon's surrounding communities, provide new opportunities to the region's businesses, and create stronger regional ties. The MBA - Chamber partnership will be the model for future such arrangements.

Chamber representatives travelled to Martensville early in the new year to launch the initiative, along with staff and players of the Saskatoon Blades Hockey Club. The group was well received in the community and provided an overview of Chamber programs, as well as the story of Winkler, Manitoba, a model of success in growth and development.

Businesses from the participating communities will have the opportunity to become joint members of their local business association and the Chamber. This will offer them the chance to take advantage of the many programs and services offered by the Chamber and its provincial, national and international networks to its membership.

For more information, please contact Derek Crag @ 664-0702 or Jim Zaiachkowski @ 664-0713.

Budget Sends Right Signals

- Canadian Chamber

The federal budget delivered the right message in key areas as the government made good on its promises to implement fiscal measures and expense management initiatives that are conducive to Canada's future economic well-being. In large part, Canadian business can endorse this budget, stated the Canadian Chamber of Commerce.

"The government has heard our call and acknowledged the need to reduce the tax burden of Canadian taxpayers and businesses alike, in order to make Canada more competitive. The fiscal measures announced are good for the economy, for working Canadians and for SME owners," declared Nancy Hughes Anthony, President and CEO of the Canadian Chamber of Commerce. *"We welcome the tax initiatives introduced as they send the right signals to help improve our competitiveness, although, in some cases, the Chamber would advocate for a more aggressive approach and a shorter timeline,"* added Ms. Hughes Anthony.

The Canadian Chamber also reacted positively to the government's plan to realign program priorities and better control program spending. *"Spending controls must not only be instituted, they must be appropriately monitored and maintained in order to ensure accountability and protect our future prosperity,"* commented Ms. Hughes Anthony. In its analysis of the budget, the Canadian Chamber of Commerce pointed out however that the government must remain fiscally prudent, in order to be able to respond to any potential downturn of the economy and also to take advantage of any opportunity to further pay down our national debt.

Canadian Light Source Update ...

As thoughts turn to spring, the CLS continues to make progress in several areas. They have just completed another successful five week experimental run and now enter one of their semi-annual maintenance and installation periods. Construction continues on the expansion to the office and user support facilities and, with the onset of warmer weather, work has resumed on the beamline expansion. Some exciting recent developments include:

- **Dr. Murray McLaughlin appointed Director of Business Development.** Dr. McLaughlin's appointment follows a year long search. Dr. McLaughlin has had a very distinguished career in industry and government. He holds a PhD degree from Cornell University in agriculture and was founding president of Ag-West Bio Inc., president and CEO of Foragen Technology Venture, Deputy Minister of Saskatchewan Agriculture and Food, and most recently has been a private consultant. He has served, or is serving, on a large number of boards of directors, including Genome Canada and NSERC.
- **First Results from CMCF Beamline.** Another exciting first was achieved on March 18, this time on the Canadian Macromolecular Crystallography Beamline. After much hard work, the team led by beamline scientist Pawel Grochulski successfully produced two x-ray diffraction images of a protein crystal, provided by the University of Saskatchewan Canada Research Chair and CMCF beam team leader Louis Delbaere. Synchrotron x-ray crystallography – the technique used by the CMCF beamline – is an essential tool for pharmaceutical companies to develop the next generation of drugs that target diseases at the molecular level.
- **Province of Saskatchewan announces BMIT Funding.** In March Dr. Bill Thomlinson participated in a funding announcement by The Honourable Pat Atkinson, Minister of Saskatchewan Advanced Education and Employment, where the Province of Saskatchewan contributed \$6.2 million to the BioMedical and Imaging Therapy beamline project. This money, from the province's Innovation and Science Fund, matches the grant received from the Canada Foundation for Innovation and is a crucial piece in the beamline's funding package.
- **WD and SIR announce Phase II Funding through Western Economic Partnership Agreement.** Dr. Thomlinson was host to The Honourable Carol Skelton, Minister of Western Economic Diversification Canada and The Honourable Eric Cline, Minister of Saskatchewan Industry and Resources as they announced \$3.8 million in funding for the Phase II beamlines through the Western Economic Partnership Agreement. Both departments have been long-time supporters of the CLS, and their vision and leadership are truly exemplary.

For more information visit: www.lightsource.ca

Source: Canadian Light Source Letter, April 3, 2006

Learn And Be Inspired By The Best!

A series of eight sales training seminars live via satellite

The Greater Saskatoon Chamber of Commerce is pleased to present a series of learning seminars to help you build a stronger sales team. It's about learning, growth, sales, negotiation, self-esteem, empowerment and fun. The seminars will be provided live via satellite by the best and most highly acclaimed business speakers and authors in North America.

Laurie Beth Jones Wednesday, June 7, 2006

After launching and running her own successful advertising agency for 15 years, Laurie Beth Jones burst onto the national scene with *Jesus, CEO*, a book which espoused bringing spiritual principals back into the business world. That and subsequent books spent more than thirteen months on the Business Week Bestseller List, and have been translated into twelve languages, with worldwide sales exceeding one million copies. Using practical wisdom, bursts of humor and reality-based thinking, Ms. Jones has become one of the world's leading consultants for businesses who want to take their work and their workers to unparalleled levels of performance, satisfaction and success.

The 4 Elements of Success - 12:30 PM to 3:30 PM

Laurie Beth Jones challenges you to look to the elements of creation to find a wisdom that is profoundly simple. Laurie introduces *The Path Elements Profile* - a tool so simply intuitive that everyone from Fortune 500 CEOs to school-aged children have successfully applied its insights. You'll view others differently and you may be surprised to learn how others see you! Get started on highly actionable principals that can transform your workplace and your relationships.

Teach your People to Fish! - 5:30 PM to 8:30 PM

Whether you manage a team of people or you're managing your own business plan, in this session with Laurie Beth Jones you'll discover how to deal with these situations that limit your productivity: grounding problems, excitement (or lack thereof), transformation (making things happen), and release (freeing yourself to soar to new heights).

For more information please contact:

Jim Zaiachkowski @ 664-0713

or jzach@eboardoftrade.com

or visit www.eboardoftrade.com.



Welcome New Members ...

Advantage Auto Dynamics Inc.

Bruce's Cycle Works

Mike's Good Used Appliances /

Mike's Delivery

Pin Services Ltd.

Saskatoon Zoo Foundation

Superpro Group of Companies Ltd.



Food for Thought

by C.M. (Red) Williams

Needed: Big Ideas

If Saskatchewan farmers haven't figured it out yet they soon will; the farm support system is broken and the combined ministers of agriculture by their own admission are looking for the roll of duct tape to patch it. That is what came out of the ministerial meetings at Harrison Hot Springs; we are going to continue modifying CAIS which might have worked if we were experiencing an occasional shortfall on individual farms, but is obviously inadequate to address fundamental structural problems in our entire grains and oil seeds sector. We have given it our best shot but cannot continue to operate within a market determined by a US floor price and with market penetration by low cost competitors.

There are two problems to solve: the short term viability of grains and oils seeds producers and the structure of the industry as we move from producing commodities to the other opportunities that can be built on dry land farming. The current action of governments suggests that they believe that supporting the status quo is a viable plan and no long term visions are required. Unfortunately the death of ideas among industry spokespeople about how to meet the future indicates that they concur with governments that the margin problems will correct themselves given time.

We need some big, bodacious ideas that will challenge us to think of the sector as shipping no bulk grains to export, of regulations that anticipate and welcome rapid change, of major shifts from food to industrial uses for grain, of policy concepts that reward winners, based on an attitude that opportunities are begging for risk takers.

Farm Corp Announces Major Biorefinery to be Built in Rosthern

Farm Corp United Grain Pool (Farm Corp), announced recently that International Debranning Inc. (IDI) will locate a \$200 million processing plant in Rosthern, Saskatchewan. Farm Corp is a minority stakeholder in the plant and is currently the official representative of the group of partners building the facility.

The plant will be a "biorefinery" that uses a unique IDI-patented process for fractionation of bran from grain kernels focusing heavily on barley and its health benefits. Currently IDI is the only company in the world using this type of process.

"We are very pleased that this deal has come together without any government assistance," says Farm Corp President Rick Pender. *"It took a lot of work and planning to get to this moment, and we are very happy to be able to bring this incredible opportunity to Rosthern and Saskatchewan."*

The plant will generate about 60 jobs when it opens, and be involved in the production of functional foods, high quality nutraceuticals, nutrition bars and value added products. A significant portion of the barley nutraceutical ingredients is beta glucan. One major use will be in the production of nutrition bar products for assisting in cholesterol reduction, Type 2 diabetes and other health benefits. The waste by-products will be used in a new green process of ethanol production not involving fermentation. Coupled with Farm Corp farmers, it is the first totally integrated operation of its kind in the world, from farm gate to food to energy.

"International Debranning is very impressed by Saskatchewan and what it has to offer," says Pender on behalf of IDI. *"They look forward to doing business throughout North America and the world from our new facility in Rosthern."*

Source: Farm Corp UGP, News Release, April 27, 2006

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Phenomenome Discoveries

Tap Communications Reaches Summit in Advertising Competition

“Wins ‘Creative Awards Category in 26-Country Competition’”

Tap Communications may be based in Saskatoon, but its work has been recognized globally.

The Summit International Awards recognized Tap Communications with a bronze award in the Self Promotion Category for its 15th Anniversary Invitation, which unfolded to resemble a “corporate growth chart” featuring the company’s development.

Judging for this competition was provided by advertising industry heavyweights such as Ogilvy and Mather, Walter Thomson USA, and Young & Rubicam as part of a 20-member panel of evaluators.

As described in the notification from the Summit International Awards, *“Congratulations! Tap Communications Inc. is a winner in the 2006 Summit Creative Awards Competition. Among the thousands of submissions from twenty-six countries, your creative scored among the very best.”*

Over the past year, Tap Communications has won several awards, including a prestigious Silver Leaf Award of Excellence. Only 6 of 178 entries from across Canada received this honour. The six winning entries, featured in the January 23 issue of Marketing Magazine, included the BMO “Flying High” campaign for Mosaic MasterCard.

The results of this national and international success are being felt, back in Tap’s home community. The company is expanding its staffing numbers and is in the process of an expansion of its office in downtown Saskatoon that will increase its office size by 60%.

Tap is an advertising and corporate communications firm established in 1990 by Ray Penner, its current president. Tap has clients throughout Saskatchewan. It also has a client in London, England and in Australia. *“With the advancement of technology, we are now serving clients daily on the other side of the world. However, our primary mission is to serve the ambitious companies and organizations of our city and province,”* said Penner. *“To us, winning an award such as this validates our ability to effectively position our Saskatchewan clients in a global market as well as in our local and regional markets.”*

Source: Tap Communications Media Release, May 9, 2006

Figuratively Speaking ...

Compiled by John MacIntyre

- Percentage of Canadians who believe immigrants are having a 'good influence' on the way things are going in Canada, according to a survey for CanWest News Service/Global News: 51
- Estimated number of immigrants accepted by Canada each year: 225,000
- Percentage of Canadians who think that number is too high: 44
- Percentage who feel the number is 'about right': 34
- Percentage of wine drinkers who agree with the statement, 'I wish more restaurants provided guidance in choosing a wine to go with my meal,' according to survey by Russell Research: 66
- Percentage of wine drinkers who say they often feel intimidated by wine lists at restaurants: 44
- Percentage of Americans who say that Wal-Mart is a good place to shop, according to a poll conducted by the Pew Research Center for the People & the Press: 81
- Percentage who say Wal-Mart is good for their area: 68
- Percentage who say it is good for the country: 64
- Percentage who say it is a good place to work: 56
- Percentage of executives who say one of their New Year's resolutions is to acquire a new skill, according to a survey by Accountemps: 31
- Percentage who say it is to spend less time at work: 19
- Percentage who say it is to improve relationships with boss/coworkers: 13

Greater Saskatoon Chamber of Commerce - Board of Directors



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A “Convergent” Solution

by Jay N. Fuller

It amazes me how every so often seemingly unrelated things merge together to create a new front of interest and activity. A contemporary case in point is the convergent themes of ethnic diversity in the workforce and the skilled labour shortage crisis. In our very recent history the notion of workforce diversity was promoted solely with a humanitarian or human rights apologetic. Consequently workforce diversity had to be legislated in many business and organizational contexts. Rarely did employers (all sectors) look at the world as a global labour pool, and not simply because of immigration constraints. Those of us who have had the privilege of working alongside foreign professionals quickly recognize the value they add (and create) as colleagues and we rapidly lose the “we’re doing them a favor” mentality. The fact is, most foreign workers become exemplary employees that daily model characteristics we hope to impart to our own children. They are really doing us a favour. Add to this the new challenge of the skilled labour shortage and a new recruitment strategy emerges. So now it suddenly makes great business sense to be thinking about workforce diversity.

Another welcomed convergence is the harmonizing of activities among the numerous organizations that have been established to assist “new Canadians” integrate into the Canadian mainstream. Organizations like The Open Door Society, The Saskatchewan Intercultural Association, and the International Women of Saskatchewan, plus initiatives like the Immigrant Nominee Program, are becoming important and strategic resources to employers looking for solutions to the skilled labour crisis.

In our global economy, talent is the new currency, diverse cultures are the new mint and the quality of our workforce is our primary competitive advantage. This is an exciting and timely convergence that will drive our economic and social evolution for decades to come. It’s our new reality. Embracing it is the key to our future success.



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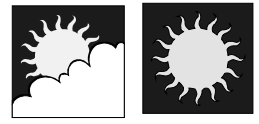
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RETAIL WATCH

Retail Sales by Trade Group

(\$Millions)

	January - February		
	2006p	2005r	Change
Saskatchewan			
Food & beverage stores	357.3	363.0	-1.6%
Pharmacies & personal care stores	87.9	87.9	0.0%
Shoe, clothing accessories & jewellery	12.5	12.3	2.4%
Clothing stores	41.7	43.0	-3.0%
Furniture stores	22.9	21.1	8.4%
Home electronics & appliance stores	41.6	32.6	27.4%
Home furnishings stores	16.9	12.8	32.7%
Computer & software stores	7.0	5.6	26.2%
New car dealers	287.2	282.6	1.6%
Used & rec vehicle & parts dealers	67.3	60.9	10.5%
Gasoline stations	227.8	211.9	7.5%
General merchandise stores	212.3	190.2	11.6%
Home centre & hardware stores	65.0	45.3	43.3%
Specialized bldg materials & gardens	20.8	17.2	20.8%
Sporting goods, hobby, music & book	22.9	19.3	18.2%
Miscellaneous store retailers	26.3	28.4	-7.6%
Total all stores	1,517.5	1,434.1	5.8%
Canada			
Total all stores	51,516.0	48,719.4	5.7%

Average Retail Price of Regular Unleaded Gasoline

(cents per litre)

Self-Service Stations

	March 06	February 06	March 05
St. John's	99.5	103.8	93.9
Sydney	100.3	99.0	92.7
Halifax	101.2	93.6	91.8
Moncton	100.3	96.4	92.5
Quebec City	99.3	96.4	92.7
Montreal	98.2	92.0	91.4
Ottawa	89.0	84.6	82.4
Toronto	91.1	85.5	83.8
Winnipeg	91.6	84.2	84.1
Regina	91.5	89.1	89.6
Saskatoon	95.3	90.8	90.0
Edmonton	88.8	81.5	80.8
Calgary	87.6	83.1	81.7
Vancouver	97.1	89.0	92.0
Victoria	98.2	93.7	92.8

TRADE WATCH

Value of Shipments of Goods Manufactured

(\$'000)

	January - February		
	2006p	2005r	Change
Saskatchewan			
Food	315,738	293,975	7.4%
Beverage	4,527	3,972	14.0%
Wood	119,411	143,157	-16.6%
Printing & related support activities	18,402	19,773	-6.9%
Metal fabrication (except machine & transportation equipment industry)	83,378	62,243	34.0%
Machines	123,883	115,347	7.4%
Electrical equipment	33,246	24,660	34.8%
Non-metallic mineral products	7,875	5,012	57.1%
Chemical & chemical products	156,047	200,095	-22.0%
N.E.S.	983,008	783,523	25.5%
Total Value *	1,845,515	1,651,757	11.7%

* Total includes the value of shipments for the industries for which individual data must be suppressed to comply with the Statistics Act

Exports Originating in Saskatchewan

(\$'000)

	January - February		
	2006	2005	Change
Agriculture and fishing products	610,900	463,400	31.8%
Energy products	953,000	645,600	47.6%
Forestry Products	130,600	145,800	-10.4%
Industrial goods	498,200	599,000	-16.8%
Machinery and equipment	144,800	108,900	33.0%
Automotive products	9,600	11,200	-14.3%
Consumer goods	5,000	5,300	-5.7%
Special transactions	22,800	20,600	10.7%
Total Exports	2,374,900	1,999,800	18.8%

Imports Cleared in Saskatchewan

(\$'000)

	January - February		
	2006	2005	Change
Agriculture and fishing products	37,900	37,700	0.5%
Energy products	24,100	9,900	-----
Forestry Products	2,600	3,500	-25.7%
Industrial goods	288,400	256,600	12.4%
Machinery and equipment	435,700	378,500	15.1%
Automotive products	163,600	126,600	29.2%
Consumer goods	38,600	37,800	2.1%
Special transactions	2,100	2,200	-4.5%
Total Exports	993,000	852,800	16.4%

Source: Saskatchewan Bureau of Statistics, Monthly Statistical Review, May 2006, Volume 32 No 5

Committee Chairs



Health Opportunities
John Hyshka
Phenomenome Discoveries



Knowledge Industry
Rob Norris
U of S-Office of the Secretary

Greater Saskatoon Chamber of Commerce

On-Line Auction

www.saskatoonchamberauction.com

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at (306) 664-0713 OR jzach@eboardoftrade.com

The West Owns the Podium in Economic Growth for Canadian Cities

Western Canada will again “own the podium” in metropolitan economic growth this year, with Calgary, Vancouver and Edmonton occupying the top three spots, according to the Conference Board’s Metropolitan Outlook – Spring 2006.

“Calgary is expected to win gold this year in the metropolitan growth rankings, replacing Edmonton, which led all cities in 2005,” said Mario Lefebvre, Director, Metropolitan Outlook Service. *“Calgary’s services industry will continue to benefit from energy-related investment. Meanwhile, Vancouver, which will come in a strong second, continues to ride a construction boom, and Olympic-related work is only part of the story. Edmonton will round out the top three, led by healthy gains in both the primary and the manufacturing sectors.”*

All in all, real gross domestic product (GDP) in 2006 is expected to grow by four per cent in Calgary, 3.8 per cent in Vancouver and by 3.6 per cent in Edmonton.

Ontario Cities Still Adjusting to Higher Dollar

Oshawa (3.6 per cent) and Toronto (3.4 per cent) will post the fastest growing economies in Ontario in 2006. While these rates of growth are far from dismal, better results are in the cards for 2007. Both census metropolitan areas (CMAs) are then expected to post economic growth of 4.1 per cent, led by solid gains in services and non-residential construction.

With the high-tech sector in the midst of an upswing, the Ottawa-Gatineau economy is expected to improve following three subpar years and post growth of 2.8 per cent in 2006. Layoffs in the manufacturing sector and a slowdown in construction activity will restrain Kitchener’s economic growth to 2.8 per cent this year.

Windsor’s economy will benefit from an improved non-residential construction outlook, allowing its real GDP growth to reach 2.7 per cent. Hamilton can expect its economy to expand by 2.5 per cent, due to stronger demand for steel. The manufacturing and construction sectors are expected to rebound in 2006, allowing real GDP growth in the Kingston CMA to surpass the two per cent mark for the first time in four years.

St. John’s Tops Growth in Atlantic Canada

After two years of modest growth, gains in the services sector this year will support real GDP growth of 3.3 per cent in St. John’s. Both the manufacturing and the services sectors are expected to gain ground in Saint John, lifting real GDP growth to 2.7 per cent. Continued weakness in the goods sector will limit Halifax’s economic expansion to 2.6 per cent this year.

Modest Gains in Quebec

Montreal’s manufacturing sector is expected to rebound in 2006, even though Bombardier has cancelled its planned CSeries jet project. Overall, the Montreal economy is expected to grow by 2.6 per cent this year. At 2.2 per cent, Quebec City is expected to post its slowest rate of real GDP growth since 2002. Holding back economic growth in the CMA this year will be both the manufacturing and the construction sectors. The economic outlook for Saguenay is more optimistic than previous outlooks, with total GDP growth expected to come in at 2.1 per cent in 2006. Strong demand for aluminum will allow for more rapid growth in the CMA’s manufacturing sector.

Growth to Weaken in Prairie Cities and Victoria

After enjoying the second-highest growth rate among Canadian CMAs last year, growth in the Saskatoon economy will decelerate in 2006 to a still-solid 2.8 per cent. On the heels of a solid 3.8 per cent rise in 2005, real gross domestic product (GDP) in Winnipeg is expected to increase by 2.3 per cent in 2006. Limiting growth this year will be a deceleration in services sector activity.

A decline in employment last year will lead to a slowdown in domestic demand in Regina this year, limiting real GDP growth to 1.9 per cent in 2006. Following a strong 2005, Victoria’s economic growth will weaken to 2.4 per cent this year. As a result, job creation will slow from last year’s blistering pace.

Saskatoon’s Economic Outlook Highlights 2005-06

- Strong consumer spending lifted GDP growth to 5.1% last year.
- Manufacturing and construction output will remain resilient in 2006, while consumer spending is expected to build on last year’s remarkable performance.
- Employment growth, however, is forecast to show signs of fatigue.
- All in all, real GDP growth is forecast to come in at 2.8% this year and at 2.5% in 2007.

Industrial Movements in Saskatoon’s Employment

- Growing Strongly: Machinery Manufacturing, Retail Trade, Hospitals, Information and Cultural Industries, and Mining and Oil & Gas Extraction
- Declining: Agriculture, Food Manufacturing, Transportations Services, Wholesale Trade, and Food Services and Drinking Places

Nuclear to Provide new Opportunities

- Kyoto Protocol opens the door for expanded reliance on nuclear energy, as it does not emit greenhouse gases.
- Canada’s plan to meet the Kyoto Protocol requirements implies that 18 nuclear reactors would be in full swing looking forward. There are currently 17 in service now and not necessarily at full capacity.
- Saskatchewan is the world’s largest producer of natural uranium, accounting for roughly 1/3 of the world production.
- Nuclear energy in Canada is used exclusively for peaceful purposes; including electricity generation and research of various types (medical, agriculture, etc.).
- For example, Canada is a leader in applying radiation technology to reduce the risk of food-borne illness, to protect food from insect infestations and to prolong the shelf life of fruits and vegetables.

The Metropolitan Outlook, published quarterly, includes economic outlooks for 27 Canadian CMAs, their province and Canada.

The Greater Saskatoon Chamber of Commerce wishes to acknowledge Saskatoon Regional Economic Development Authority’s sponsorship of Saskatoon’s participation in Metropolitan Outlook.

Source: www.conferenceboard.ca

Great Saskatoon Chamber's 2006 Job Growth Target Will be Hard to Achieve but an Upward Turn Appears

Continued from Page 1

The Greater Saskatoon Chamber of Commerce has targeted an objective of 8,000 additional jobs per year as the number necessary to arrest youth exodus from the Saskatoon region. *"Our Chamber continues to be optimistic that 2006 will see net job growth in the Greater Saskatoon region. The quick implementation of the first phase of the Provincial Government's Business Tax Review recommendations has made meeting this objective as a possibility and that simply wasn't the case prior to the April Provincial Budget announcement,"* Smith-Windsor stated.

To improve the business climate in Saskatchewan, the Government of Saskatchewan's business tax policies must continue to change. *"Some remaining provincial business tax policies are still costing our province and our region investment, and consequently these policies are costing jobs for our young people. Our province must move forward on reducing education property tax loads because this tax has the same harmful effects on investment as the capital taxes now being scrapped in Saskatchewan and in Canada. Capital taxes harm investment attraction and education property taxes are a capital tax,"* said Smith-Windsor.

Provincially, there were 3,700 more people working in Saskatchewan in April 2006, as compared to April 2005 on a seasonally unadjusted basis. These early and hopeful signs of a job creation turnaround will help encourage more young grads to stay and build their careers in Saskatchewan, but more government policy changes like reducing education property tax loads are still needed to reverse youth exodus from Saskatoon and Saskatchewan.

"Provincially, our Chamber believes that Saskatchewan should be striving for 18,000 net new jobs per year to match our graduation rate. The gap in the job creation rate compared to the youth graduation levels underlines the necessity of additional and significant changes in provincial government business climate policies. If we are serious about youth retention in this province, government policies must facilitate even more business risk taking in this province," said Smith-Windsor.

"More tax policy changes are needed in the near future, but the improvements announced in the province's April budget will help," commented Coni Evans, President of the Greater Saskatoon Chamber of Commerce, *"If the province can continue to make further changes including: reducing education property tax loads, further sales tax harmonization, and the removal of harmful capital taxes on resources, Saskatchewan really can grow the number of job opportunities for our grads."* Observed Evans. *"Saskatchewan can, and must become a "go to" place, not a "come from" place for our young people. For this to happen, our provincial government needs to invoke even more policy changes, even more quickly!"* Evans concluded.

New investments in uranium development, potash development, in the oil and gas sector, and other exciting mining projects make the prospect of meeting the Chamber's employment growth target for our young graduates, a tough, but realistic, objective.

LOWER WAGE WORKERS PROPORTION SHRINKS

An important Statistics Canada Study was released Thursday, April 6, 2006, but the release was overshadowed by both the provincial budget and the recent federal budget. This study "Low Wage and Low Income" showed that the proportion of low wage workers in Saskatchewan declined significantly from 1993 to 2004. In 1993, 25% of workers in Saskatchewan were working at low wage levels. In 2004, that number had dropped to 18% of workers. The Statistics Canada analysis also showed that just under half of the low wage workers in Canada were the major earners for their families. That report also showed that low-income work is not a permanent state of existence with many low-income workers improving their income levels to above the low income cut off over a period of time. The Statistics Canada report showed that only Alberta had a greater decline in the portion of low wage earners with their low wage worker proportion declining from 19% in 1993 to 14% in 2004. This study will provide a useful discussion point as the Saskatchewan business community examines the province's "Commission on Improving Working Opportunities for Saskatchewan Residents" final report.

Business Showcase 2006

Building For The Future

The Greater Saskatoon Chamber of Commerce is proud to present Business Showcase 2006: the only B2B exposition of its kind in the Saskatoon area focusing on bringing together business and business leaders.

This year Business Showcase 2006 will showcase Saskatoon businesses in the CALGARY marketplace. Calgary is one of the fastest growing economies in Canada and has the highest number of head offices in Western Canada, with 9 ranked among the top 50 in Canada. SO WHY NOT CALGARY?? With the growing economy of Alberta, and the need to attract workers from other jurisdictions, The Greater Saskatoon Chamber of Commerce saw an opportunity to take the "Saskatoon Advantage" outside the Saskatoon marketplace.

October 25th and 26th, 2006

Executive Royal Inn
(north eastern area of Calgary)

For more information, contact:
Jim Zaiachkowski @ (306) 664-0713 OR
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**“Chamber on Business”
Luncheons**

****Speaker Change****

Hon. Pat Atkinson

*Minister of Advanced
Education and Employment*

**“Immigration Opportunities and
Enhancements from Recent
Provincial Budget”**

Thursday, May 18th, 2006
Ramada Hotel & Golf Dome

**Celebrating
Saskatchewan’s World
Leadership in Mining**
**“Careers in Mining: Developing
the Most Important Resource”**

Speakers: **Adele Failer** and
Lee Knafelc, Potash Corp

Thursday, May 25th, 2006
Delta Bessborough Hotel

Elyse Allan

President & CEO, GE Canada
**“Competing and Succeeding
in the Global Economy”**

Thursday, June 8th, 2006
Travelodge Hotel

**Building the Best Business
Climate in Canada,
Thereby Creating
a City of Opportunity.**



80s NIGHT

**FEATURING SASKATOON'S
“WHERE'S MY MULLET”**

COVERING SONGS FROM THE 80S

THURSDAY, JUNE 1ST, 2006

7:00 PM @BEILY'S PUB & GRILL (2404 8TH ST E)

JOIN US FOR A FUN EVENING OF DINNER AND 80S MUSIC

SPONSORED BY:



PRESIDENT'S GOLF CLASSIC

Tuesday, June 13th, 2006

Saskatoon Golf & Country Club - West Course

Shot Gun Start: 1:00 pm ... BBQ: 6:30 pm

Sponsor a Hole
Sponsor a Prize
or Golf a Round

For more information call: (306) 244-2151

Size Matters

... help others connect with us
Tell your business associates about the
work of the Chamber of Commerce.

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