

2010 AFI
Federal Government
Job Cost Efficiency Analysis



NACCA

NATIONAL ABORIGINAL CAPITAL CORPORATIONS ASSOCIATION

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EXECUTIVE SUMMARY

The purpose of this analysis is to document the Aboriginal Financial Institution (AFI) cost of \$13,079 per job created and maintained, through the provision of loans and support services to Aboriginal Small to Medium size Enterprises (SMEs).¹

AFIs were created by the Federal Government in consultation with Aboriginal leaders in the mid 1980s and early 1990s. The intended purpose of AFIs was to have them engage in the provision of repayable interest bearing loans to Aboriginal SMEs which were unable to secure loans from highly regulated conventional lenders in light of interrelated risk tolerance levels.

There are 55 AFIs² actively engaged in the provision of development loans and support services to Aboriginal SMEs in all parts of Canada.

The five year success rate of AFI supported SMEs has, through an AFI pilot study³ supported by a search at the Business Register Statistics Canada, been determined to be 58%. Registry statistics also revealed despite the fact 42% of the SMEs appeared to have closed at some point during the five year period, actual payroll and employment increased over that which had been projected five years earlier e.g. actual payroll was 104% of projection, actual employee remittances were 106% of projection and actual employment was 96% of projection.

The most significant AFI individual client benefits such as the achievement of self reliance, improved self worth, improved standards of living for entrepreneurs and families associated with the provision of AFI small business loans and support services are difficult to measure in quantifiable terms. However, the costs of creating a job with AFI support are measurable.

In addition to AFI costs per job it is important to recognize some AFI clients may have been the benefactors of previous Government programming e.g. entrepreneurial, EI and disability programming. In other instances it is recognized AFIs played a pivotal role in obtaining conventional financing for Aboriginal SMEs. In 2010 alone AFIs enabled their clients to lever \$20.8 million from private sector conventional lenders. In other words, while the creation and maintenance of jobs in AFI client businesses may not be within the exclusive AFI domain, without AFI participation it is reasonable to conclude such jobs would not have materialized.

Notwithstanding the foregoing, through documentation of jobs created as a result of AFI undertakings, AFI capital costs and AFI support costs, we were able to quantify AFI supported job creation costs with a reasonable degree of certainty.

In 2005, through their national association, the National Aboriginal Capital Corporation (NACCA) AFI's began tracking new loans to business start ups as well as new loans for expansion and/or modernization purposes.

During the year ending March 31, 2010 NACCA began gathering and consolidating data in terms of the employment numbers generated by the provision of new loans. Data was gathered directly from AFIs by way

1 For the purposes of this analysis an SME is a small business requiring loan of \$250,000 or less

2 Detail concerning loan volumes is available from AFI Portrait documents

3 "Tracking Study of Clients of Aboriginal Financial Institutions – A pilot Project" 2003 (Don Allen & Associates)

of a voluntary job creation survey form (appendix A) and an AFI supplemental data form (appendix B) provided in support of AFI fiscal 2010 year end audited financial statements. A total of 40 AFIs (73% of active lending AFIs) responded to the AFI job cost efficiency survey questionnaire and/or the 2010 AFI Supplementary AFI data request. It is to be noted survey summary results do not include an extension of survey results from the 40 respondent AFIs to all 55 active lending AFIs.

Survey findings revealed the 40 respondent AFIs participated in the creation and or maintenance of 3,676 jobs (1,287 full time equivalent jobs⁴ within start-up businesses and 2,388 full time equivalent jobs within expanding businesses). Survey findings further revealed each AFI start-up loan creates an average of 2.97 jobs and each AFI expansion or modernization loan creates\maintains 4.12 jobs. Refer appendix "C" AFI Survey Summary Results for additional detail.

Current levels of AFI capitalization and related 2010 AFI support costs were calculated to be \$48,076,746. This sum is comprised of \$30,875,712 in active capitalization agreements set to mature by 2015 and \$17,201,034 in support programming costs for the year ending March 31, 2010. AFI support programming costs included operating subsidies provided by Regional Agencies, as well as INAC HQ programming costs associated with ATC, BSO, ASD and AFI network support. Refer appendix "C" AFI Survey Summary Results for greater detail.

The "2010 AFI Job Cost Efficiency Analysis" concluded Government's cost of creating and maintaining a job via the AFI network was \$13,079 ($\$48,076,746$ total cost divided by 3,676 total jobs = \$13,079). Compared to other Government job creation program costs which average \$36,193 (table 6), job creation through AFIs reflects a markedly superior value.

⁴ Part time and seasonal jobs were considered .4 full time equivalent jobs. The resulting total full time equivalent jobs were 331.
A part time job is often 20 hours per week or .5 of a full time equivalent job which negates the need for employee benefits

BACKGROUND

AFIs were created in the mid 1980s to early 1990s by Aboriginal Business Canada (ABC), Human Resources Development Canada (HRDC) and Indian and Northern Affairs Canada (INAC). It was thought at the time AFIs might, because of Aboriginal ownership, overcome previously encountered loan collection challenges and other access to capital barriers such as; Indian Act restrictions; limited business skills; limited management experience; remoteness from mainstream Financial Institutions (FIs); and prohibitive heavily regulated FI risk tolerance levels.

The AFI network itself provides direct employment for 337 + people, 67% of whom are Aboriginal. The Network is comprised of 60 AFIs (55 active lending AFIs, 3 relatively inactive lending AFIs, and 2 business support service AFIs). AFIs are located in all Provinces and Territories.

The Federal Government has made a loan capital investment of \$239 million in AFIs over the past 25 years. The \$239 million AFI loan capital investment is comprised of \$160 million in loan capital contributions already earned by AFIs, \$31 million in open loan capital contribution agreements that will mature on or before March 31, 2015, and approximately \$48 million in repayable loan capital.

Approximately 500 Aboriginal owned new business start-ups obtain financing from AFIs every year. In addition approximately 600 existing Aboriginal businesses obtain new loans from AFIs to expand or modernize every year.

A 2003 third party Stats Canada based pilot study revealed the five year success rate of AFI supported businesses was 58%. Registry statistics also revealed that despite the fact 42% of the SMEs appeared to have closed at some point during the five year period, actual payroll and employment increased over that which had been projected five years earlier for the entire group of SMEs in the sample e.g. actual payroll increased by 104% of projection, actual employee remittances increased by 106% of projection and actual employment increased by 96% of projection.

PURPOSE OF THIS PAPER

The economic efficiency, in terms of cost to Government, of creating and retaining jobs through AFI supported activities has never to our knowledge been researched and documented. An initial four page brief was produced in early 2010 under year end time constraints. This paper, the “2010 AFI Job Cost Efficiency Analysis” serves to expand the initial four page brief. It also references other Government funded job creation programming costs for comparison purposes. Additionally it serves to lay the foundation for a future third party study concerning the overall economic impact of AFI activities on the domestic economy.

QUALIFICATIONS

A total of 40 AFIs (73%) of the 55 active lending AFIs responded to the AFI job cost efficiency survey questionnaire and/or the 2010 AFI Supplementary AFI data request.⁵

The 73% response rate referred to above is considered adequate to reflect a meaningful conclusion.

METHODOLOGY

The 55 lending AFIs were requested via email to complete and return a one page survey refer attached Appendix “A”) indicating: (1) the number of new loans to start-up businesses and, (2) new loans to existing businesses during the fiscal year ending March 31, 2010. Concurrently, AFIs were asked to indicate: (1) the number of projected new jobs for the businesses receiving start up loans and, (2) jobs which were in existence at the time new loans were provided to established SMEs.

Questions relating to the number of jobs created or maintained as a result of new AFI loans were again asked as part of the supplemental AFI data NACCA collects annually in conjunction with receipt and consolidation of AFI yearend audited financial statements (refer attached Appendix “B”).

AFI LOANS ADVANCED

The 40 AFI survey respondents provided a total of 1,013 loans during the year beginning April 1, 2009 and ending March 31, 2010. A total of 433 new loans were provided to start-up businesses (43% of total loans). A total of 580 new loans were provided to existing SMEs to expand or modernize (57% of total loans).

AFI SUPPORTED SME JOBS CREATED/ MAINTAINED

AFI supported jobs created and/or maintained as a result of the AFI loans have been documented and segregated into two categories. The first category being jobs projected to be created relative to business start-ups. A significant number of AFIs not only reported full time, but also reported part time and seasonal jobs created. It would be misleading to include one part time or one seasonal job at a face value of one, when the hours of part time employment are unknown or the duration of a seasonal job is unknown. For the purposes of this analysis, in order to express all jobs created as full time equivalents (FTE), both part time and seasonal jobs were weighted as .4 of a FTE. The second category, jobs already existing in established SMEs that received a

⁵ Survey summary results do not contemplate the extension of survey results from the 40 respondent AFIs to all 55 active lending AFIs

new expansion or modernization loan, were classed as jobs maintained. In order to express all jobs maintained as FTE, both part time and seasonal jobs were weighted as .4 of a FTE for reasons noted above. Ancillary survey findings also revealed an AFI loan to a start-up business creates an average of 2.97 jobs an AFI modernization or expansion loan to an existing Aboriginal small business maintains an average of 4.12 jobs.

Jobs Created by Start-up Businesses Receiving New Loans

Survey results revealed the 40 respondent AFIs provided 433 loans to start-up businesses projecting the creation of 1,287 jobs. The maximum number of jobs created by an individual AFI through the provision of start-up loans was 257 and the minimum was 1. The median was 18. The average was 34.

Jobs Maintained by Existing Businesses Receiving New Loans

Survey results revealed the 40 respondent AFIs provided 580 new expansion or modernization loans to established SMEs in which 2,388 jobs existed at the time the new loan advance was made. The maximum number of jobs maintained by an individual AFI through the provision of expansion or modernization loans was 650 and the minimum was 1. The median was 38. The average was 68.

DIRECT AFI OPERATIONAL COSTS

Internal AFI operational and overhead costs relating to pre-care, the application process, and post care for INAC\ABC and privately capitalized AFIs have not been included as a cost to Government. INAC\ABC and privately capitalized AFIs cover such costs from self generated revenues e.g. application fees, interest charged etc.

BSO and ASD support costs for select AFIs, as well as Regional Agency AFI operational and overhead costs effectively covered by Government by way of subsidies, were reflected as Federal Government support costs in table 2.

FEDERAL GOVERNMENT AFI LOAN CAPITAL COSTS

The provision of Federal Government loan capital is not synchronized across departments with responsibilities for AFIs. In other words INAC\ABC provides loan capital via contribution agreements spanning specific amortization periods. Western Diversification provides loan capital via repayable loans. FEDNOR and ACOA provide loan capital via contribution agreements spanning specific amortization periods subject to specific terms and conditions. Nunavut AFIs, although not funded by the Federal Government, appear to utilize contribution agreements for a one year term. If the entire contribution is utilized in the one year period contributed funds are deemed an asset of the AFI. Any portion of contributed funds not advanced as loans during the one year term are reported to be repayable by the AFI to the Nunavut Government.

In light of the foregoing more than one costing format is necessary to determine loan capitalization costs for AFIs capitalized by different departments.

For the purposes of this analysis the following formats were used to determine loan capital costs:

- INAC\ABC capitalized AFIs which had fulfilled contractual obligations under matured INAC\ABC contribution agreements no longer reflected a loan capital cost to the Federal Government. By virtue of fulfillment and expiry of the contractual agreement, the subject loan capital became an asset of the AFI. However, if such an AFI had received a subsequent capital top up and has an active capital funding agreement in effect for the top up, a cost equal to the top up(s) under active agreement, was included as a loan capital cost. Such INAC\ABC capital top ups were not amortized over the term of the top ups but rather included at face value of the top ups resulting in arguably higher transaction costs per job created\maintained. All of the \$25 million in current INAC top-up agreements will mature by March 31, 2015.
- Loan capital costs associated with AFIs capitalized by Western Diversification via repayable loans were estimated to bear a loan capital cost equal to 3.9% which we are advised is the current Federal Government long term borrowing rate
- Loan capital costs for NWT domiciled AFCDs via repayable loans were estimated to bear a loan capital cost equal to 3.9% which we are advised is the current Federal Government long term borrowing rate
- Loan capital costs were not contemplated for Nunavut domiciled ACFDCs, or FEDNOR and FEDEV based ACFDCs as loan capital is apparently provided via one year contribution agreements which have matured
- The ACOA funded AFI was capitalized via a \$6 million multiyear contribution agreement which will expire in 2014. Accordingly, a loan capital cost for the ACOA funded AFI is reflected in an amount equal to the outstanding agreement

Utilizing the above noted loan capital costing format, a total loan capital cost for the fiscal year ending March 31, 2010 was determined to be \$30,875,712 as follows:

Table 1

Loan capital under active INAC\ABC contribution agreements	\$ 24,337,204
Loan capital under active contribution agreement with ACOA	6,000,000
Regional Agency loan capital under agreement - other than WD	0
Total cost of loan capital under active contribution agreement	30,337,204
Cost of loan capital repayable to Western Diversification	538,508
Total loan capital cost to Federal Government	30,875,712

FEDERAL GOVERNMENT AFI SUPPORT COSTS

Federal Government AFI support costs are comprised of annual operating cost subsidies provided by Regional Agencies, Territorial Governments, and in a few cases INAC, plus ATC programming costs, funding support for BSOs and ASDs, and funding support for the National AFI network. Territorial Government operating subsidies, although not a direct Federal Government cost, were included in the total operating subsidy computation. A summary of funding support provided for the fiscal year ending March 31, 2010 was determined to be \$17,076,034 as reflected in table 2.

Table 2

Operating cost subsidies from Federal and Territorial Governments	\$ 10,346,352 ⁶
BSO support funding costs	2,202,355 ⁷
ASD support funding costs	1,183,389 ⁸
Access to Capital (ATC) programming costs	2,648,231 ⁹
ATC programming administration oversight costs	200,000 ¹⁰
AFI network support funding costs	620,707 ¹¹
Total AFI support funding costs	17,201,034

Table 3

Summary of Loan Capital and AFI support Funding Costs	
Total loan capital cost to Federal Government (table 1)	\$ 30,875,712
Total AFI support funding costs (table 2)	17,201,034
2010 combined loan capital costs and AFI support costs	48,076,746

6 Source – NACCA 2010 data base for AFIs

7 Source - INAC

8 Source - INAC

9 Source – NACCA 2010 audited financial statements

10 Source - INAC Estimate of 2010 costs incurred

11 Source NACCA 2010 audited financial statements

COSTS PER JOB CREATED/MAINTAINED BY AFI SUPPORTED SMES

The 2010 total loan capital cost to the Government at \$30,875,712 plus 2010 total AFI support costs at \$17,201,034 as reflected in table 3 above combine for an aggregate cost of \$48,076,746, representing the base for estimating AFI job creation/maintenance costs. A summary of job cost calculations resulting in a cost per AFI job created of \$13,079 is provided in table 4.

Table 4

2010 combined loan capital costs and AFI support costs (table 3)	\$ 48,076,746
Number of AFI loans advanced to start-up businesses in 2010	433
Full time jobs created by AFI loans to start-up businesses in 2010	1,287 ¹²
Average number of jobs created per AFI start-up loan	2.97
Number of new AFI loans to existing businesses to expand or modernize	580
Full time jobs maintained at businesses which received new loans to expand or modernize in 2010	2,388 ¹³
Average number of jobs maintained by existing SMEs which received expansion or modernization loans in 2010	4.12
Total number of new start-up and expansion/modernization loans	1,013
Total jobs created/maintained	3,676 ¹⁴
AFI capital cost per job created/maintained—table 3 (30,875,512/3,672) =	8,400
AFI support cost per job created/maintained—table 3 (17,076,034/3,672) =	4,680
Total cost per job created/maintained by an AFI loan advance	\$13,079

Total cost per job calculation: \$48,076,746 / 3,676 jobs = \$13,079

12 Part time and seasonal job equivalents estimated as .4 of a full time job

13 Part time and seasonal job equivalents estimated as .4 of a full time job

14 Part time and seasonal job equivalents estimated as .4 of a full time job

OTHER FEDERAL GOVERNMENT PROGRAMS COSTS PER JOB CREATED/MAINTAINED

In terms of calculating/estimating AFI Job Creation Efficiencies, it is recognized AFI supported job creation costs are not exclusively within the direct AFI domain. In other words, while directly connected AFI job creation support costs e.g. ATC programming and AFI network costs have been included, it is not ventured all support costs have been included. In some cases other support job creation programming may, or may not have, participated in the creation of AFI supported jobs e.g. entrepreneurial programming, EI programming, disability programming etc. On the other hand, the same observation would appear to apply equally to the other job creation programs. Accordingly, the comparison of AFI supported job costs to other job creation programming costs appears to carry significant weight.

Various Federal Government job creation programs have been used over the years. Generally such job creation programs create short term jobs in contrast to AFI supported jobs. The Small Business Loans Act (SBLA) job cost data compiled by PRICEWATERHOUSECOOPERS for Industry Canada may well be the most relevant for AFI job cost comparison purposes. The jobs supported by the SBLA program are, like jobs supported by AFIs, generally not intended to be short term.

The following job cost data was obtained from the Industry Canada cost benefit analysis of the Small Business Loans program completed by PRICEWATERHOUSECOOPERS September 8, 1998 see PWC table 6.

Table 5
Employment Estimates for 1997-98 Fiscal Years As a Result of the SBLA Program

Source	# jobs created per loan	Jobs per \$1 million of lending	2010 Cost per Job**
Haynes & Riding Survey (1994 survey data)	3.4*	62.5*	16,000
Equinox Survey (1996 survey data)	2.3*	46.2*	21,645
Borrower Applications (1997-98 admin data)	1.4*	22.2*	45,045
Informetrica Informed-Model (5-year model Average)	0.5	8.4	119,047
Informetrica Say's Law (5-year model average)	1.5	22.8	43,859

*Figures adjusted to reflect incrementally assumption of 60%

** Calculated by NACCA in early 2010 using the Bank of Canada Inflation calculator

HRSDC provides a comprehensive job creation cost analysis on its website¹⁵. Jobs created using these programs appeared to be of a shorter duration (range from 10.5 to 56 weeks) than AFI supported jobs. Costs per job were expressed in 1986 dollars. The Bank of Canada website enabled the conversion to 2010 dollars. Refer to table 6 below.

Table 6
Estimates of Incremental Cost Per Job by Direct Job Creation Program

Program	Incremental Cost Per Job 1986 constant dollars	Incremental Cost Per Job 2010 dollars
LIP	\$19,400	\$34,362
LEAP	\$26,700	\$47,291
Canada Employment Strategy:		
CCDP	\$23,900	\$42,332
CCSP	\$23,000	\$40,738
NTEP	\$49,000	\$86,789
LEAD	\$4,200	\$7,439
Canada Works:		
General (1977-78)	\$17,000	\$30,111
General (1979-80)	\$17,600	\$31,173
Canada Works:		
Growth Component	\$26,300	\$46,583
Young Canada Works	\$23,700	\$41,978
Employment Tax Credit Program	\$20,150	\$35,690
Developmental Uses of EI for Job Creation	\$9,600	\$17,004
On-Site	\$7,630	\$13,514
NEED	\$17,900	\$31,705
Combined cost per job created/maintained by an AFI loan advance		\$13,079

15 <http://www.hrsdc.ca.gc.ca/eng/cs/sp/hrsdcedd/reports/1998-000392/page09.shtml>

CONCLUSION

Each AFI start-up loan creates an average of 2.97 full time job equivalents. Each AFI expansion or modernization loan maintains an average of 4.12 job full time job equivalents.

Combined AFI capital and AFI support costs of \$13,079 per job created/maintained reflects favourably when compared to either IC or HRSDC job costs. AFIs therefore appear to be a cost efficient job creation mechanism.

APPENDICES

Appendix "A" AFI Job Creation Survey form

Further to the suggestion that we use 2009-10 statistics for the AFI Job Cost Efficiency Study we will need to obtain the information below from you. In light of the close proximity to most AFI yearend dates this information will be more easily accessible now rather than later. This information will also be used as part of the Supplemental AFI data in your AFI's historical statistical comparison.

Please fill in the blanks below and return this form to me by April 30, 2010 in order that we may complete the AFI job Cost Efficiency Study.

Loan Data 2009-10

New loans advanced to start-up businesses	#	\$
New loans advanced to existing businesses	#	\$
Total of all new loan advances during year	#	\$
Loans rewritten or renewed during year	#	\$
Total \$ new loan advances & \$ rewritten or renewed during year	#	\$

For ease of consolidating the data provided you may wish to simply fill in the blanks below rather than emailing or faxing the job data separately.

The total number of new jobs projected for all new loans provided in 2009-10

(Optional - full time part time seasonal)

The total number of jobs already existing in all loan recipient client businesses at the time new loans were provided in 2009-10

(Optional - full time part time seasonal)

Appendix "B" AFI Supplemental Data form 2010

Please fill in the blanks below and return the completed form as soon as possible in order that we may consolidate 2009 -10 AFI data. Please contact me if you have any questions

New loans advanced to start-up businesses	#	\$
New loans advanced to existing businesses	#	\$
Total of all new loan advances during year	#	\$
Loans rewritten or renewed during year	#	\$
Total \$ new loan advances & \$ rewritten or renewed during year	#	\$

Loan Data

Required

New loans advanced to start-up businesses	#	\$
New loans advanced to existing businesses	#	\$
Total of all new loan advances during year	#	\$
Loans rewritten or renewed during year	#	\$
Total \$ new loan advances & \$ rewritten during year	#	\$
Net Loan Portfolio Outstanding as of year end	#	\$
Total Loans Written Off during the fiscal year	#	\$

Portfolio Aging Summary as of your AFI's yearend e.g. March 31, 2010 e.g. Assume a \$5,000,000 portfolio has 100 loans. If 30 loans have an aggregate principle balance of \$810,232 and are all two payments in arrears, record \$5,000,000 in the total Principle balance column, \$4,189,768 in the Current column and \$810,232 in the 60 - 89 column etc. etc.

Net Loan Portfolio	Current	1 - 29	30 - 59	60 - 89	90 - 119	120 & over
\$						

Leverage most recent fiscal year

Client Equity	\$
Government Contributions	\$
Other AFIs	\$
Conventional Lenders	\$

AFI staffing data as of most recent year end

Required

Loan Officers or Account Managers (evaluates/recommends loan applications)	#
Business Services Officers (provides client advisory and support services)	#
Loan Support Employees (receptionist, secretary, bookkeeper, file clerk etc.	#
Other AFI employees (involved in the delivery of programs offered by AFI)	#
Total AFI Employees (all employees working at the AFI including the GM)	#

Economic Impact Data most recent fiscal year FT PT Other Total

Jobs created by new start-up loans				
Jobs maintained through new loans to existing businesses				

Appendix "C" AFI Survey Summary Results

Data	AFI Network Totals ¹⁶
AFI start up loans	433
Jobs created by an AFI start up loans	
Full time	1,167
Part Time	86
Seasonal	35
Total Jobs created by an AFI start up loans	1,287
AFI Expansion Loans	580
Jobs maintained by AFI expansion loans	
Full Time	2,168
Part Time	197
Seasonal	23
Total Jobs maintained by AFI expansion loans	2,388
Total new loans	1,013
Total jobs created and maintained	3,676
Loan Capital Under Contribution Agreement	30,337,204
2010 Loan Capital Cost to Government	30,875,712
Total Loan Capital Cost to Government	30,875,712
AFI capital cost per Job created\maintained	8,400
Jobs created/maintained per AFI loan	4.12
jobs created per AFI start up business loan	2.97
2010 AFI Operating Subsidy Cost To Government	10,346,352
BSO Support Costs	2,202,355
ASD Support Costs	1,183,389
ATC Programming Costs	2,648,231
ATC Programming Administration Costs	200,000 ¹⁷
NACCA Network Support Costs	620,707
Total AFI Support Costs	17,201,034
Total Support Costs per Job	4,680
Total AFI Capital & Support Costs per job	13,079

16 39 AFIs responded to the survey. The summary above does not extend the survey results to all 55 lending AFIs. If a straight forward extension, from 39 to 55, were applied, total AFI Capital & Support costs would be \$13,971 per job created/ maintained.

17 Estimated cost for 2010 not confirmed by audited financial statements

Appendix “D” AFI Loan Capital & Support Costs by Region

	CANOR	WD	FEDNOR	FEDEV	CEDQ	ACOA
AFI start up loans	33	350	5	33	3	9
Jobs created by an AFI start up loans						
Full time	129	882	14	70	8	64
Part Time	17	53	3	5	1	7
Seasonal	2	19	4	0	9	0
Total Jobs created by an AFI start up loans	148	954	21	75	18	71
AFI Expansion Loans	117	329	10	96	7	21
Jobs maintained by AFI expansion loans						
Full Time	979	886	31	138	101	33
Part Time	32	132	8	17	0	9
Seasonal	2	16	5	0	0	0
Total Jobs maintained by AFI expansion loans	1,013	1,034	44	155	101	42
Total new loans	150	679	15	129	10	30
Total jobs created and maintained	1,162	1,987	65	230	119	113
Loan Capital Under Contribution Agreement	2,615,704	16,395,534	0	1,125,966	2,200,000	8,000,000
2010 Loan Capital Cost to Government	2,739,555	16,780,463	29,728	1,125,966	2,200,000	8,000,000
Total Loan Capital Cost to Government	2,739,555	16,780,463	29,728	1,125,966	2,200,000	8,000,000
AFI capital cost per Job created\maintained	2,358	8,444	457	4,904	18,425	70,796
Jobs created/maintained per AFI loan	8.66	3.14	4.38	1.61	14.43	1.99
jobs created per AFI start up business loan	4.49	2.72	4.24	2.27	6.13	7.91
AFI Operating Subsidy Cost To Government	2,074,264	5,274,504	1,131,865	1,230,452	0	635,267

Note: The above regional breakdown is provided purely as a matter of interest. The reader should also be aware ATC programming and administration costs, BSO and ASD costs, as well as national AFI network support costs have not been included in the regional breakdown.