

# BUSINESS PLAN 2016–19

## Culture and Tourism

### ACCOUNTABILITY STATEMENT

This business plan was prepared under my direction, taking into consideration the government's policy decisions as of March 17, 2016.

*original signed by*

Ricardo Miranda, Minister

### MINISTRY OVERVIEW

The ministry consists of the Department of Culture and Tourism, the Historic Resources Fund, the Alberta Foundation for the Arts, the Alberta Historical Resources Foundation, Alberta Sport Connection, the Premier's Council on Culture and Travel Alberta.

Culture and Tourism strives to positively impact Albertans' quality of life, the prosperity of Alberta's communities and economic diversification by supporting and strengthening aspects that contribute to the province's identity. This work includes the operation of provincial heritage facilities, delivery of education programs and special events, support of francophone communities, and the development and marketing of tourism and cultural industries, which include sound recording, book and magazine publishing, film and television production, and digital and interactive media creation.

The ministry supports participation and excellence in competitive sport and promotes active, healthy lifestyles through recreation and physical activity. The ministry promotes building resilient communities by supporting non-profit/voluntary sector organizations, including the Major Fairs Program. It also educates young and new Albertans about the richness of their own and their neighbours' heritage and history. Culture and Tourism promotes the arts and cultural industries in Alberta while enhancing Albertans' options for leisure activities.

A more detailed description of Culture and Tourism and its programs and initiatives can be found at [www.culturetourism.alberta.ca](http://www.culturetourism.alberta.ca).

### STRATEGIC CONTEXT

The outcomes and key strategies identified in this business plan are aligned with the strategic direction of the Government of Alberta.

Culture is the lens through which individuals understand one another while maintaining distinct identities in today's cultural mosaic. Alberta's history, communities, and the way Albertans choose to enjoy family time, all play a role in shaping the province's unique culture. With additional guidance provided by the United Nations Declaration on the Rights of Indigenous Peoples, the ministry continues to emphasize partnerships with Indigenous communities to ensure that Indigenous people participate as equal partners in Alberta's 21st century economy and society. This includes forging respectful relationships with Indigenous populations and promotion of their unique communities and heritage. The ministry also collaborates closely with other partners in identifying practical approaches to meeting community needs.

Alberta's population is growing and becoming more diverse. Among the wide variety of non-English languages spoken as a mother tongue in the province, the top five are German, French, Chinese, Tagalog and Punjabi. Within Canada, Alberta is home to the largest Métis population, the third largest Indigenous population, the fourth largest francophone population and fourth largest visible minority and immigrant populations. Albertans are proud of their rich heritage and enjoy learning about different cultures, including Indigenous and francophone communities. As a result, demand for new cultural and tourism experiences continues to increase. This creates great potential for tourism operators, investors, cultural organizations and government to develop a diverse network of sustainable opportunities to meet this demand.

### **Active individuals make up vibrant communities**

The quality of life of any society is often measured by the social and economic well-being of its citizens. Inclusive communities that foster active participation are better equipped to tackle social issues related to a growing population. Community organizations provide leadership and support that help build resilient communities. For example, Indigenous and francophone organizations collaborate with governments to help address growing and unique needs. In Alberta, the non-profit/voluntary sector consists of over 24,000 organizations that provide essential goods and services that support industries connected to culture and tourism and others such as health, education, business support services, social services and the environment.

In times of fiscal restraint, it is more crucial than ever that funders and service agencies work together to increase efficiencies and cross-pollination of ideas. Through these vital partnerships, the ministry boosts social cohesion and fosters inclusion, community empowerment and capacity building. Community facilities and organizations provide opportunities for Albertans to volunteer and engage in arts, heritage, recreation, sports and community-based events throughout rural and urban Alberta. When volunteers contribute critical time and expertise through non-profit organizations and events, they strengthen their interpersonal relationships and their communities. This further enhances Albertans' confidence, civic pride and tolerance while broadening opportunities for learning and skills development and building the next generation of leaders and innovators. Government recognizes culture and tourism's contributions as essential to community development and the social, physical and economic foundation of the province, making Alberta one of Canada's most attractive places to live and work.

### **Tourism and cultural industries are drivers of Alberta's economic diversification and growth**

Tourism is an economic platform that impacts many related industries such as transportation, accommodations, food and beverage, recreation, arts, culture and retail; and has a broad and diversifying effect on the economy. In 2013, Alberta's tourism industry generated approximately \$8 billion in direct visitor expenditures, with an estimated gross domestic product (GDP) contribution of approximately \$2.9 billion to the provincial economy. In 2013, tourism supported over 19,000 primarily small and medium-sized businesses, sustaining 127,000 full-time equivalent jobs directly and indirectly in all regions of the province. Looking ahead, Alberta's tourism industry must respond to the changing technologies that impact the way travellers connect with information and one another, and the growing demand for local, authentic experiences that provide visitors with a sense of place and culture. Alberta's tourism industry has the potential to positively impact communities throughout the province through areas such as growing visitation in the shoulder and winter seasons. This includes regional initiatives that grow niche products such as agri-tourism, outdoor and nature-based experiences. There are opportunities for the tourism industry to further contribute to economic growth and diversification, the awareness and positive image of Alberta in the global marketplace, quality of life and prosperous communities across the province.

Alberta's cultural industries play a significant role in creating a prosperous and diversified economy while contributing to the awareness and positive image of Alberta. The 2010 Canadian Culture Satellite Account indicates that cultural industries contributed approximately \$2.1 billion in GDP, \$3.8 billion in direct economic output and 20,348 jobs in Alberta. Of these cultural industries, the film and television, digital media, sound recording and book and magazine industries contributed approximately \$519 million in GDP, \$907 million in direct economic output and 5,628 jobs. Ministry-supported non-profit arts organizations employ more than 3,400 people and present an average of 24,000

events per year throughout the province. Albertans are also proud of the vast spectrum of museums, historic sites, archives, interpretive centres and art exhibits hosted by the province. The variety of cultural events offered throughout the province is recognized and brings visitors from around the world.

Challenges faced by Alberta's non-profit and voluntary sector due to the economic downturn create a strategic risk for the ministry. The sector's contributions to creating vibrant communities and enhancing Albertans' quality of life are never more apparent than during difficult economic times. There is also risk that positioning tourism and cultural industries as key drivers of Alberta's economic diversification will be limited by factors such as incentives and competition from other jurisdictions, the complexity and time requirements of developing new and expanded visitor experiences, and the need to align the efforts of various stakeholders and partners. Opportunities arising from the current economic climate include a potential increase in United States and overseas visitors due to the low Canadian dollar. Increased air access and visitation opens doors for tourism, business and investment. The low Canadian dollar may also impact domestic tourism and the number of Albertans choosing "staycations." Albertans' expenditures on culture and tourism products, as well as expenditures by visitors to the province, are key to strengthening and diversifying the economy.

## **OUTCOMES, KEY STRATEGIES AND PERFORMANCE MEASURES**

### **Outcome One: Vibrant communities and diverse cultural opportunities enhance Albertans' quality of life**

In addition to providing financial support through grant programs, the ministry works to strengthen Alberta's non-profit/voluntary sector through the facilitation of capacity-building workshops, consultation and skill development services. The 2013-18 Canada-Alberta Agreement on French Language Services Action Plan helps to support francophone communities across the province. The ministry provides access to Alberta's heritage to over a million people annually through its network of 20 museums, historic sites and archives. It works with Education to incorporate heritage into Kindergarten to Grade 12 programs. Advice and financial support is provided to conserve historic sites, cultural artifacts and archival records. The ministry supports artists and arts organizations, and works toward a more active Alberta by supporting partners in recreation, physical activity and sport sectors to plan, support and evaluate quality program, research and policy initiatives.

#### **Key Strategies:**

- 1.1 Through the Alberta Foundation for the Arts, provide funding for artists and arts organizations to support greater access, excellence and sustainability for the arts in Alberta.
- 1.2 Champion and support planning activities for Canada's 150th anniversary celebration to increase awareness of Alberta's culture and heritage.
- 1.3 Address recommendations in the Truth and Reconciliation Commission Report and the United Nations Declaration on the Rights of Indigenous Peoples.
- 1.4 Work with Infrastructure to advance construction of the new Royal Alberta Museum.
- 1.5 Align government and stakeholder efforts through the Alberta Sport Plan and the new funding framework for sport initiatives, and implement a Municipal Recreation Engagement Strategy to advance the National Framework for Recreation throughout the province.
- 1.6 Collaborate with government and community stakeholders to identify opportunities for improved access to early learning and child care services in French.

Performance Measures	Last Actual 2014-15	Target 2016-17	Target 2017-18	Target 2018-19
1.a Percentage of facilitation participants who are able to apply/use the results from the services	95.8%	95.0%	95.0%	95.0%
1.b Percentage of adult Albertans who feel that historical resources in Alberta communities are important in contributing to the overall quality of life in Alberta	93.8%	94.0%	94.0%	95.0%
1.c Percentage of adult Albertans who feel arts activities are important in contributing to the overall quality of life in their community	88.7%	89.0%	89.0%	89.0%
1.d Percentage of adult Albertans who visited a heritage facility in Alberta	55.8%	56.0%	57.0%	58.0%
1.e Percentage of adult Albertans who attended arts activities or events	80.8%	82.0%	83.0%	84.0%
1.f Percentage of Albertans who are active or moderately active in their leisure time				
• 12-19 years	73.2%	73.0%	73.0%	73.0%
• 20-34 years	60.7%	61.0%	61.0%	61.0%
• 35-44 years	56.2%	56.0%	56.0%	56.0%
• 45-64 years	53.8%	54.0%	54.0%	54.0%
• 65 years and older	43.6%	44.0%	44.0%	44.0%

#### Linking Performance Measures to Outcomes:

- 1.a Indicates the percentage of clients who are able to apply/use the results from the ministry's customized capacity-building facilitation workshops in order to enhance the work of non-profit/voluntary sector organizations.
- 1.b Reflects Albertans' views toward historical resources including museums, archives, historic sites and interpretive centres and relates to the ministry's efforts to promote, preserve and present Alberta's heritage.
- 1.c Reflects Albertans' perception of the value of arts activities and their contribution to quality of life.
- 1.d Provides an indication of how many Albertans visited a heritage facility in Alberta in the past year. Heritage facilities included in this measure are not limited to those operated by the ministry.
- 1.e Indicates adult Albertans' attendance in activities such as festivals and live performances (e.g., music, theatre or dance), taking an arts course or visiting an exhibition or gallery.
- 1.f Relates to the ministry's efforts to increase physical activity in Albertans' leisure time.

Performance Indicators	Actual (Year)	Actual (Year)	Actual (Year)	Actual (Year)
1.a Total charitable donations from Albertans (\$ billions)	1.39 (2010)	1.44 (2011)	1.39 (2012)	1.47 (2013)
1.b Percentage of adult Albertans who agree that overall historical resources are being adequately protected and preserved in Alberta communities	65.2% (2011-12)	63.6% (2012-13)	68.4% (2013-14)	68.4% (2014-15)
1.c Percentage of adult Albertans who volunteered with organizations in their community	65.3% (2011-12)	70.4% (2012-13)	68.4% (2013-14)	60.9% (2014-15)
1.d Percentage of adult Albertans who are physically active enough to experience health benefits	58.5% (2009)	54.3% (2011)	59.1% (2013)	60.3% (2015)

## Outcome Two: Tourism and the cultural industries are key drivers of Alberta's economic diversification

The ministry is committed to the expansion of Alberta's tourism sector and to increasing awareness of the economic significance of tourism for the province. This is achieved by growing and diversifying Alberta's tourism industry in collaboration with internal and external stakeholders to create new and expanded tourism attractions, destinations and experiences. Alberta's tourism marketing initiatives are carried out through Travel Alberta, the tourism marketing agency of the Government of Alberta. Alberta's tourism industry is also supported through research and the development and implementation of policy to increase diversification and growth. Through the Alberta Media Fund, the ministry provides financial incentives to support screen-based production, book and magazine publishing and sound recordings. This investment creates, sustains and attracts skilled workers, helps diversify the economy, supports the tourism industry and provides a higher quality of life for Albertans through the creative expression of its citizens on the world stage.

### Key Strategies:

- 2.1 Develop a suite of programs and services to support tourism entrepreneurs and investment attraction, including shoulder and winter seasons.
- 2.2 Lead the development of the Castle Region Tourism Strategy to identify opportunities to support tourism development in the region.
- 2.3 Implement a tourism visitor services strategy to respond to changes in visitor needs and increase the effectiveness of the visitor services program.
- 2.4 Develop and implement a China Tourism Action Plan to enhance Chinese visitor experiences in Alberta.
- 2.5 Grow tourism revenues by directing the Alberta tourism brand at high-potential markets and segments via Travel Alberta's marketing strategy.
- 2.6 Advance the Government of Alberta's economic diversification priority through the Cultural Industries Action Plan by building capacity through investment attraction and access to new markets including digital media, as well as supporting further development and retention of a highly skilled cultural industries workforce.

Performance Measures	Last Actual (Year)	Target 2016-17	Target 2017-18	Target 2018-19
2.a Total tourism expenditures in Alberta (\$ billions)	8.0 (2013)	8.2	8.7	9.2
2.b Percentage of tourism industry clients satisfied with tourism development services	79.4% (2014-15)	80.0%	81.0%	82.0%

### Linking Performance Measures to Outcomes:

- 2.a Includes expenditures made in Alberta by visitors from overseas, the United States, other Canadian provinces and Albertans. The goal is to create a \$10.3 billion tourism industry by 2020.
- 2.b The ministry provides a range of information and advisory resources for new and expanded tourism development projects throughout Alberta, including resource management and development; destination development and product enhancement; and tourism business development and investment.

Performance Indicators	Actual (Year)	Actual (Year)	Actual (Year)	Actual (Year)
2.a Tourism visitation (thousands of person visits)	35,316 (2011)	33,092 (2012)	34,252 (2013)	Not available (2014)
2.b Alberta's tourism levy (\$ millions)	73.4 (2011-12)	82.3 (2012-13)	87.4 (2013-14)	91.5 (2014-15)

## STATEMENT OF OPERATIONS

(thousands of dollars)	Comparable			2016-17 Estimate	2017-18 Target	2018-19 Target
	2014-15 Actual	2015-16 Budget	2015-16 Forecast			
<b>REVENUE</b>						
Transfer from Alberta Heritage Scholarship Fund	60	80	80	80	80	80
Transfers from Government of Canada	1,088	1,088	1,088	1,088	1,088	1,338
Investment Income	1,114	699	699	743	893	1,075
Premiums, Fees and Licences	5,585	6,245	6,245	5,928	6,566	6,584
Other Revenue	14,922	20,165	20,165	18,408	18,741	19,138
Ministry Total	22,769	28,277	28,277	26,247	27,368	28,215
Inter-Ministry Consolidations	(61)	(80)	(80)	(80)	(80)	(80)
Consolidated Total	22,708	28,197	28,197	26,167	27,288	28,135
<b>EXPENSE</b>						
Ministry Support Services	14,938	15,867	15,867	15,172	14,871	17,490
Community and Voluntary Support Services	102,290	92,099	92,099	98,576	116,551	115,939
Creative Industries	66,259	75,630	75,630	74,935	69,283	69,576
Francophone Secretariat	1,236	1,310	1,310	1,310	1,310	1,610
Heritage	53,310	55,075	55,043	55,469	58,333	61,544
Recreation and Physical Activity	34,566	30,333	30,765	29,344	28,514	27,235
Tourism	70,272	69,284	69,284	62,056	61,788	62,222
2013 Alberta Flooding	5,818	5,710	1,935	6,025	-	-
Ministry Total	348,689	345,308	341,933	342,887	350,650	355,616
Inter-Ministry Consolidations	(6,173)	(3,300)	(3,300)	(3,300)	(3,300)	(3,300)
Consolidated Total	342,516	342,008	338,633	339,587	347,350	352,316
Net Operating Result	(319,808)	(313,811)	(310,436)	(313,420)	(320,062)	(324,181)
<b>CAPITAL INVESTMENT</b>						
Ministry Support Services	407	475	475	425	425	425
Creative Industries	1,341	335	335	335	335	335
Heritage	1,330	2,197	1,797	1,946	1,946	1,946
Tourism	376	-	-	-	-	-
Total	3,454	3,007	2,607	2,706	2,706	2,706