

Business Plan 2018–21

Culture and Tourism

Accountability Statement

This business plan was prepared under my direction, taking into consideration our government's policy decisions as of March 7, 2018.

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 and Travel Alberta.

From urban opera performances to rural agritourism businesses, Alberta culture and tourism sectors are rich, diverse, and make lives better for Albertans all across our province. As Alberta's economy continues to recover, the province's arts, culture and tourism industries remain essential parts of our province's economic growth and diversification. The ministry provides support for these industries in a number of ways including operating provincial heritage facilities, delivering education programs and special events, and engaging francophone and other communities. The ministry also supports Alberta's cultural industries sector (film and television, book and magazine publishing, sound recording, and interactive digital media), and tourism development and marketing.

The ministry promotes active, healthy lifestyles through recreation and physical activity, including high-performing athletes in competitive sport. Albertans recognize the potential benefits of recreation such as improved health, spending time with family and friends, and allowing children the opportunity to enjoy nature. To further enhance quality of life, the ministry supports non-profit/voluntary sector organizations, facilitates the building of resilient communities, educates young and new Albertans about Alberta's rich heritage and history, and supports and promotes the arts. The arts and culture sector generates a broad range of economic and social benefits to individuals and society, including improved economic performance, enhanced opportunities for creativity and innovation, enriched quality of life, and improved health and well-being.

A more detailed description of Culture and Tourism and its programs and initiatives can be found at 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.

Advancing gender equality is a priority for the Government of Alberta. Gender equality is intrinsically linked to social and economic growth and is vital to the realization of human rights for all. Across government, this commitment has been operationalized through the adoption of Gender-based Analysis Plus (GBA+) and establishment of Centres of Responsibility in each ministry to assess the gender and diversity implications of engagement processes, policies, programs and initiatives.

Celebrating diverse and resilient communities

As Alberta's population continues to grow, increased diversity leads to a growing interest in Alberta's rich cultural heritage, including that of Indigenous and francophone communities. Over the past 15 years, the share of Canada's recent immigrants to Alberta has more than doubled, rising from seven per cent in 2001 to 17 per cent in 2016, making Alberta the third destination of choice for immigrants, after Ontario and Quebec. Asia (including the Middle East) remains the top source continent of recent immigrants to Canada, followed by Africa, Europe and the Americas. Alberta is also home to the country's second largest Métis population, Canada's third largest Indigenous population, the fourth largest francophone population and fourth largest visible minority and immigrant populations. Outside of the official languages of English and French, the top five languages spoken at home by Albertans are Tagalog, German, Punjabi, Cantonese and Mandarin.

The Canadian government is enabling easier immigration for newcomers with strong French language skills in an effort to support the integration of skilled foreign workers and increase the growth of francophone communities. In Alberta, French continues to be the second largest language group after English, and there are French-speaking Albertans in every region of the province. Growth in the French-speaking populations of Canada is projected to be one of the highest in Alberta. Between 2011 and 2016, the number of immigrants whose mother tongue is French increased by 41 per cent, approximately 700 people. There are also efforts to develop and promote francophone cultural heritage across the country.

Alberta's non-profit sector continues to increase as it serves the diverse needs of an increasing population. The sector, which includes approximately 25,500 organizations, creates active, welcoming and engaged communities while fostering employment and entrepreneurial opportunities. It also provides essential goods and services that support outcomes related to health, education and the environment. Key partners within the sector work with government in the delivery of services to Albertans, such as large-scale cultural celebrations and significant sporting events. Non-profit organizations continue to evolve in the face of social, workforce, and financial change such as reduced corporate donations, and face challenges as they build on their knowledge and skills, engage their community, retain current donors, and promote awareness. Additional challenges facing the sector include high staff turnover rates, creating an increased need to attract and retain professional staff and volunteers. Non-profit organizations are also pressured to keep up with emerging technologies while building digital literacy skills.

The preservation and protection of Alberta's rich history remains important to Albertans, with over 90 per cent of Albertans indicating historical resources in communities are important in contributing to their quality of life. The ministry helps ensure Albertans and visitors from around the world have continued access to museums, archives and historic resources providing unique opportunities to discover the richness of the Alberta experience. Designating and preserving historic resources not only celebrates Alberta's cultural heritage, but can also grow economic opportunities and secure a positive environmental legacy.

Supports for economic diversification and growth

Alberta's recovering economy was the fastest-growing in Canada in 2017, and consumer spending is a large contributor to this growth. Albertans spend the most money per capita in Canada on culture and recreation goods and services, including culture and recreation equipment, attendance at live sporting and performing arts events, admissions to museums and package trips. Government's economic diversification and job creation efforts include culture and tourism-related industries. Alberta's high-profile cultural events, including those related to sport and recreation, attract visitors and investors from around the world, help stimulate the economy, and provide opportunities to enhance the trading and sharing of Alberta's products and services.

The 2016 Canadian Culture Satellite Account indicators estimate that direct expenditures on culture and sport were \$11.4 billion, and that culture and sport contributed \$6 billion in GDP in Alberta, the fourth highest among the provinces and territories. Culture and sport also accounted for approximately 71,250 jobs across the province in 2016. Alberta's culture sector generates significant value and is a key driver of creativity in the economy. Audiovisual and

interactive media contributed \$2 billion in GDP, visual and applied arts contributed \$979 million, and sport and recreation contributed \$774 million.

Tourism is the number one employer for Canadians under 35, indicating that Alberta's young workforce is heavily engaged in, or impacted by, the tourism industry. Canadians under 35 also travel more and stay for longer periods than other travellers. They also look for unique, authentic experiences they can share with others. Tourism impacts sectors such as transportation, accommodation, food and beverage, sport and recreation, arts and culture, and retail stores. According to Statistics Canada, Alberta's tourism industry generated approximately \$8.1 billion in direct visitor expenditures during 2015. Tourism also contributes to job growth and economic diversification, providing employment opportunities across many sectors, from front-line positions to entrepreneurial and executive level jobs. For established destinations such as the Rocky Mountains, seasonal diversification and product renewal will play crucial roles in attracting more visitors. For emerging destinations, a stronger focus on agri-tourism, cultural attractions, Indigenous tourism development, sport tourism, and outdoor recreation and nature-based tourism opportunities will emphasize authentic experiences.

Outcomes, Key Strategies and Performance Measures

Outcome One: Vibrant, active communities and diverse cultural opportunities enhance Albertans' quality of life

The ministry showcases Alberta's heritage through its network of 20 museums, historic sites and archives, which collaborate with Education to enhance the K–12 curriculum. The ministry also regulates potential impacts to historic buildings, archaeological and palaeontological sites, and Indigenous traditional use sites, which includes providing advice and financial support to conserve historic sites, cultural artifacts and archival records. Culture and Tourism is also leading the Government of Alberta's commitment to repatriating sacred ceremonial objects in provincial collections to First Nations. The ministry collaborates with partners in recreation, physical activity and sport sectors on quality programs and policies that support the Framework for Recreation in Canada and provincial sport initiatives. It also works to strengthen the capacity of Alberta's non-profit/voluntary sector by supporting community initiatives. This includes providing financial support through grant programs and facilitation, consultation, and skill development services. The ministry administers federal funding dedicated to French language service delivery options, and supports artists and arts organizations in their quest for excellence.

Key Strategies:

- 1.1 Work with government partners to:
 - finalize the development of the Royal Alberta Museum, and expand the Royal Tyrrell Museum of Palaeontology and Reynolds-Alberta Museum; and
 - address recommendations in the Truth and Reconciliation Commission Report and the United Nations Declaration on the Rights of Indigenous Peoples.
- 1.2 Provide support for artists and arts organizations to promote access, excellence and sustainability for the arts in Alberta.
- 1.3 Assist non-profit organizations with enhancing their human and financial capacity.
- 1.4 Collaborate with government and francophone stakeholders to implement Alberta's French Policy.
- 1.5 Work with sector partners to:
 - develop and integrate the Pan-Canadian Common Vision for Physical Activity and Reducing Sedentary Behaviour;
 - develop initiatives for the Alberta Sport Plan and implement revised funding models to support recreation, active living and sport organizations;

- increase sport participation, development and excellence in collaboration with the Canadian Olympic and Paralympic Committees; and
- build and maintain corporate sponsorships for Alberta Sport Connection programs and multi-sport events, including the 2019 Canada Winter Games.

Performance Measures	Last Actual 2016-17	Target 2018-19	Target 2019-20	Target 2020-21
1.a Percentage of facilitation participants who are able to apply/use the results from the services	95.9%	96.0%	97.0%	97.0%
1.b Percentage of adult Albertans who visited a heritage facility in Alberta	45.0%	50.0%	55.0%	57.0%
1.c Percentage of adult Albertans who attended arts activities or events	75.9%	80.0%	81.0%	82.0%
1.d Percentage of Albertans who participate in organized sport ¹				
• Adult Albertans	24.7%	25.0%	25.0%	26.0%
• Children	63.8%	65.0%	65.0%	66.0%

Note:

¹ Performance measure 1.d is a new performance measure for the ministry's 2018-21 business plan.

Linking Performance Measures to Outcomes:

- 1.a The percentage of participants who are able to apply/use the customized capacity building facilitation workshops indicates progress in the ministry's efforts to enhance the capacity of non-profit/voluntary sector organizations, and build capacity in Alberta communities.
- 1.b The ministry helps ensure Albertans have continued access to museums, archives and historic resources, to learn about the richness of their province. The percentage of adults who visit a heritage facility speaks to that accessibility. A heritage facility is defined as an Alberta museum, historic site, interpretive centre or archive. Heritage facilities included in this measure are not limited to those operated by the ministry (e.g., federal, provincial, municipal and non-profit facilities). The targets have been set in anticipation of the opening of the new Royal Alberta Museum in 2018.
- 1.c The ministry provides funding to artists and non-profit arts organizations to facilitate access to arts events and activities throughout Alberta. This measure is used to assess the value Albertans place on attending arts activities and events, as a contributing factor to building vibrant communities. Examples of activities include festivals and live performances (e.g., music, theatre or dance), taking an arts course or visiting an exhibition or gallery.
- 1.d This measure captures the percentage of adult Albertans and children who participate in organized sport in Alberta. The ministry collaborates with partners in the sport sector on quality programs and policies that support provincial sport initiatives enhancing opportunities for participation, and building active communities.

Performance Indicators	Actual (Year)	Actual (Year)	Actual (Year)	Actual (Year)
1.a Total charitable donations from Albertans (\$ billions)	1.47 (2013)	1.55 (2014)	1.61 (2015)	1.44 (2016)
1.b Percentage of adult Albertans who agree that overall historical resources are being adequately protected and preserved in Alberta communities	68.4% (2013-14)	68.4% (2014-15)	66.5% (2015-16)	64.7% (2016-17)
1.c Percentage of adult Albertans who volunteered with organizations in their community	68.4% (2013-14)	60.9% (2014-15)	71.4% (2015-16)	70.2% (2016-17)

Performance Indicators	Actual (Year)	Actual (Year)	Actual (Year)	Actual (Year)
1.d Percentage of adult Albertans who feel arts activities are important in contributing to the overall quality of life in their community	87.6% (2013-14)	88.7% (2014-15)	85.3% (2015-16)	80.5% (2016-17)
1.e Percentage of adult Albertans who are physically active enough to experience health benefits	54.3% (2011)	59.1% (2013)	60.3% (2015)	57.3% (2017)
1.f Percentage of adult Albertans who feel that historical resources in Alberta communities are important in contributing to the overall quality of life in Alberta ¹	94.2% (2013-14)	93.8% (2014-15)	93.9% (2015-16)	93.2% (2016-17)
1.g Percentage of adult Albertans who feel recreation facilities and services are important in contributing to quality of life ²	n/a (2013-14)	n/a (2014-15)	96.4% (2015-16)	95.8% (2016-17)

Notes:

- ¹ Performance indicator 1.f was reported as a performance measure in the ministry's 2017-20 business plan. As an indicator, it shows progress toward the achievement of results that the ministry may not directly influence.
- ² The former performance measure – Percentage of Albertans who are active or moderately active in their leisure time - is not included in the 2018-21 business plan due to a survey redesign by Statistics Canada. The removal of this question from the survey means the ministry will no longer be able to report on this performance measure. A new performance indicator has been introduced to the plan that reflects Albertans' perception of the value of recreation facilities and services contribution to quality of life.

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

The ministry is committed to maximizing economic diversification opportunities through the growth of Alberta's tourism sector. Alberta's tourism marketing is carried out through Travel Alberta, the tourism marketing agency of the province. The ministry works in collaboration with internal and external stakeholders to support the growth of new and expanded tourism attractions, destinations and experiences, as well as developing tourism opportunities with China and other countries. 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 (such as *Heartland* and *Hell on Wheels*), book and magazine publishing, sound recordings, and digital and interactive media creation. Non-monetary support to Alberta's cultural industries is provided through consultation, industry development and collaborative efforts to expand market access for all of the cultural industries and Albertans working with them. This investment creates, sustains and attracts skilled workers, helps diversify the economy and supports tourism prospects.

Key Strategies:

- 2.1 Update and enhance programs and services that build the capacity of communities, destination-marketing organizations, tourism entrepreneurs and industry partners to support and grow tourism, including Indigenous tourism.
- 2.2 In collaboration with Environment and Parks, develop enhanced policies and processes to facilitate new tourism development within the province.
- 2.3 Develop and implement a tourism strategy for the Castle region to support local job creation and improved recreational opportunities for residents and visitors.
- 2.4 Through traveller-focused digital marketing and experience-driven product creation, grow tourism revenue from high-potential markets and segments in Alberta and internationally.

- 2.5 Support economic diversification, development and retention of a highly skilled cultural industries workforce by supporting the ongoing sustainability of Alberta's cultural industries.

Performance Measures	Last Actual (Year)	Target 2018-19	Target 2019-20	Target 2020-21
2.a Percentage of tourism industry clients satisfied with tourism research, development and visitor services	87.3 (2016-17)	88.0%	89.0%	90.0%
2.b Total tourism expenditures in Alberta (\$ billions) ¹	8.1 (2015)	8.6	9.1	9.5
2.c Tourism visitation (thousands of person-visits) ²	34,057 (2015)	34,318	35,289	36,533

Notes:

- ¹ For performance measures 2.b and 2.c, the target years presented do not coincide with the time period during which data are collected. Due to the time needed for Statistics Canada to collect and analyze the data, results for this measure lag two years behind the fiscal year period presented in the plan. The 2020-21 target relates to results expected for the 2019 data year. The ministry established a target to grow tourism expenditures to over \$10 billion by 2020 that will be reported on during the 2021-22 fiscal year (i.e., out of scope for this business plan).
- ² Performance measure 2.c was reported as a performance indicator in the ministry's 2017-20 business plan. As a measure, it shows progress toward the achievement of results that the ministry directly influences.

Linking Performance Measures to Outcomes:

- 2.a 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. The percentage of clients satisfied with these services indicates progress in the ministry's efforts to build and promote Alberta's tourism destinations and experiences, contributing to economic diversification.
- 2.b This measure includes expenditures made in Alberta by visitors from overseas, the United States, other Canadian provinces and Albertans, and assesses the success of domestic and international marketing programs.
- 2.c Measures the annual volume of all tourism-related visitations in Alberta including visitation by those from other countries, the United States, other Canadian provinces and Albertans. Domestic visitation includes both same-day and overnight person-visits, while international visitation includes only overnight person-visits. Monitoring tourism visitation helps the ministry assess its influence on travel behaviour and contribution toward diversifying Alberta's economy.

Performance Measure under Development:

A performance measure monitoring the Screen-Based Production Grant of the Alberta Media Fund is under development. The measure will reflect progress supporting and developing Alberta's film and television industries.

Performance Indicators	Actual (Year)	Actual (Year)	Actual (Year)	Actual (Year)
2.a Alberta's tourism levy (\$ millions)	87.4 (2013-14)	91.5 (2014-15)	80.8 (2015-16)	78.3 (2016-17)
2.b GDP of Alberta's Cultural Industries (\$ millions)				
• Written and published works	925	810	669	644
• Audio-visual and interactive media	1,942 (2013)	2,148 (2014)	1,985 (2015)	1,977 (2016)

Risks to Achieving Outcomes

Competing social and economic interests combined with the risk of decreased corporate sponsorships are challenging Alberta's non-profit and voluntary sector to communicate with and engage stakeholders differently. As a result, government grant programs face an increased demand for support. Sedentary professions, lifestyles and behaviors are creating obstacles to maintaining healthy physical activity levels. Opportunities arising from the current economic climate include a potential boost in international and domestic visitation due to increased air access and projected increases in the value of the Canadian dollar. Challenges exist for government to keep up with the pace of growth within the province's French-speaking population, which is likely to result in pressure for additional government services in French.

STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable			2018-19 Estimate	2019-20 Target	2020-21 Target
	2016-17 Actual	2017-18 Budget	2017-18 Forecast			
REVENUE						
Internal Government Transfers	39	-	-	-	-	-
Transfer from Alberta Heritage Scholarship Fund	55	80	80	80	80	80
Transfers from Government of Canada	1,211	1,223	1,373	1,838	1,838	1,838
Investment Income	478	417	417	564	688	753
Premiums, Fees and Licences	7,497	6,922	6,922	8,233	8,747	8,686
Other Revenue	14,551	18,133	20,043	22,144	19,264	19,200
Ministry Total	23,831	26,775	28,835	32,859	30,617	30,557
Inter-Ministry Consolidations	(101)	(80)	(80)	(80)	(80)	(80)
Consolidated Total	23,730	26,695	28,755	32,779	30,537	30,477
EXPENSE						
Ministry Support Services	11,321	12,534	12,487	12,201	15,360	15,371
Community and Voluntary Support Services	96,440	115,052	123,834	131,640	103,446	103,571
Creative Industries	77,415	76,728	91,488	100,575	91,187	91,313
Francophone Secretariat	1,426	1,534	1,679	2,210	2,209	2,214
Heritage	64,034	57,513	59,203	63,451	60,452	60,792
Recreation and Physical Activity	28,141	27,311	27,248	26,715	27,128	26,853
Tourism	62,010	60,732	59,175	56,399	56,561	56,636
2013 Alberta Flooding	2,671	-	-	-	-	-
Climate Leadership Plan	9	-	-	-	-	-
Ministry Total	343,467	351,404	375,114	393,191	356,343	356,750
Inter-Ministry Consolidations	(4,774)	(3,300)	(3,300)	(12,645)	(3,300)	(3,300)
Consolidated Total	338,693	348,104	371,814	380,546	353,043	353,450
Net Operating Result	(314,963)	(321,409)	(343,059)	(347,767)	(322,506)	(322,973)
CAPITAL INVESTMENT						
Ministry Support Services	-	425	425	425	425	425
Creative Industries	883	335	335	335	335	335
Heritage	1,530	1,946	1,946	1,946	1,946	1,946
Tourism	131	-	-	-	-	-
Consolidated Total	2,544	2,706	2,706	2,706	2,706	2,706