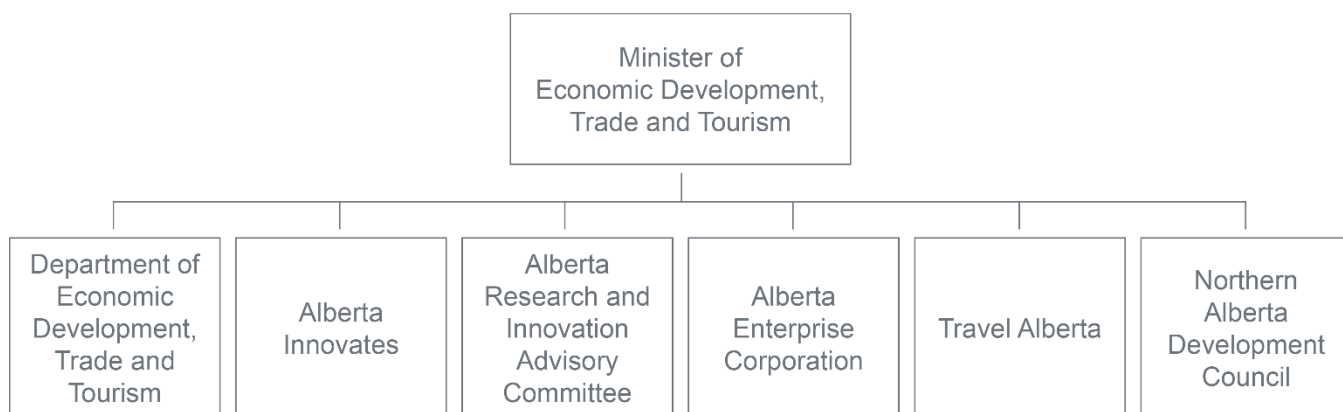


Economic Development, Trade & Tourism

Business Plan 2019–23

Ministry Mandate and Structure

Economic Development, Trade and Tourism leads efforts to grow Alberta’s economy by delivering strategic programs and services to support Alberta’s entrepreneurs and job creators, attract investment, grow trade, strengthen Alberta’s tourism industry, and ensure Alberta has an innovative and competitive business environment.



A more detailed description of Economic Development, Trade and Tourism and its programs and initiatives can be found at: www.economic.alberta.ca.

Ministry Outcomes

- Alberta entrepreneurs, businesses and communities are supported to drive growth and job creation
- Investment is attracted, retained and expanded in Alberta and trade is grown
- Alberta’s innovation system is optimized to support economic growth
- A strong tourism industry creates jobs and economic growth in Alberta

Outcome 1

What We Want To Achieve

Alberta entrepreneurs, businesses and communities are supported to drive growth and job creation

The ministry works to unleash the potential of Alberta entrepreneurs, businesses and communities to drive job creation and grow the economy. Economic Development, Trade and Tourism focuses on removing policy and regulatory barriers to growth and government red tape as Alberta returns to its proud tradition of a free enterprise economy. The ministry also delivers programs and services to address constraints on trade, access to capital, and provides timely and relevant information to support business development and attract investment. With the help of Alberta Enterprise Corporation and Travel Alberta, and advice from the Northern Alberta Development Council, the ministry works to ensure that Alberta's job creators have the supports they need to grow and thrive, paving the way to make life better for all Albertans.

Key Objectives

- 1.1 Work with other Alberta ministries to drive innovation and job creation by making Alberta the most attractive place in North America for businesses wanting to expand and hire.
- 1.2 Ensure that recommendations from business leaders inform government red tape reduction initiatives to restore the Alberta advantage.
- 1.3 Grow Alberta's film and television industry and help Alberta compete for major media projects.

Initiatives Supporting Key Objectives

- A total of \$90 million will be provided over three fiscal years from 2020-21 to 2022-23 to implement an Alberta Film and Television Tax Credit on eligible labour and production expenses to attract medium and large film and television productions to Alberta in support of the province's cultural industries.

Performance Metrics

1.a Performance Indicator: Private sector employment

In 2018, private sector employment increased by 1.3 per cent. An increase in the percentage of private sector employment is an indication of Alberta's tradition of free enterprise and culture of entrepreneurs and risk takers is alive and well regardless of the challenges of the past few years (*Source: Statistics Canada, January 2019.*)

1.b Performance Indicator: Alberta self-employment

In 2018, there were 401 thousand Albertans self-employed, an increase of 5 per cent over 2017. An increase in the percentage of self-employment is an indication that Alberta's private sector remained resilient over the last several years (*Source: Statistics Canada, January 2019.*)

Outcome 2

What We Want To Achieve

Investment is attracted, retained and expanded in Alberta and trade is grown

The ministry works to enhance investors' awareness of the benefits of doing business in Alberta, and to ensure that investment in the province and trade continue to grow the economy and create new jobs. Economic Development, Trade and Tourism works with other Alberta ministries to attract, retain and expand investment in the energy, agriculture, technology/data/telecom, aviation/aerospace, finance/fintech and tourism industries. The ministry works in collaboration with internal and external stakeholders to lead

the development and implementation of the Government of Alberta’s investment attraction strategy. Through the Alberta Enterprise Corporation, Economic Development, Trade and Tourism works to attract venture capital investment to the province.

Key Objectives

- 2.1 Develop an Investment and Growth Strategy to foster an economy that creates jobs and wealth while rebuilding Alberta’s reputation as the best and most responsible place to do business.
- 2.2 Expand services and expertise for attracting and expanding international and domestic investment into Alberta companies and major projects.
- 2.3 Work with the innovation and venture capital community to expand venture capital investment into Alberta technology companies.
- 2.4 Advance a free trade agenda by actively supporting Alberta’s interests in international negotiations and disputes, including U.S. buy American policies and the softwood lumber dispute.

Initiatives Supporting Key Objectives

- A total of \$75 million will be invested over three fiscal years from 2020-21 to 2022-23 to cultivate investment opportunities within Canada, the U.S. and globally, leveraging existing globally scaled networks and advice from industry and the investment community, and through technology-based solutions for lead generation and marketing strategies.
- In 2019-20, \$1.85 million in support will be provided to Alberta Enterprise Corporation to attract venture capital to Alberta through Alberta Enterprise Corporation investments.

Performance Metrics

2.a Performance Measure: Cumulative value of Alberta Enterprise Corporation attracted venture capital funds (and their syndicate partners) invested in Alberta businesses (\$ millions)

In 2018-19, the cumulative value of funds invested in Alberta businesses was \$495 million. These investments provide Alberta knowledge-based businesses access to capital that enables them to start up or grow.

TARGETS (\$ millions)

2019-20:	482
2020-21:	532
2021-22:	593
2022-23:	665

2.b Performance Indicator: Non-residential investment per capita in Alberta

In 2018, non-residential investment per capita in Alberta was \$14,051, down from \$14,197 in 2017. An increase in non-residential investment in Alberta is desired as it is an indication of Alberta’s success in creating an attractive investment climate. (Source: Statistics Canada, February 2019.)

2.c Performance Indicator: The total value of Alberta’s exported products outside of the United States

In 2018, the total value of Alberta’s exported products outside of the United States was \$14.4 billion, up from \$12.5 billion in 2017. An increase in the total value of Alberta’s exports outside of the United States is an indication of Alberta’s progress in growing trade in markets beyond the United States. (Source: Statistics Canada, August 2019.)

Outcome 3

What We Want To Achieve

Alberta's innovation system is optimized to support economic growth

The ministry works to ensure that a smarter approach is taken to innovation that will modernize Alberta's economy and create new and better jobs for Albertans. Through a simplified and streamlined innovation approach, Economic Development, Trade and Tourism ensures that Alberta entrepreneurs, post-secondary institutions and businesses are better able to access innovation funding and other innovation supports.

Under the Alberta Research and Innovation Framework, the ministry also provides clear direction to stakeholders to collectively build a stronger research and innovation system that delivers measurable results. Through its partnership with Alberta Innovates, and with the advice of the Alberta Research and Innovation Advisory Committee, the ministry supports and accelerates research, innovation and entrepreneurship to grow globally competitive enterprises in Alberta.

Key Objectives

- 3.1 Reduce duplication and coordinate across the many innovation agencies and organizations in the province while ensuring investments of public money have a clear 'return on investment' criteria.
- 3.2 Change the current approach to innovation funding by simplifying the way start-ups and growth companies secure public and private funding.
- 3.3 Work with the Ministry of Advanced Education to measure Alberta's innovation performance against leading global research and government networks in key innovation hubs like California, Texas, Israel, London and Hong Kong.
- 3.4 Establish the most effective intellectual property framework for the commercialization and entrepreneurial application of innovative research and development from Alberta's universities and colleges.

Initiatives Supporting Key Objectives

- Over \$200 million will be invested in the 2019-20 fiscal year in initiatives to provide streamlined research, innovation and commercialization investments and programming through Alberta Innovates, the department and post-secondary institutions, to develop and advance talent, grow sectors, leverage funding and attract investment.

Performance Metrics

3.a Performance Measure: Sponsored research revenue attracted by Alberta's comprehensive academic and research universities (\$ millions)

In 2017-18, Alberta's comprehensive academic and research universities attracted \$933 million in sponsored research revenue. The ability of Alberta universities to attract research funding is an important measure of the capability and capacity for research and innovation in the province. *(Source: Statistics Canada, most recent information available.)*

TARGETS (\$ millions)

2019-20:	951
2020-21:	970
2021-22:	989
2022-23:	1,009

3.b Performance Measure: Net Small and Medium Sized Enterprises (SME) revenue growth for every \$1 of Alberta Innovates funding (\$ dollars) *(Result and targets are for seven entrepreneurial investment programs delivered by Alberta Innovates, based on a 5-year rolling window.)*

In 2018-19, the net SME revenue growth was \$6.29 for every \$1 of funding from Alberta Innovates. The growth of innovative Alberta SMEs is an important factor in the province's economic growth.

TARGETS (\$ dollars)

2019-20:	5.96
2020-21:	6.02
2021-22:	6.14
2022-23:	6.26

3.c Performance Measure: Percentage of Alberta Innovates-funded post revenue SMEs that export *(Result and targets are for seven entrepreneurial investment programs delivered by Alberta Innovates, based on a 5-year rolling window.)*

In 2018-19, 42 per cent of Alberta Innovates funded SMEs exported their products and services. Exports are an important measure of SME growth potential and access to new markets.

TARGETS

2019-20:	41%
2020-21:	42%
2021-22:	44%
2022-23:	46%

Outcome 4

What We Want To Achieve

A strong tourism industry creates jobs and economic growth in Alberta

The ministry delivers strategic programs and services intended to grow tourism spending in Alberta to \$20 billion by 2030. Economic Development, Trade and Tourism, including Travel Alberta, works closely with internal and external stakeholders and partners to grow the industry by diversifying Alberta's tourism destinations, product offerings and seasonal visitation. This is done through a whole of government approach towards destination development and management. A vibrant tourism industry supports trade, investment, immigration and international student recruitment to Alberta.

Key Objectives

- 4.1 Build capacity of communities, industry and government stakeholders to support and grow tourism. This will include launching a Tourism Partnership Incentive Fund to attract and support private sector support for tourism, as well as working with the federal government and airport authorities in Calgary and Edmonton to secure additional flights to Alberta from tourist source countries.
- 4.2 Create a competitive and attractive tourism business environment with transparent and supportive policies and regulations.
- 4.3 Grow new, expanded and refreshed tourism product in support destination and seasonal diversification.
- 4.4 Deliver targeted strategic marketing to grow tourism revenues.

- 4.5 Strengthen Alberta’s competitive position by building on the strength of Alberta’s tourism brand and growing prioritized tourism experiences. This will include working with tourism stakeholders to develop a 10-year Tourism Strategy recognizing the role that the private sector can play in assisting government in promoting Alberta.

Initiatives Supporting Key Objectives

- In fiscal 2019-20, \$42 million will be allocated for Travel Alberta, the provincial tourism-marketing agency for the Government of Alberta, to deliver a strong Alberta tourism brand and manage national and international tourism marketing programs, services and activities.
- A total of \$350,000 will be allocated over two fiscal years from 2019-20 to 2020-21, to support work with Indigenous Tourism Alberta, communities and entrepreneurs to grow authentic Indigenous cultural experiences and attractions.

Performance Metrics

4.a Performance Indicator: The annual volume of all tourism-related visitations

In 2017, the annual volume of all tourism-related visitations was 36,879,000 up from 34,772,000 in 2016. An increase in all same day and overnight visits by domestic visitors, as well as overnight visits for international visitors to our province, is an indication of Alberta’s success in growing its tourism industry. *(Source: Statistics Canada, September 2019. Most recent data available.)*

4.b Performance Indicator: Tourism-related expenditures in Alberta by visitors

In 2017, tourism related expenditures totaled \$8.9 billion, up from \$8.5 billion in 2016. An increase in all spending by same day and overnight domestic visitors, as well as overnight spending by international visitors to our province, is an indication of Alberta’s success in growing its tourism industry. *(Source: Statistics Canada, September 2019. Most recent data available.)*

STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable		2019-20 Estimate	2020-21 Target	2021-22 Target	2022-23 Target
	2018-19 Budget	2018-19 Actual				
REVENUE						
Internal Government Transfers	119,973	119,134	93,730	92,730	92,730	92,730
Transfers from Government of Canada	5,369	5,244	4,000	1,000	1,000	1,000
Investment Income	1,051	796	6,350	2,350	2,350	2,350
Premiums, Fees and Licences	4,225	296	390	390	390	390
Other Revenue	51,348	55,918	45,737	45,651	45,611	45,651
Ministry Total	181,966	181,388	150,207	142,121	142,081	142,121
Inter-Ministry Consolidations	(120,579)	(121,415)	(99,859)	(98,859)	(98,859)	(98,859)
Consolidated Total	61,387	59,973	50,348	43,262	43,222	43,262
EXPENSE						
Ministry Support Services	12,399	11,722	10,428	9,634	9,631	9,631
Economic Development	24,264	22,015	18,839	14,121	13,695	13,695
Trade and Investment Attraction	29,056	25,772	22,399	44,986	44,986	44,986
Science and Innovation	49,124	57,830	42,771	41,767	41,767	41,767
Jobs, Investment and Diversification	30,543	24,688	25,864	16,970	31,970	45,587
Tourism	56,249	56,740	53,846	47,684	47,443	47,443
Alberta Enterprise Corporation	2,000	1,847	1,850	1,750	1,750	1,750
Climate Change	5,020	2,867	-	-	-	-
Alberta Innovates Corporation	288,216	278,136	202,425	191,201	190,801	186,284
Ministry Total	496,871	481,617	378,422	368,113	382,043	391,143
Inter-Ministry Consolidations	(110,837)	(125,374)	(83,587)	(83,587)	(83,587)	(83,587)
Consolidated Total	386,034	356,243	294,835	284,526	298,456	307,556
Net Operating Result	(324,647)	(296,270)	(244,487)	(241,264)	(255,234)	(264,294)
CAPITAL INVESTMENT						
Ministry Support Services	25	24	25	25	25	25
Tourism	-	9	-	-	-	-
Alberta Innovates Corporation	11,090	7,311	14,750	10,750	10,750	10,750
Consolidated Total	11,115	7,344	14,775	10,775	10,775	10,775

