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# Economic Development

BUSINESS PLAN 2003-06

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## **ACCOUNTABILITY STATEMENT**

The Business Plan for the three years commencing April 1, 2003 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of March 19, 2003 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.

*[Original Signed]*

Mark Norris, *Minister of Economic Development*  
March 21, 2003

## SITUATIONAL CONTEXT

Economies worldwide are striving to adjust to the immense challenges of this past year. Security concerns, weakness in the technology sector, climate change, and resource sustainability issues are among the key trends affecting our province.

Identifying and understanding these and other key trends is an essential first step to ensuring the province's continued prosperity. The globalization of markets, constant and rapid changes in technology, shortages of qualified labour, and increasing regional economic disparities are more relevant now than ever. In the face of these challenges, Alberta must take the next step and prepare for both the anticipated and unexpected events.

Alberta Economic Development's (AED) business plan addresses the global trends that are relevant to our province. It provides an overall direction, as well as the goals and strategies that are critical to Alberta's success. The elements of the business plan reflect the development of a Strategic Economic Development Framework. The development of the Framework is a way of providing a coordinated and integrated response across government to addressing Alberta's key opportunities and constraints to ensure that the province's economy is stable, diversified, and competitive.

In addition to the department, the Ministry of Economic Development also includes the Alberta Economic Development Authority and the Strategic Tourism Marketing Council (including the Travel Alberta Secretariat).

## VISION

*Alberta is the best place in the world to live and do business.*

## MISSION

To facilitate business and community prosperity.

## VALUES

We value a facilitative, collaborative, and effective team-based approach. We are opportunity and client value-driven. We strive to build a leadership team that directs and empowers our future success. We foster an environment of entrepreneurship and commitment to learning. We encourage the creation and sharing of information and knowledge among colleagues to enhance our overall effectiveness. We achieve credibility with our clients and each other through competent and accountable actions. We value our key product: the delivery of the right information in the right timeframe to impact industry investment decisions.

### CLIENT FOCUS

Our primary clients include: leaders of organizations, governments, and communities interested in and capable of participating in a globally competitive economy. ("Organizations" include small, medium, or large enterprises.)

## STRATEGIC PRIORITIES

The following represent the ministry's key strategic priorities for the 2003-06 business plan period.

### Alberta's Strategic Economic Development

AED leads Alberta's strategic planning in support of the Alberta Advantage. There is an opportunity to set a long-term strategic direction for Alberta's economic development by focusing government's overall efforts at maintaining and enhancing the Alberta Advantage. AED will play a lead role in a cross-ministry effort to prepare a strategic economic development framework to improve the planning and integration of economic development policies. The framework will help lead to greater balance and a more stable economic environment into the future.

Alberta Economic Development also champions the Economic Development Strategy Cross-Ministry Initiative with Alberta Agriculture, Food and Rural Development, Alberta Learning and Alberta Human Resources and Employment. AED also participates in the Aboriginal Policy and Health Sustainability Cross-Ministry Initiatives.

Three key priorities of AED's cross-ministry work are:

### **Value-added Strategy**

AED leads the development of a Value-added Strategy which will serve to accelerate Alberta's continued transition to a broader, more diverse, innovative, knowledge based and globally competitive economy.

### **Rural Development Strategy**

The Rural Development Strategy, led by Alberta Agriculture, Food and Rural Development (AAFRD) with support from AED, is a holistic approach to rural development that includes people, prosperity, and preservation to support a shared rural vision.

### **Aboriginal Economic Development**

AED will provide support for the implementation of the Aboriginal Policy Cross-Ministry Initiative.

### **Tourism Marketing and Development**

The department continues to improve tourism marketing and the growth and expansion of marketable tourism product.

### **International Marketing and Representation**

In consultation with other ministries, AED has prepared *Alberta's International Marketing Strategy (AIMS) 2003 - Targeting Tomorrow*, which sets out the government strategy to refine our international trade and investment activities.

## **CORE BUSINESSES**

CORE  
BUSINESS  
ONE

### **1 Strategic Economic Leadership** **Provide strategic policy and planning input for Alberta's economic development**

AED provides strategic policy, planning and intelligence input that identify, assess, and provide options to address constraints to and opportunities for economic sustainability. Working with other government departments and agencies, such as the Alberta Economic Development Authority (AEDA), AED coordinates and develops policy options, strategies and frameworks to facilitate the development of a stable, diversified, and competitive economy. AED also strategically maps out markets and sectors that make the greatest difference to Alberta's current and future economic performance. Cross-ministerial issues that AED helps address include: workforce and skill shortages; a competitive global marketplace; competing land uses; resource limitations; intense competition for investment and access to equity capital; regional economic development; rural development; and Aboriginal economic development.

### **Value-added Strategy**

The Future Summit identified diversification as a key to the province's future prosperity. The Value-added Strategy will serve to accelerate the growth of a competitive, export driven, sustainable and more diversified value-added goods and services industry. Strategies will focus on the following key issues: innovation in research and development, technology adoption and commercialization; networks for supply chains, alliances and cluster development; human resource development focusing on labour availability, labour training, and development of management capacity; and strengthening

small to medium sized enterprises and entrepreneurs through mentoring and access to capital markets. The strategy is being coordinated by AED with cross-ministry participation and will work closely with a broad range of stakeholders for successful implementation.

The department's work is carried out in partnership with AEDA. The Authority, which consists of over 90 Albertan volunteers from the private sector, acts as a high-level policy advisory group to the government concerning key economic development and industry competitiveness issues. This unique relationship with the private sector ensures AED's goals are achieved in partnership with business and industry.

The department's efforts to support the marketing of Alberta's agri-food products and services are advised and assisted by the AED Agri-food Industry Advisory Committee composed of private sector members.

CORE  
BUSINESS  
TWO

## **2 Strategic Intelligence that Drives Industry Development Facilitate industry growth, trade and investment**

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AED provides strategic and market intelligence to:

- Facilitate business contacts, relationships, and networks within Alberta and in our international markets to promote increased trade, investment, and growth;
- Identify business and market opportunities for Alberta companies to encourage expansion and improve competitiveness, and
- In collaboration with Alberta communities, support regional alliances and economic clusters, which attract investment and sustain and retain economic activity.

### **International Marketing and Representation**

AED's international marketing and representation activities endeavor to expand the economy by taking advantage of the many international opportunities for Alberta goods and services. Our international marketing efforts seek to provide accurate information to our clients, within the appropriate timeframe, to assist them in making trade and investment decisions in response to international market opportunities. In consultation with other ministries, AED has prepared *AIMS 2003 - Targeting Tomorrow*, which articulates the sector opportunities and geographic markets in both trade development and investment attraction.

AED's strategic intelligence services are delivered and coordinated through a network of international and Alberta-based offices. AED is continually working to strengthen its strategic intelligence processes and capabilities to deliver market driven information and intelligence to our clients. Our goal is to help facilitate access to international markets, create networks, and generate a positive business climate. AED's internet website, [www.alberta-canada.com](http://www.alberta-canada.com), plays a key role in the dissemination of this market intelligence.

For all key sectors AED utilizes a sector team approach to promote industry development and to work closely with industry clients, associations, and other agencies. We identify and address issues affecting productivity and industry competitiveness, in order to develop key industry and business marketing strategies.

## Positioning and Promoting Alberta for Tourism, Trade and Investment

### Market experiences and develop opportunities

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As the “marketing arm of the Alberta Government,” the ministry is responsible for coordinating the government’s efforts related to:

- Tourism marketing;
- Investment attraction;
- Export promotion, and
- Film industry promotion.

#### Tourism Marketing

AED is responsible for tourism marketing. Tourism marketing is delivered through the Strategic Tourism Marketing Council’s three year Strategic Tourism Marketing Plan and the Travel Alberta Secretariat. The mandate of the volunteer Council is to advise the Minister on measures to maximize the effectiveness of Alberta tourism marketing investments. AED delivers marketing support services including a website, [www.travelalberta.com](http://www.travelalberta.com), visitor information centres, and a contact centre.

*Tourism is a significant component of Alberta’s economy led by AED’s efforts in tourism development and marketing.*

AED will continue to fund tourism marketing and development through a tourism framework which will:

- Promote and market Alberta as a must see destination for international visitors, national visitors and Albertans;
- Facilitate the development and improvement of Alberta’s private and public sector tourism products and assets, and
- Deliver visitor information and facilitate the continued development of supporting tourism infrastructure.

#### Investment Attraction and Export Promotion

AED markets Alberta both domestically and internationally as a desirable location for increased trade, investment, locating/re-locating businesses, and attracting skilled workers in targeted sectors. The ministry provides information to companies and individuals who may be interested in expanding or locating in Alberta and assists them with services designed to attract them to the province. AED continues to develop new electronic information products to service requests related to export marketing, investment and business location inquiries.

AED is also responsible for planning, organizing and coordinating Team Canada, Premier and ministerial trade missions. AED works closely with AEDA in identifying priority markets for future business missions.

#### Film Industry Promotion

AED, in partnership with Alberta Community Development, operates the Alberta Film Office (AFO). The AFO is a central point of contact for film industry investors and producers considering Alberta as a location for film, television, and video production.

## CORPORATE SERVICES

The Ministry's core businesses are enabled by an infrastructure of essential services that support department staff and business processes including: strategic information and knowledge management, strategic planning, finance, human resources, and administrative services. Some key initiatives that will be undertaken include:

- Implementing a long-term strategic framework that integrates and coordinates the ministry's activities toward the attainment of its vision;
- Providing the skills, processes, and technology/tools to enhance the collection of information, creation of intelligence, management and sharing of knowledge within the ministry, and to support strategic consultation with our clients;
- Providing reliable, secure information technology service to meet the business needs of the ministry, including enhanced capabilities for international offices and during employee travel;
- Implementing innovative and responsive human resource programs and services to ensure the availability of a highly competent workforce in the ministry and workforce capacity to respond to organizational changes and business plan priorities;
- Implementing the ministry's comprehensive performance measurement framework;
- Developing, maintaining, and testing a business resumption plan to ensure timely continuation of critical ministry business activities and functions after a major disruptive event affecting ministry premises, and
- Ensuring that the implementation of the ministry's information technology is aligned with government-wide standards and architectural direction.

## SECTOR TEAMS

To better integrate the activities, knowledge, and expertise across government and within AED, sector teams were established beginning in July 2000. Sector teams develop strategies and activities that address industry needs including: business growth and expansion, investment attraction, and information/intelligence. Another key activity of the sector teams is developing policy recommendations to support future industry growth. AED continues to sign and develop Memorandums of Understanding with other government ministries to deliver sector team results where the mandate resides with those ministries.

Key sector teams include:

- Architecture/Engineering/Construction (AEC);
- Aerospace;
- Agriculture and Agri-food;
- Building Products and Value-added Wood;
- Chemicals and Petrochemicals;
- Environmental Products and Services;
- Health and Bio-Industries;
- Information and Communications Technologies (ICT);
- Industrial Machinery and Equipment, and
- Tourism.

## LINKAGES TO THE GOVERNMENT BUSINESS PLAN

AED contributes to all three core businesses of the Government of Alberta: People, Prosperity and Preservation, with a primary focus on Prosperity. Specifically, AED contributes to the following:

**Goal 2: Albertans will be well prepared for lifelong learning and work.**

AED contributes to the work being done by Alberta Learning and Alberta Human Resources and Employment in this area.

**Goal 7: Alberta will have a prosperous economy.**

AED provides strategic information and planning input for Alberta's economy and facilitates a coordinated approach to address Alberta's economic challenges in collaboration with other government ministries.

**Goal 9: Alberta will have a financially stable, open and accountable government and a strong intergovernmental position in Canada.**

The Value-added Strategy will transition Alberta to a more diversified, globally competitive, innovative, and knowledge based sustainable economy.

# GOALS, OBJECTIVES AND KEY STRATEGIES

GOAL ONE

## 1

### Sustainable Economic Growth and Diversification in Alberta

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#### Objective

1. **To facilitate economic growth and diversification through collaborative strategic planning and policy.**

#### Key Strategies

- Lead the implementation of the Economic Development Strategy Cross-Ministry Initiative and participate in other cross-ministry initiatives that influence the province's prosperity.
- With participation from other ministries, lead the implementation of an industry driven, Value-added Strategy for the further expansion and diversification of industry in Alberta.
- Provide support to the Alberta Economic Development Authority and its committees.
- Ensure integrated policies are developed to maintain the Alberta Advantage.
- Provide longer-term strategic input to the development of policy to support a sustainable and diversified economy in Alberta.
- Implement the accepted recommendations from the Future Summit report.

#### Objective

2. **Provide client-driven economic and business information and intelligence.**

#### Key Strategies

- Assess the drivers of Alberta's competitive position.
- Monitor and communicate the impact of long-term trends for the Alberta economy.
- Provide business and economic information in a timely fashion to support our clients in their decision-making processes.

#### Objective

3. **Increase participation of Alberta communities in regional economic development.**

#### Key Strategies

- Based upon the priorities of Alberta communities, facilitate the creation of new regional economic development alliances, strengthen existing regional alliances throughout Alberta, and provide information and advice to other regional partnerships and project-specific initiatives in the major metropolitan regions.
- Lead the Economic Development Strategy Cross-Ministry Initiative to develop a collaborative approach to regional economic development that builds on regional goals, priorities, and strengths and the Regional Development Strategy.
- Encourage the adoption of best practices in economic development within Alberta's communities through partnerships with the Economic Development Association of Alberta, Alberta First.com, and others.
- Provide information and services that assist the development of small Alberta businesses through innovative means such as the Edmonton Business Link, Calgary Business Information Centre, and SuperNet.
- In partnership with Aboriginal organizations, encourage small business development formation.



**Objective****1. Increase exports of Alberta value-added<sup>1</sup> goods and services.****Key Strategies**

- Provide strategic and competitive intelligence, market information, and knowledge to support companies in identifying and accessing marketing opportunities within global target markets.
- Create partnerships, networks and alliances to increase Alberta-based companies' leverage in target markets.
- Support market entry by Alberta exporters by showcasing Alberta abroad.
- Encourage the development of capabilities, products, and services of export-ready Alberta businesses in international markets.
- Support Alberta companies pursuing capital projects financed by International Financial Institutions (IFIs) by promoting an awareness of Alberta within IFIs, providing market intelligence on IFI opportunities, and building industry awareness of IFIs' role in investment and trade.
- Collaborate and partner with appropriate government agencies (federal, provincial and municipal) to effectively leverage ministry resources in assisting Alberta companies to increase their export trade capabilities.
- Reinforce market presence in industries where Alberta is internationally established, such as oil and gas and agri-food products, and enable market penetration of closely related sectors, such as engineering services or environmental goods and services.
- Facilitate the growth of companies (new and existing) in emerging sectors, such as ICT, Health, and Bio-Industries, and build market presence.

**Objective****2. Increase the competitiveness of Alberta's value-added sectors.****Key Strategies**

- Facilitate and encourage the development, acquisition or application of business improvement practices and new technology to increase innovation within Alberta.
- Provide industrial and competitive intelligence to assist Alberta companies in becoming globally competitive.
- Facilitate partnerships, networks, and alliances to support industry in expanding their capabilities and competencies.
- Service the growing needs of the ICT sector and other advanced technologies sectors through a co-funding relationship with Alberta Innovation and Science.
- Identify policy challenges facing Alberta's value-added industries and organizations.
- Promote improved effectiveness of the distribution of products and services to domestic and international markets.
- Provide strategic intelligence to support Alberta companies with decision-making in response to global issues such as climate change policy.

**Objective****3. Facilitate the growth and expansion of marketable tourism product.****Key Strategies**

- Provide information and expertise to facilitate the development/enhancement of new and expanded tourism products.
- Encourage a policy, regulatory and development approval framework that supports the growth of the tourism industry.
- Position land as a strategic asset for tourism industry investment and development.
- Raise the profile of tourism as a significant contributor to the Alberta economy.
- In cooperation with Alberta Community Development, identify a wider range of uses within Provincial Parks/Recreation Areas to include certain types of tourism business opportunities compatible with the size and management intent of the land parcel.
- Coordinate provincial government input and involvement on national parks issues.

<sup>1</sup> Value-added includes manufactured products and professional, scientific and technical services.

## 3 Alberta is Viewed by Those in Our Primary Markets as an Attractive Place to Live, Visit, Invest and Do Business

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### Objective

1. **Increase Alberta's share of visitors and revenue from targeted Canadian and international tourism markets.**

### Key Strategies

- Develop and partner marketing programs in Alberta, nationally and internationally, through Travel Alberta that support the Strategic Tourism Marketing Plan developed by the Strategic Tourism Marketing Council.
- Establish and/or manage cost-effective contracts through Travel Alberta to deliver marketing programs in Alberta, and nationally/internationally as required.
- Develop and maintain an effective customer-focused Alberta tourism website(s).
- Deliver value-added support services to the tourism industry through:
  - travel counseling and influencing travel behavior;
  - dissemination of tourism information;
  - providing tourism research and images;
  - training and product knowledge support for contact centre and visitor information centre staff, and
  - support for the development of publications and website content.

### Objective

2. **Increase the awareness of Alberta to potential investors, including targeted companies, capital investors, and economic immigrants (skilled workers and business entrepreneurs) in our primary international markets.**

### Key Strategies

- Market Alberta as a preferred location for new and expanded investment.
- Generate and service investment<sup>2</sup> leads within targeted sectors and markets. Facilitate linkages between Alberta communities and investment leads.
- Target multi-national enterprises (MNE's) with existing investment in Alberta.
- Identify and target companies with no existing investment in Alberta, including MNE's.
- Increase the number of skilled workers through the Provincial Nominee Program and market Alberta as a destination for economic immigrants (skilled workers and business immigrants).
- Target foreign venture capitalists for direct and indirect investment.
- Target investment intermediaries to deliver the Alberta Advantage message.
- Support the promotion of Alberta as a film friendly location for film production and investment.

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<sup>2</sup> Agriculture-related investment attraction is within the mandate of AAFRD.

## PERFORMANCE MEASURES

Alberta Economic Development has developed a performance measurement framework to increase accountability and demonstrate how ministry activities contribute to its goals and objectives. The framework distinguishes between three types of measures: *output measures* monitor immediate deliverables of ministry activities, *outcome measures* monitor desired results of the activities, and *impact measures* monitor related economic indicators. The table below links the performance measures to business plan goals and objectives and also identifies the type of measure. The table is followed by targets for each measure.

Goal	Objective	Performance Measure	Type of Measure
Sustainable economic growth and diversification in Alberta	To facilitate growth and diversification through collaborative strategic planning and policy	1.1 Gross Domestic Product	Impact
		1.2 Employment in Value-added Sectors	Impact
		1.3 Cost Competitiveness	Impact
	Provide client-driven economic and business information and intelligence. Increase participation of Alberta communities in regional economic development	1.4 Satisfaction with Publications	Outcome
		1.5 Population Included in Regional Alliances and Partnerships	Output
		1.6 Regional Alliance Satisfaction with AED Staff Support	Outcome
Alberta's organizations are globally competitive	Increase exports of Alberta value-added good and services	2.1 Manufacturing and Service Exports	Impact
		2.2 Effectiveness of Outgoing Trade Shows and Missions	Outcome
	Increase the competitiveness of Alberta's value-added sectors	2.3 Manufacturing Shipments	Impact
	Facilitate the growth and expansion of marketable tourism product	Contributes to measures 3.1 and 3.2 below	
Alberta is viewed by those in our primary markets as an attractive place to live, visit invest, and do business	Increase Alberta's share of visitors and revenue from targeted Canadian and international tourism markets	3.1 Tourism Industry Revenue	Impact
		3.2 Share of Overnight Visitors	Impact
		3.3 Tourism Industry Leveraging	Outcome
		3.4 Dissemination of Tourism Information	Output
	Increase the awareness of Alberta to potential investors, including target companies, capital investors and economic immigrants (skilled workers and business entrepreneurs) in our primary international markets (Supports several objectives)	3.5 Manufacturing and Services Industry Investment	Impact
		3.6 Effectiveness of International Offices	Output

## GOAL 1 Sustainable Economic Growth and Diversification in Alberta

**1.1 Impact Measure: Gross Domestic Product (GDP)** – The constant-dollar GDP for Alberta (1997 dollars).

Business Plan	Actual 2001	Forecast 2002	Target 2003	Target 2004	Target 2005
Real GDP (\$billions)	122.2	125.1	130.1	135.3	140.7
Percent Growth	2.0	2.4	4.0	4.0	4.0

**1.2 Impact Measure: Employment in Value-added Sectors** – Percent of total annual employment in manufacturing and professional, scientific and technical services.

Business Plan	Actual 2001	Actual 2002	Target 2003	Target 2004	Target 2005
Percent of total employed	16.2	16.1	16.8	17.2	17.6

**1.3 Impact Measure: Cost Competitiveness** - International ranking of cost competitiveness of Alberta cities based on a comparative cost model.<sup>3</sup>

Sectors/Subsectors	Actual 2001-02		Actual 2002-03		Target 2003-06	
	Calgary	Edmonton	Calgary	Edmonton	Calgary	Edmonton
Food Processing	2	1	N/A		Target: To maintain or improve ranking	
Health Care Products & Services						
• Pharmaceuticals	2	1				
• Medical Devices	2	1				
• Biomedical R&D	3	1				
Information, Communication and Technology (ICT)						
• Advanced Software	2	1				
• Electronics Assembly	2	1				
• Electronic Product Development/Testing	3	1				
Industrial Machinery/Metal Components	4	2				
Plastic Products	4	3				
Specialty Chemicals	2	1				

**1.4 Outcome Measure: Satisfaction with Publications (biennial).**

Business Plan	Actual 2000-01	Actual 2002-03	Target 2004-05
Percent subscribers satisfied with AED publications	95	N/A	95

<sup>3</sup> These rankings are based on the KPMG custom cost model developed for evaluating the cost competitiveness of business locations. For consistency with the previous comparisons used in the model, six Canadian cities (Calgary, Edmonton, Vancouver, Toronto, Ottawa, and Montreal) and seven U.S. cities (Boise, Boston, Colorado Springs, Minneapolis, Phoenix, San Jose, and Seattle) were included for the purpose of this performance measure. The following factors are included in the model: initial capital costs for land acquisition and building construction; total annual labour costs, including all benefits; office lease and occupancy costs; electricity costs; transportation costs; telecommunications costs; interest and depreciation charges; federal, regional, and local taxes levied on corporations, including significant non-discretionary tax incentives; and additional discretionary tax and financial incentives. The ranking integrates the factors and is based on total costs.

N/A: Not available.

**1.5 Output Measure: Population Included in Regional Alliances and Partnerships** – Assesses the scope of the regional alliances and partnerships.

<b>Business Plan</b>	<b>Actual 2001</b>	<b>Estimate 2002</b>	<b>Target 2003</b>	<b>Target 2004</b>	<b>Target 2005</b>
Population (\$ millions – 2000 data)	2.4	2.5	2.6	2.65	2.7

**1.6 Outcome Measure: Regional Alliance satisfaction with AED staff support.**

<b>Business Plan</b>	<b>Actual 2001-02</b>	<b>Estimate 2002-03</b>	<b>Target 2003-04</b>	<b>Target 2004-05</b>	<b>Target 2005-06</b>
Percent satisfied with AED support	N/A	N/A	To be determined from baseline data collected in 2002-03.		

## **GOAL 2 Alberta's Organizations are Globally Competitive**

**2.1 Impact Measure: Manufacturing and Service Exports** – The value of Alberta's international (outside Canada) exports of manufactured goods and services.

<b>Business Plan</b>	<b>Actual 2001</b>	<b>Estimate 2002</b>	<b>Target 2003</b>	<b>Target 2004</b>	<b>Target 2005</b>
Exports (\$billions)	22.1	20.6	22.2	24.2	26.4
Percent Growth	(5.7)	(6.8)	8.0	9.0	9.0

**2.2 Outcome Measure: Effectiveness of Outgoing Trade Shows and Missions.**

<b>Business Plan</b>	<b>Actual 2001-02</b>	<b>Estimate 2002-03</b>	<b>Target 2003-04</b>	<b>Target 2004-05</b>	<b>Target 2005-06</b>
Percent of companies who indicated AED was helpful to them in achieving their goals	99	N/A	95	95	95
Percent of companies satisfied with the quality of business contacts	85	N/A	85	85	85

**2.3 Impact Measure: Manufacturing Shipments** – Total annual value of all manufacturing shipments by Alberta companies to other provinces, countries and within Alberta.

<b>Business Plan</b>	<b>Actual 2001</b>	<b>Estimate 2002</b>	<b>Target 2003</b>	<b>Target 2004</b>	<b>Target 2005</b>
Shipments (\$billions)	42.4	41.0	43.9	47.2	50.7
Percent Growth	(0.4)	(3.3)	7.0	7.5	7.5

N/A: Not available.

## GOAL 3 Alberta is Viewed by Those in Our Primary Markets as an Attractive Place to Live, Visit, Invest, and Do Business

**3.1 Impact Measure: Tourism Industry Revenue** – The annual value of all tourism industry revenues in Alberta. This includes expenditures made in Alberta by visitors from overseas, the United States, other Canadian provinces, and residents of Alberta.

Business Plan	Actual 2001	Estimate 2002	Target 2003	Target 2004	Target 2005
Total tourism revenue (\$billions)	4.8	5.0	5.2	5.4	5.7
Alberta revenue as a percent of total Canadian tourism revenue	13	13	14	14	14

**3.2 Impact Measure: Share of Overnight Visitors** – Alberta's market share of Canadian international overnight visitors from Europe, Asia, and the United States.

Business Plan	Actual* 2001	Estimate 2002	Target 2003	Target 2004	Target 2005
Europe (percent)	10.9	15.0	16.0	16.5	16.7
Asia-Pacific (percent)	18.5	16.5	17.0	18.0	18.5
United States (percent)	6.0	6.0	6.2	6.6	6.7

\* Preliminary

**3.3 Outcome Measure: Tourism Industry Leveraging** – Industry partner's contribution to product marketing with Travel Alberta.

Business Plan	Actual 2001-02	Estimate 2002-03	Target 2003-04	Target 2004-05	Target 2005-06
In-Province Leveraging Ratio	1.7:1	1.5:1	1.5:1	1.5:1	1.5:1
National/International Leveraging Ratio	2.9:1	2.5:1	2.5:1	2.5:1	2.5:1

**3.4 Output Measure: Dissemination of Tourism Information** – Volume of information requests by telephone, facsimile, mail, e-mail, and website inquiries; and information packages mailed in response to these requests.

Business Plan	Actual 2001	Estimate 2002	Target 2003	Target 2004	Target 2005
Call Centre Telephone Inquiries Handled <sup>4</sup>	90,328	73,000	76,000	80,000	80,000
Other Methods of Contact <sup>5</sup>	63,356	55,000	65,000	75,000	85,000'
Number of tourism information packages distributed	102,096	86,400	90,000	100,000	110,000
Number of website visitor sessions	357,901	450,000	550,000	650,000	700,000

4 Call center inquiries are anticipated to decrease as website activity increases.

5 Other methods of contact include facsimile, mail, e-mail and website.

**3.5 Impact Measure: Manufacturing and Service Industry Investment** – The value of new capital expenditures on construction, machinery, and equipment in Alberta’s manufacturing and service industries.

<b>Business Plan</b>	<b>Actual 2001</b>	<b>Estimate 2002</b>	<b>Target 2003</b>	<b>Target 2004</b>	<b>Target 2005</b>
Investment (\$billions)	10.8	11.3	11.9	12.5	13.1
Percent Growth <sup>7</sup>	(6.4)	4.8	5.0	5.0	5.0

**3.6 Output Measure: Effectiveness of International Offices.**

<b>Business Plan</b>	<b>Actual 2001-02</b>	<b>Estimate 2002-03</b>	<b>Target 2003-04</b>	<b>Target 2004-05</b>	<b>Target 2005-06</b>
Total number of business introductions	882	750	800	850	900
Total number of qualified trade and investment leads	551	360	400	430	460
Percent of client satisfaction with the services of international offices (biennial)	87	89	–	90	–

<sup>7</sup> The significant decline in this investment growth represents the ‘winding down’ of several multi-billion dollar capital investment projects initiated over the past five years.

## EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>EXPENSE</b>						
<b>Core Business</b>						
Strategic Economic Leadership	3,304	3,568	3,546	3,478	3,488	3,488
Strategic Intelligence that drives Industry Development Positioning and Promoting Alberta for Tourism, Trade and Investment	24,848	25,553	25,391	27,409	26,402	26,402
	22,744	22,256	26,440	24,047	21,944	21,944
<b>MINISTRY EXPENSE</b>	50,896	51,377	55,377	54,934	51,834	51,834

## MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>REVENUE</b>						
Internal Government Transfers	-	14,100	14,100	14,100	14,100	14,100
Transfers from Government of Canada	214	29	29	-	-	-
Other Revenue	343	150	150	150	150	150
<b>MINISTRY REVENUE</b>	557	14,279	14,279	14,250	14,250	14,250
<b>EXPENSE</b>						
<b>Program</b>						
Ministry Support Services	3,927	4,173	4,173	4,185	4,085	4,085
Strategic Intelligence	22,912	23,478	23,478	25,321	24,321	24,321
Positioning and Promoting	20,972	20,448	24,448	22,215	20,215	20,215
Strategic Economic Leadership	3,046	3,278	3,278	3,213	3,213	3,213
Valuation Adjustments and Other Provisions	39	-	-	-	-	-
<b>MINISTRY EXPENSE</b>	50,896	51,377	55,377	54,934	51,834	51,834
Gain (Loss) on Disposal of Capital Assets	(14)	-	-	-	-	-
<b>NET OPERATING RESULT</b>	(50,353)	(37,098)	(41,098)	(40,684)	(37,584)	(37,584)

## CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
Ministry Revenue	557	14,279	14,279	14,250	14,250	14,250
<i>Inter-ministry consolidation adjustments</i>	-	(14,100)	(14,100)	(14,100)	(14,100)	(14,100)
<b>Consolidated Revenue</b>	557	179	179	150	150	150
Ministry Program Expense	50,896	51,377	55,377	54,934	51,834	51,834
<i>Inter-ministry consolidation adjustments</i>	-	-	-	-	-	-
<b>Consolidated Program Expense</b>	50,896	51,377	55,377	54,934	51,834	51,834
Gain (Loss) on Disposal of Capital Assets	(14)	-	-	-	-	-
<b>CONSOLIDATED NET OPERATING RESULT</b>	(50,353)	(51,198)	(55,198)	(54,784)	(51,684)	(51,684)