



INNOVATION AND SCIENCE

THE HONOURABLE VICTOR DOERKSEN
 Minister
 402 Legislature Building, 427-2294

AMOUNTS TO BE VOTED

(thousands of dollars)

	2003-04 Estimates			Gross Comparable		
	Gross	Credit or Recovery	Net	2002-03 Forecast	2002-03 Budget	2001-02 Actual
OPERATING EXPENSE and EQUIPMENT / INVENTORY PURCHASES to be voted	167,833	(11,857)	155,976	158,187	160,414	146,395
CAPITAL INVESTMENT to be voted	58,700	-	58,700	85,300	117,800	38,994
NON-BUDGETARY DISBURSEMENTS to be voted	21,430	-	21,430	-	-	-

INNOVATION AND SCIENCE - *Continued*

DEPARTMENT SUMMARY

(thousands of dollars)

OPERATING EXPENSE and EQUIPMENT / INVENTORY PURCHASES

Program	2003-04 Estimates			Gross Comparable		
	Gross	Credit or Recovery	Net	2002-03 Forecast	2002-03 Budget	2001-02 Actual
Operating Expense						
1 Ministry Support Services	7,614	-	7,614	7,170	7,170	6,881
2 Corporate Information and Communications Technology	49,080	(11,857)	37,223	50,600	48,927	44,007
3 Research and Development	107,639	-	107,639	94,518	98,418	90,592
Voted Operating Expense	164,333	(11,857)	152,476	152,288	154,515	141,480
Equipment / Inventory Purchases						
1 Ministry Support Services	-	-	-	-	-	102
2 Corporate Information and Communications Technology	3,500	-	3,500	5,899	5,899	4,813
Voted Equipment / Inventory Purchases	3,500	-	3,500	5,899	5,899	4,915
TOTAL VOTED	167,833	(11,857)	155,976	158,187	160,414	146,395

CAPITAL INVESTMENT

Program	2003-04 Estimates			Gross Comparable		
	Gross	Credit or Recovery	Net	2002-03 Forecast	2002-03 Budget	2001-02 Actual
2 Corporate Information and Communications Technology	58,700	-	58,700	85,300	117,800	38,994
TOTAL VOTED	58,700	-	58,700	85,300	117,800	38,994

NON-BUDGETARY DISBURSEMENTS

Program	2003-04 Estimates	Comparable		
		2002-03 Forecast	2002-03 Budget	2001-02 Actual
3 Research and Development	21,430	-	-	-
TOTAL VOTED	21,430	-	-	-

INNOVATION AND SCIENCE - *Continued*

PROGRAM 1 - MINISTRY SUPPORT SERVICES

(thousands of dollars)

OPERATING EXPENSE

Reference / Element	2003-04 Estimates			Comparable 2002-03 Forecast			Gross Comparable 2002-03 Budget
	Gross	Credit or		Gross	Credit or		
		Recovery	Net		Recovery	Net	
1.0.1 Minister's Office	335	-	335	320	-	320	320
1.0.2 Deputy Minister's Office	330	-	330	315	-	315	315
1.0.3 Corporate Services	3,524	-	3,524	3,375	-	3,375	3,375
1.0.4 Communications	644	-	644	617	-	617	617
1.0.5 Strategic Management Information Services	2,781	-	2,781	2,543	-	2,543	2,543
TOTAL	7,614	-	7,614	7,170	-	7,170	7,170

INNOVATION AND SCIENCE - *Continued*

PROGRAM 2 - CORPORATE INFORMATION AND COMMUNICATIONS TECHNOLOGY
(thousands of dollars)

OPERATING EXPENSE

Reference / Element	2003-04 Estimates			Comparable 2002-03 Forecast			Gross Comparable 2002-03 Budget
	Gross	Credit or Recovery	Net	Gross	Credit or Recovery	Net	
2.1 Alberta SuperNet							
2.1.1 Network Infrastructure and Management - Operating Expense funded by Lotteries	2,000	-	2,000	4,000	-	4,000	4,000
Total Sub-program	2,000	-	2,000	4,000	-	4,000	4,000
2.2 Strategic Leadership and Services							
2.2.1 Office of the Chief Information Officer	10,021	-	10,021	8,699	-	8,699	8,826
2.2.2 Information and Communications Technology Services	24,955	-	24,955	24,271	-	24,271	24,271
2.2.3 Alberta Government Integrated Management Information System	12,104	(11,857)	247	13,630	(13,292)	338	11,830
Total Sub-program	47,080	(11,857)	35,223	46,600	(13,292)	33,308	44,927
TOTAL	49,080	(11,857)	37,223	50,600	(13,292)	37,308	48,927

EQUIPMENT / INVENTORY PURCHASES

Reference / Element	2003-04 Estimates			Comparable 2002-03 Forecast			Gross Comparable 2002-03 Budget
	Gross	Credit or Recovery	Net	Gross	Credit or Recovery	Net	
2.2 Strategic Leadership and Services							
2.2.1 Office of the Chief Information Officer	2,500	-	2,500	3,100	-	3,100	3,100
2.2.2 Information and Communications Technology Services	1,000	-	1,000	1,800	-	1,800	1,800
2.2.3 Alberta Government Integrated Management Information System	-	-	-	999	-	999	999
TOTAL	3,500	-	3,500	5,899	-	5,899	5,899

CAPITAL INVESTMENT

Reference / Element	2003-04 Estimates			Comparable 2002-03 Forecast			Gross Comparable 2002-03 Budget
	Gross	Credit or Recovery	Net	Gross	Credit or Recovery	Net	
2.1 Alberta SuperNet							
2.1.1 Network Infrastructure and Management - Capital Investment funded by Lotteries	58,700	-	58,700	85,300	-	85,300	117,800
TOTAL	58,700	-	58,700	85,300	-	85,300	117,800

INNOVATION AND SCIENCE - *Continued*

PROGRAM 3 - RESEARCH AND DEVELOPMENT

(thousands of dollars)

OPERATING EXPENSE

Reference / Element	2003-04 Estimates			Comparable 2002-03 Forecast			Gross Comparable 2002-03 Budget
	Gross	Credit or Recovery	Net	Gross	Credit or Recovery	Net	
3.0.1 Operations and Policy Implementation	4,472	-	4,472	4,321	-	4,321	4,321
3.0.2 Grant to the Alberta Science and Research Authority							
- Operating Expense	36,370	-	36,370	30,753	-	30,753	30,753
- Operating Expense funded by Lotteries	66,797	-	66,797	59,444	-	59,444	63,344
TOTAL	107,639	-	107,639	94,518	-	94,518	98,418

NON-BUDGETARY DISBURSEMENTS

Program	2003-04 Estimates	Comparable 2002-03 Forecast	Comparable 2002-03 Budget
3.0.3 Transfer to Alberta Heritage Science and Engineering Research Endowment Fund	21,430	-	-
TOTAL	21,430	-	-

INNOVATION AND SCIENCE - *Continued*

MINISTRY
STATEMENT OF OPERATIONS BY PROGRAM
(thousands of dollars)

	2003-04	Comparable	Comparable	Comparable
	Estimates	2002-03 Forecast	2002-03 Budget	2001-02 Actual
REVENUE				
Internal Government Transfers	127,497	152,644	185,144	90,838
Transfers from Government of Canada	-	2,000	2,000	2,386
Investment Income	840	840	840	752
Other Revenue	65,790	51,494	57,515	50,144
Ministry Revenue	194,127	206,978	245,499	144,120
EXPENSE				
Program				
Alberta Science and Research Authority:				
Energy (includes Climate Change Action Plan)				
Alberta Energy Research Institute	11,940	6,940	6,940	8,963
Alberta Research Council Inc.	11,126	10,895	10,895	10,116
Life Sciences				
Alberta Agricultural Research Institute	8,875	8,875	8,875	9,732
Alberta Forestry Research Institute	2,060	2,260	2,260	2,012
Alberta Research Council Inc.	8,683	8,504	8,504	7,896
Information and Communications Technology				
iCORE Inc. (Informatics Circle of Research Excellence)	10,000	10,000	10,000	5,845
Technology Commercialization Initiatives	1,500	1,500	1,500	910
Alberta Research Council Inc.	1,628	1,595	1,595	1,481
Investing in Research Capacity				
Alberta Science and Research Investment Program	39,222	39,222	39,222	38,818
Technology Business Development and Commercialization				
Technology Commercialization Initiatives	2,175	2,175	2,175	1,367
Alberta Research Council Inc.	5,698	5,581	5,581	5,182
Alberta Research Council Inc. - Contract Research	53,467	39,206	47,406	39,493
Operations and Policy Implementation	5,617	5,456	5,456	4,975
Corporate Information and Communications Technology	47,080	46,600	44,927	41,953
Alberta SuperNet	2,000	4,000	4,000	2,054
Ministry Support Services	7,614	7,170	7,170	6,881
Valuation Adjustments and Other Provisions	-	-	-	382
Ministry Expense	218,685	199,979	206,506	188,060
Gain (Loss) on Disposal of Capital Assets	-	-	-	(414)
NET OPERATING RESULT	(24,558)	6,999	38,993	(44,354)

INNOVATION AND SCIENCE - *Continued*

MINISTRY
STATEMENT OF OPERATIONS BY ENTITY
(thousands of dollars)

	2003-04	Comparable	Comparable	Comparable
	Estimates	2002-03	2002-03	2001-02
		Forecast	Budget	Actual
REVENUE				
Department	139,354	165,936	196,636	99,733
Alberta Science and Research Authority	157,940	131,239	142,960	131,126
Consolidation Adjustments	(103,167)	(90,197)	(94,097)	(86,739)
Ministry Revenue	194,127	206,978	245,499	144,120
EXPENSE				
Program				
<i>Voted</i>				
Department	164,333	152,288	154,515	141,480
<i>Statutory</i>				
Department	-	-	-	380
Alberta Science and Research Authority	157,519	137,888	146,088	132,939
Consolidation Adjustments	(103,167)	(90,197)	(94,097)	(86,739)
Ministry Expense	218,685	199,979	206,506	188,060
Gain (Loss) on Disposal of Capital Assets	-	-	-	(414)
NET OPERATING RESULT	(24,558)	6,999	38,993	(44,354)

CHANGE IN CAPITAL ASSETS

New Capital Investment	65,614	95,495	127,995	46,097
Less: Disposal of Capital Assets	-	-	-	(463)
Less: Amortization of Capital Assets	(8,072)	(8,883)	(8,883)	(7,725)
Increase (Decrease) in Capital Assets	57,542	86,612	119,112	37,909

CAPITAL INVESTMENT

<i>Voted</i>				
Department	62,200	91,199	123,699	43,909
<i>Statutory</i>				
Alberta Science and Research Authority	3,414	4,296	4,296	2,188
Total Capital Investment	65,614	95,495	127,995	46,097

INNOVATION AND SCIENCE - *Continued*

**DEPARTMENT
STATEMENT OF OPERATIONS**
(thousands of dollars)

	2003-04 Estimates	Comparable 2002-03 Forecast	Comparable 2002-03 Budget	Comparable 2001-02 Actual
REVENUE				
Internal Government Transfers				
Contribution from Lottery Fund	127,497	152,644	185,144	90,838
Other Revenue				
Various	11,857	13,292	11,492	8,895
Total Revenue	139,354	165,936	196,636	99,733
EXPENSE				
Program				
<i>Voted</i>				
Ministry Support Services	7,614	7,170	7,170	6,881
Corporate Information and Communications Technology	49,080	50,600	48,927	44,007
Research and Development	107,639	94,518	98,418	90,592
Total Voted Expense	164,333	152,288	154,515	141,480
<i>Statutory</i>				
Valuation Adjustments and Other Provisions	-	-	-	380
Total Voted and Statutory Expense	164,333	152,288	154,515	141,860
Gain (Loss) on Disposal of Capital Assets	-	-	-	(414)
NET OPERATING RESULT	(24,979)	13,648	42,121	(42,541)

CHANGE IN CAPITAL ASSETS

New Capital Investment	62,200	91,199	123,699	43,909
Less: Disposal of Capital Assets	-	-	-	(414)
Less: Amortization of Capital Assets	(5,546)	(5,426)	(5,426)	(4,890)
Increase (Decrease) in Capital Assets	56,654	85,773	118,273	38,605

INNOVATION AND SCIENCE - *Continued*

ALBERTA SCIENCE AND RESEARCH AUTHORITY
STATEMENT OF OPERATIONS

(thousands of dollars)

	2003-04 Estimates	Comparable 2002-03 Forecast	Comparable 2002-03 Budget	Comparable 2001-02 Actual
REVENUE				
Internal Government Transfers				
Transfer from Department - General Revenue Fund	36,370	30,753	30,753	45,829
Transfer from Department - Lottery Fund	66,797	59,444	63,344	40,838
Transfers from Government of Canada				
Various	-	2,000	2,000	2,386
Investment Income				
Various	840	840	840	752
Other Revenue				
Commercial Revenue	46,811	34,678	39,578	34,472
Contracts with Other Ministries	6,577	2,400	5,700	2,684
Technology and Production Sales	-	-	-	1,099
Other	545	1,124	745	3,066
Total Revenue	157,940	131,239	142,960	131,126
EXPENSE				
Program				
Energy including the Climate Change Action Plan				
Alberta Energy Research Institute:				
- Operating Expense	5,000	3,453	3,453	8,963
- Operating Expenses funded by Lotteries	6,940	3,487	3,487	-
Alberta Research Council Inc.	11,126	10,895	10,895	10,116
Life Sciences				
Alberta Agricultural Research Institute:				
- Operating Expense	-	-	-	1,144
- Operating Expense funded by Lotteries	8,875	8,875	8,875	8,588
Alberta Forestry Research Institute:				
- Operating Expenses	300	500	500	2,012
- Operating Expenses funded by Lotteries	1,760	1,760	1,760	-
Alberta Research Council Inc.	8,683	8,504	8,504	7,896
Information and Communications Technology				
iCORE Inc. (Informatics Circle of Research Excellence):				
- Operating Expenses	-	-	-	5,845
- Operating Expenses funded by Lotteries	10,000	10,000	10,000	-
Technology Commercialization Initiatives	1,500	1,500	1,500	910
Alberta Research Council Inc.	1,628	1,595	1,595	1,481
Investing in Research Capacity				
Science and Research Investments Program:				
- Operating Expenses	-	-	-	6,568
- Operating Expenses funded by Lotteries	39,222	39,222	39,222	32,250
Technology Business Development and Commercialization				
Technology Commercialization Initiatives	2,175	2,175	2,175	1,367
Alberta Research Council Inc.	5,698	5,581	5,581	5,182
Alberta Research Council Inc. - Contract Research	53,467	39,206	47,406	39,565
Operations and Policy Implementation	1,145	1,135	1,135	1,050
Valuation Adjustment	-	-	-	2
Total Expense	157,519	137,888	146,088	132,939
Gain (Loss) on Disposal of Capital Assets	-	-	-	-
NET REVENUE (EXPENSE)	421	(6,649)	(3,128)	(1,813)

INNOVATION AND SCIENCE - *Continued*

ALBERTA SCIENCE AND RESEARCH AUTHORITY- *Continued*

(thousands of dollars)

CHANGE IN ACCUMULATED NET REVENUE (EXPENSE)

	2003-04	Comparable	Comparable	Comparable
	Estimates	2002-03	2002-03	2001-02
		Forecast	Budget	Actual
Accumulated Net Revenue (Expense) at Beginning of Year	24,985	31,634	30,206	33,447
Net Revenue (Expense) for the Year	421	(6,649)	(3,128)	(1,813)
Accumulated Net Revenue (Expense) at End of Year	25,406	24,985	27,078	31,634

CHANGE IN CAPITAL ASSETS

New Capital Investment	3,414	4,296	4,296	2,188
Less: Disposal of Capital Assets	-	-	-	(49)
Less: Amortization of Capital Assets	(2,526)	(3,457)	(3,457)	(2,835)
Increase (Decrease) in Capital Assets	888	839	839	(696)

INNOVATION AND SCIENCE - *Continued*

FOR INFORMATION

ALBERTA RESEARCH COUNCIL INC.*
STATEMENT OF OPERATIONS
(thousands of dollars)

	2003-04	Comparable	Comparable	Comparable
	Estimates	2002-03 Forecast	2002-03 Budget	2001-02 Actual
REVENUE				
Internal Government Transfers				
Contribution from Alberta Science and Research Authority	27,135	26,575	26,575	24,675
Transfers from Government of Canada				
Various	-	2,000	2,000	2,281
Investment Income				
Various	500	500	500	-
Other Revenue				
Contracts with other Ministries	6,577	2,400	5,700	2,684
Contracts with own Ministry	1,690	2,700	4,300	4,858
Commercial Revenue	46,811	36,278	39,578	33,889
Other Revenue	-	-	-	1,384
Total Revenue	82,713	70,453	78,653	69,771
EXPENSE				
Program				
<i>Statutory</i>				
Research Operations:				
Agricultural Research	6,583	5,606	6,300	5,523
Climate Change Research	13,167	11,213	12,500	11,048
Energy Research	20,573	17,520	19,600	17,263
Forestry Research	9,052	7,709	8,600	7,596
Health and Biotechnology Research	9,052	7,709	8,600	7,596
Information and Communications Technology Research	4,938	4,205	4,681	4,143
Multi-Sector Research	1,646	1,402	1,600	1,381
Technology Commercialization	17,281	14,717	16,400	14,501
Total Expense	82,292	70,081	78,281	69,051
Gain (Loss) on Disposal of Capital Assets	-	-	-	-
NET REVENUE (EXPENSE)	421	372	372	720
CHANGE IN ACCUMULATED NET REVENUE (EXPENSE)				
Accumulated Net Revenue (Expense) at Beginning of Year	21,578	21,206	21,534	20,486
Net Revenue (Expense) for the Year	421	372	372	720
Accumulated Net Revenue (Expense) at End of Year	21,999	21,578	21,906	21,206
CHANGE IN CAPITAL ASSETS				
New Capital Investment	3,414	4,296	4,296	2,188
Less: Disposal of Capital Assets	-	-	-	44
Less: Amortization of Capital Assets	(2,526)	(3,457)	(3,457)	(2,835)
Increase (Decrease) in Capital Assets	888	839	839	(603)

* Alberta Research Council Inc. (ARC) is a wholly-owned subsidiary of the Alberta Science and Research Authority (ASRA). ARC's statement of operations above is fully consolidated in ASRA's statement of operations.

INNOVATION AND SCIENCE - *Continued*

FOR INFORMATION

iCORE Inc. (Informatics Circle of Research Excellence)*
STATEMENT OF OPERATIONS
(thousands of dollars)

	2003-04	Comparable	Comparable	Comparable
	Estimates	2002-03	2002-03	2001-02
		Forecast	Budget	Actual
REVENUE				
Internal Government Transfers				
Contribution from Alberta Science and Research Authority	10,000	6,100	10,000	9,615
Investment Income				
Various	-	-	-	145
Total Revenue	10,000	6,100	10,000	9,760
EXPENSE				
Program				
<i>Statutory</i>				
Research Management	1,000	1,000	1,000	956
Research Grants	9,000	9,000	9,000	4,904
Total Expense	10,000	10,000	10,000	5,860
Gain (Loss) on Disposal of Capital Assets	-	-	-	-
NET REVENUE (EXPENSE)	-	(3,900)	-	3,900

CHANGE IN ACCUMULATED NET REVENUE (EXPENSE)

Accumulated Net Revenue (Expense) at Beginning of Year	1	3,901	1	1
Net Revenue (Expense) for the Year	-	(3,900)	-	3,900
Accumulated Net Revenue (Expense) at End of Year	1	1	1	3,901

* iCORE INC. (Informatics Circle of Research Excellence) is a wholly-owned subsidiary of the Alberta Science and Research Authority (ASRA). iCORE's statement of operations above is fully consolidated in ASRA's statement of operations.

INNOVATION AND SCIENCE - *Continued*

MINISTRY
 CONSOLIDATION SCHEDULE
 (thousands of dollars)

	2003-04 Estimates	Comparable 2002-03 Forecast	Comparable 2002-03 Budget	Comparable 2001-02 Actual
REVENUE				
Grant from Department to Alberta Science and Research Authority				
- General Revenue Fund	(36,370)	(30,753)	(30,753)	(45,829)
- Lottery Fund	(66,797)	(59,444)	(63,344)	(40,838)
Services provided to Department by Alberta Science and Research Authority	-	-	-	(72)
Total Revenue Consolidation Adjustments	(103,167)	(90,197)	(94,097)	(86,739)
EXPENSE				
Grant from Department to Alberta Science and Research Authority				
- Operating Expense	(36,370)	(30,753)	(30,753)	(45,829)
- Operating Expense funded by Lotteries	(66,797)	(59,444)	(63,344)	(40,838)
Services provided to Department by Alberta Science and Research Authority	-	-	-	(72)
Total Expense Consolidation Adjustments	(103,167)	(90,197)	(94,097)	(86,739)

INNOVATION AND SCIENCE - *Continued*

MINISTRY
FULL-TIME EQUIVALENT EMPLOYMENT

	2003-04 Estimates	Comparable 2002-03 Budget
Department	206	197
Alberta Science and Research Authority	598	590
Total Full-Time Equivalent Employment	804	787

