

# Western Economic Diversification Canada

2016–17

**Report on Plans and Priorities**

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The Honourable Navdeep Bains, P.C., M.P.  
Minister of Innovation, Science and Economic Development

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## Ministers' Message

As Canada begins a new chapter in 2016–17, creating a culture of innovation is more important than ever in driving economic growth.

The recent name change of our Innovation, Science and Economic Development Portfolio recognizes this, placing a deliberate emphasis both on innovation and scientific discovery, and their equal importance for economic development nationally and throughout all of Canada's diverse regions.

We have promised Canadians a government that will bring real change – in both what we do and how we do it. We will invest in growing our economy, increase transparency and use the best evidence available to inform decision making.

Through the programs of the Innovation, Science and Economic Development Portfolio, we will work to develop and deliver an innovation agenda for Canada that will help improve our productivity performance, grow the economy and enhance our prosperity and well-being.

This 2016-17 *Report on Plans and Priorities* of Western Economic Diversification Canada provides information on how the Department will support the Government on achieving our agenda in the coming year and we are fully confident that Western Economic Diversification Canada is prepared to successfully support us and work with our partners inside and outside government to deliver for Canadians. However, given our commitment to more effective reporting, this year's report will be the final submission using the existing reporting framework.

The Prime Minister and the President of the Treasury Board are working to develop new, simplified and more effective reporting processes that will better allow Parliament and Canadians to monitor our Government's progress on delivering real change to Canadians. In the future, Western Economic Diversification Canada's reports to Parliament will focus more transparently on how we are using our resources to fulfill our commitments and achieve results for Canadians.



**The Honourable Navdeep Bains**  
Minister of Innovation, Science  
and Economic Development



**The Honourable Kirsty Duncan**  
Minister of Science



**The Honourable Bardish  
Chagger**  
Minister of Small Business and  
Tourism

These new reporting mechanisms will allow Canadians to more easily follow our Department’s progress towards delivering on our priorities, which were outlined in the Prime Minister’s mandate letters to us.<sup>i</sup>

It is our pleasure to present the *Report on Plans and Priorities* for Western Economic Diversification Canada for 2016–17, which sets out how the Department’s work will contribute to attaining these shared objectives.

The Honourable  
Navdeep Bains

Minister of Innovation,  
Science and Economic  
Development

Mandate Letter<sup>ii</sup>

The Honourable  
Kirsty Duncan

Minister of Science

Mandate Letter<sup>iii</sup>

The Honourable  
Bardish Chagger

Minister of Small Business  
and Tourism

Mandate Letter<sup>iv</sup>

## Section I: Organizational Expenditure Overview

### Organizational Profile

**Appropriate Minister:**

**Minister of Innovation, Science and Economic Development:**

The Honourable Navdeep Bains, P.C., M.P.

**Institutional Head:**

Daphne Meredith

**Ministerial Portfolio:**

Innovation, Science and Economic Development

**Enabling Instrument:**

*Western Economic Diversification Act*,<sup>v</sup> R.S.C. 1985, c.11, (4<sup>th</sup> Supplement)

**Year of Commencement:**

1987

**Other:**

On August 4, 1987, Western Economic Diversification Canada was created as a special operating agency and officially became a federal department through the *Western Economic Diversification Act*, which came into force June 28, 1988.

Headquarters - Edmonton, Alberta

Offices - Vancouver, BC

Edmonton and Calgary, AB

Saskatoon, SK

Winnipeg, MB

Ottawa, ON

## Organizational Context

### **Raison d’être**

Western Economic Diversification Canada (WD) was established to promote the development and diversification of the economy of Western Canada and to advance the interests of the West in national economic policy, program and project development and implementation. The Minister of Innovation, Science and Economic Development is responsible for this organization.

The Department operates under the provision of the *Western Economic Diversification Act*, which came into force on June 28, 1988. WD is responsible for regional development in Western Canada by developing and supporting economic policies, programs and activities to promote economic growth.

### **Responsibilities**

WD’s mandate allows the Department to implement diverse programs and initiatives across the West to create strong, competitive and innovative businesses and communities. Its western base has enabled the Department to foster extensive partnerships with business and community organizations, research and academic institutions, Indigenous Peoples, as well as provincial and municipal governments across Western Canada. WD also works with other Regional Development Agencies (RDAs) to make strategic investments that build on competitive regional advantages. These connections enable WD to identify and support economic opportunities and diversification in the West and ensure that western interests and perspectives are reflected in national decision making. The Department will continue to capitalize on opportunities and implement strategies to mitigate risks and adapt to changes in a dynamic and complex economic and policy environment.

WD focuses its activities in three program areas:

**Business Development and Innovation:** WD supports small and medium-sized enterprises (SMEs) to become more productive, more innovative and more export-oriented. The Department assists SMEs with international business engagement and works to attract investment to the region, as well as assist western Canadian SMEs to access opportunities linked to government defence procurement. Further, WD promotes the development and growth of the knowledge-based economy by building innovation capacity by addressing gaps in technology skills capacity and supporting the commercialization of new knowledge-based products, processes and services.

**Community Economic Growth:** WD helps rural and urban communities in Western Canada sustain their local economies and adjust to changing economic circumstances through departmental programs and by delivering national initiatives on behalf of the Government of Canada. WD also supports community-based organizations that provide



western entrepreneurs with the information, training and loans they need to start and grow their businesses.

**Policy, Advocacy and Coordination:** WD identifies opportunities to strengthen the western Canadian economy and coordinate economic development activities, policies and programs across the West.

In addition to making strategic and targeted investments in Western Canada that support regional economic development and inclusive economic growth, WD provides value-added services to western Canadian stakeholders by:

- Building strategic relationships with key decision makers across Canada, including other levels of government, and works with western Canadian industry on defence, security, aerospace and marine-related procurement opportunities.
- Playing the role of intelligence gatherer and strategic advisor on economic development issues and opportunities of relevance to Western Canada.
- Convening key players in the marketplace and in communities to discuss shared collaboration and economic opportunities and promote alignment of complementary government programs.
- Serving as a delivery agent for national programming in Western Canada, such as the Canada 150 Infrastructure Program.
- Advising and pathfinding clients to other federal programs which match their business interests and needs.

## Strategic Outcome and Program Alignment Architecture

The Program Alignment Architecture provides an overview of how the Department's programs and activities are aligned and how the expected results are organized to contribute to the achievement of WD's strategic outcome.

### 1. Strategic Outcome: A growing and diversified western Canadian economy

#### 1.1 Program: Business Development and Innovation

1.1.1 Sub-Program: Trade, Investment and Market Access

1.1.2 Sub-Program: Business Productivity and Growth

1.1.3 Sub-Program: Innovation Capacity Building

1.1.4 Sub-Program: Technology Commercialization

#### 1.2 Program: Community Economic Growth

1.2.1 Sub-Program: Infrastructure Programming

1.2.2 Sub-Program: Community Development

1.2.3 Sub-Program: Community Futures Program

1.2.4 Sub-Program: Targeted Economic Initiatives

#### 1.3 Program: Policy, Advocacy and Coordination

1.3.1 Sub-Program: Advocacy and Coordination

1.3.2 Sub-Program: Economic Analysis

#### Internal Services

## Organizational Priorities

In 2016–17, Western Economic Diversification Canada (WD) will contribute to the Government of Canada’s commitment to spur both inclusive and targeted economic growth, job creation, and broad-based prosperity by delivering on key priorities identified in the Ministers’ mandate letters. These priorities are consistent with WD’s mandate to develop and diversify the western Canadian economy.

### Priority: Innovation

#### *Description*

Participate in the development of a Government of Canada Innovation Agenda by supporting the emerging national network for business innovation and cluster support and investing in key growth sectors, including clean technology, where Western Canada has the ability to attract investment or grow export-oriented companies.

#### *Priority Type*<sup>1</sup>

Ongoing

### Key Supporting Initiatives

Planned Initiatives	Start Date	End Date	Link to Department’s Program Alignment Architecture
<ul style="list-style-type: none"> <li>Launch an intake of the Western Innovation Initiative to assist small and medium-sized businesses in Western Canada to move their new and innovative technologies from later stages of research and development (R&amp;D) into the marketplace and ensure that scientific effort is translated into commercial success.</li> </ul>	April 2016	March 2017	1.1.3 Innovation Capacity Building 1.1.4 Technology Commercialization
<ul style="list-style-type: none"> <li>Launch an intake of the Western Diversification Program to support not-for-profit organizations to promote technology commercialization, innovation capacity building and the development of a pool of highly qualified personnel in support of western Canadian innovation.</li> </ul>	April 2016	March 2017	1.1.3 Innovation Capacity Building 1.1.4 Technology Commercialization
<ul style="list-style-type: none"> <li>Support the Western Canada Business Service Network, which provides services to small and medium-sized businesses across Western Canada.</li> </ul>	Ongoing	Ongoing	1.1.4 Technology Commercialization

<sup>1</sup> Type is defined as follows: previously committed to—committed to in the first or second fiscal year prior to the subject year of the report; ongoing—committed to at least three fiscal years prior to the subject year of the report; and new—newly committed to in the reporting year of the RPP or the DPR. If another type that is specific to the department is introduced, an explanation of its meaning must be provided.

<ul style="list-style-type: none"> <li>• Convene industry, post-secondary institutions, major research facilities and governments to facilitate the advancement of innovation policy and to identify new innovation models that foster R&amp;D and support the transition of new technologies into commercialization opportunities, including support for the emerging national network for business innovation and cluster support.</li> </ul>	April 2016	March 2017	1.3 Policy, Advocacy and Coordination
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### Priority: Trade and Investment

#### *Description*

Build on Western Canada's competitive advantages through initiatives that help western businesses increase their exports, expand the range of their trading partners, prepare for and capitalize on new trade agreements.

#### *Priority Type*

Ongoing

### Key Supporting Initiatives

Planned Initiatives	Start Date	End Date	Link to Department's Program Alignment Architecture
<ul style="list-style-type: none"> <li>• Launch an intake of the Western Diversification Program to support not-for-profit organizations to help small and medium-sized businesses in Western Canada to increase their exports, expand their range of trading partners and adjust to, take advantage of, and prepare for the implementation of new trade agreements.</li> </ul>	April 2016	March 2017	1.1.1 Trade, Investment and Market Access
<ul style="list-style-type: none"> <li>• Support the members of the Western Canada Business Service Network to help small and medium-sized businesses access government financing and export-oriented supports.</li> </ul>	Ongoing	Ongoing	1.1.1 Trade, Investment and Market Access
<ul style="list-style-type: none"> <li>• Raise awareness of Western Canada's key sectors (e.g., clean technology), strengths and capabilities in international markets and attract foreign investment and tourism to rural and urban communities.</li> </ul>	April 2016	March 2017	1.3.1 Advocacy and Coordination

## Priority: Indigenous Economic Growth

### *Description*

Support initiatives that promote economic development and create jobs for Indigenous Peoples.

### *Priority Type*

Previously committed to

### Key Supporting Initiatives

Planned Initiatives	Start Date	End Date	Link to Department's Program Alignment Architecture
<ul style="list-style-type: none"> <li>Provide funding to the Aboriginal Community Futures organizations and revitalized Aboriginal Business Services Network in Western Canada to enhance access to business information, services and training, and to strengthen the economic capacity of rural communities.</li> </ul>	Ongoing	Ongoing	1.1.2 Business Productivity and Growth 1.2.3 Community Futures Program
<ul style="list-style-type: none"> <li>Launch an intake of the Western Diversification Program and identify opportunities for collaborative investment in support of small business development, economic development and capacity building through skills development for Indigenous Peoples in industries experiencing labour shortages.</li> </ul>	April 2016	March 2017	1.1 Business Development and Innovation
<ul style="list-style-type: none"> <li>Increase awareness among Indigenous communities of business opportunities and support capacity to respond.</li> </ul>	April 2016	March 2017	1.3.1 Advocacy and Coordination

## Priority: Defence Procurement

### *Description*

Enhance defence, aerospace and marine procurement related opportunities to create jobs and economic growth in Western Canada.

### *Priority Type*

Previously committed to

### Key Supporting Initiatives

Planned Initiatives	Start Date	End Date	Link to Department's Program Alignment Architecture
<ul style="list-style-type: none"> <li>Launch an intake of the Western Diversification Program and make strategic investments to strengthen the western Canadian aerospace, defence and marine sectors.</li> </ul>	April 2016	March 2017	1.1 Business Development and Innovation
<ul style="list-style-type: none"> <li>Inform western Canadian stakeholders of procurement opportunities, including what is required to successfully participate in the global supply chains of prime contractors and key partners, and increase global awareness of Western Canada's aerospace, defence and marine sectors as part of a unified Canadian presence.</li> </ul>	April 2016	March 2017	1.3.1 Advocacy and Coordination
<ul style="list-style-type: none"> <li>Convene stakeholders from industry, post-secondary, major research facilities and government to facilitate policy discussions and support business interactions.</li> </ul>	April 2016	March 2017	1.3.1 Advocacy and Coordination

For more information on organizational priorities, see the Ministers' mandate letters on the [Prime Minister of Canada's website](#).<sup>vi</sup>

## Risk Analysis

### Key Risks

Risk	Risk Response Strategies	Link to Program Alignment Architecture
Declining competitiveness and low productivity	<ul style="list-style-type: none"> <li>• Invest in projects under the Western Diversification Program and Western Innovation Initiative that improve Business Development and Innovation.</li> <li>• Convene stakeholders to facilitate policy discussions and support business interactions.</li> <li>• Strengthen stakeholder engagements to promote innovation and skills development and training in Western Canada.</li> </ul>	Business Development and Innovation
Small domestic market and increasing global competition facing western Canadian businesses	<ul style="list-style-type: none"> <li>• Invest in projects that increase the capacity of western small and medium-sized enterprises (SMEs) to enter international markets, enhance western trade corridors and raise international awareness of western Canadian goods, services and technologies.</li> <li>• Collaborate with partners and stakeholders, including the other Regional Development Agencies, in an effort to increase international market engagement.</li> </ul>	Business Development and Innovation

The western Canadian economy accounts for over one third of Canada's economic output, and over 30 percent of all Canadians reside in Western Canada. Due to the size of the western Canadian economy, opportunities and challenges in Western Canada have a significant impact on national economic performance.

Economic growth and prosperity for Western Canada continues to be largely resource-driven and has benefitted from prolonged periods of high demand and prices for commodities. However, the economy has lost some momentum as commodity prices, and oil prices, in particular, have declined and dampened Western Canada's economic outlook. While natural resources have provided a strong foundation for economic growth, the resource-driven economy has masked a number of fundamental challenges facing Western Canada's long-term economic prospects. With expectations of persistently low commodity prices, these challenges are likely to become more apparent.

Compared to Western Canada's competitors, businesses in Western Canada suffer from weak competitiveness and low productivity, due in part to comparatively low levels of business investment in research and development and slower rates of adoption of new technologies and equipment. This is partly due to low levels of risk capital financing observed in Western Canada. Innovative start-up firms face greater challenges in accessing sufficient financing for technology commercialization priorities; this funding gap is particularly pronounced for early-stage firms. In 2016–17, Western Economic Diversification Canada (WD) will continue to invest in projects and activities that help

businesses increase their productivity and competitiveness through the development, commercialization and adoption of new technologies and business processes.

Western Canadian businesses also face the challenge of a small domestic market and increasing global competition. Expanding trade and market opportunities for western Canadian businesses is an important component of economic prosperity. In order to remain competitive in a global economy, western Canadian businesses will need to increase their presence in international markets, participate in global value chains and attract foreign direct investment. WD will continue to work with western Canadian SMEs, industry associations and research institutions to improve access to global value chains, strengthen international partnerships and encourage foreign direct investment, in order to enhance access to international markets for western Canadian products and services.

## Planned Expenditures

### Budgetary Financial Resources (dollars)

2016–17 Main Estimates	2016–17 Planned Spending	2017–18 Planned Spending	2018–19 Planned Spending
173,391,536	173,391,536	172,658,701	143,478,701

### Human Resources (Full-Time Equivalents [FTEs])

2016–17	2017–18	2018–19
287	285	285

### Budgetary Planning Summary for Strategic Outcome and Program(s) (dollars)

Strategic Outcome(s), Program(s) and Internal Services	2013–14 Expenditures	2014–15 Expenditures	2015–16 Forecast Spending	2016–17 Main Estimates	2016–17 Planned Spending	2017–18 Planned Spending	2018–19 Planned Spending
<b>Strategic Outcome 1: A growing and diversified western Canadian economy</b>							
Program 1: Business Development and Innovation	98,912,661	107,678,368	101,021,948	95,135,450	95,135,450	94,352,960	90,022,045
Program 2: Community Economic Growth	62,155,737	31,958,193	34,044,377	57,322,492	57,322,492	57,141,987	32,668,977
Program 3: Policy, Advocacy and Coordination	9,306,314	8,736,194	9,078,335	8,414,266	8,414,266	8,195,025	8,381,502
<b>Subtotal</b>	170,374,712	148,372,755	144,144,660	160,872,208	160,872,208	159,689,972	131,072,524
<b>Internal Services Subtotal</b>	17,953,579	13,629,781	15,133,621	12,519,328	12,519,328	12,968,729	12,406,177
<b>Total</b>	188,328,291	162,002,536	159,278,281	173,391,536	173,391,536	172,658,701	143,478,701

Western Economic Diversification Canada's planned spending in 2016–17 is \$173.4 million, compared to the 2015-16 forecast spending of \$159.3 million. The \$14.1 million increase in net spending includes an overall increase in transfer payments and decrease in operating costs. Factors contributing to the net increase include:

- An increase of \$23.1 million related to funding for the Canada 150 Infrastructure Program.
- An increase of \$0.6 million related to the annual amount set aside for the Thirty Meter Telescope, the world's largest telescope.



- A decrease of \$3.9 million related to operating budget carry forward, funding related to delivery of programs on behalf of Infrastructure Canada, and other operating adjustments.
- A decrease of \$2.5 million attributed to the timing of reinvestment of receipts from repayable contributions
- A decrease of \$2.0 million related to funding transfers from Royal Canadian Mounted Police and Agriculture and Agri-Food Canada for specific projects concluding in 2015-16.
- A decrease of \$1.2 million in funding for the Rick Hansen Foundation.

## Alignment of Spending With the Whole-of-Government Framework

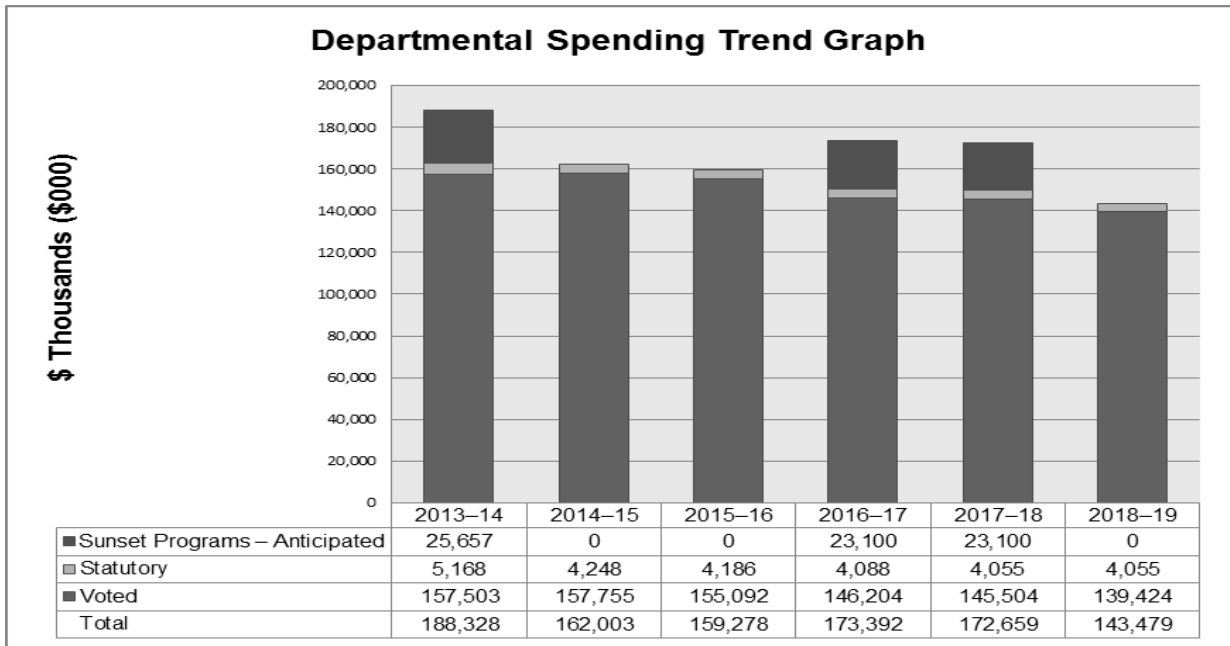
### Alignment of 2016–17 Planned Spending With the Whole-of-Government Framework<sup>vii</sup> (dollars)

Strategic Outcome	Program	Spending Area	Government of Canada Outcome	2016–17 Planned Spending (dollars)
1. A growing and diversified western Canadian economy	1.1 Business Development and Innovation	Economic Affairs	Strong economic growth	95,135,450
	1.2 Community Economic Growth	Economic Affairs	Strong economic growth	57,322,492
	1.3 Policy, Advocacy and Coordination	Economic Affairs	Strong economic growth	8,414,266

### Total Planned Spending by Spending Area (dollars)

Spending Area	Total Planned Spending
Economic Affairs	160,872,208
Social Affairs	0
International Affairs	0
Government Affairs	0

## Departmental Spending Trend



The increase in sunset programs in years 2016-17 and 2017-18 relate to the Canada 150 Infrastructure Program. The decreases in net spending are related to both transfer payments and operating costs. The Community Infrastructure Improvement Fund was a two year program that sunset in 2013–14.

### Estimates by Vote

For information on Western Economic Diversification Canada’s organizational appropriations, consult the *2016–17 Main Estimates*.<sup>viii</sup>

## Section II: Analysis of Programs by Strategic Outcome

### Strategic Outcome: A growing and diversified western Canadian economy

Western Economic Diversification Canada (WD) works to grow the western Canadian economy by helping to build businesses that are productive, innovative and competitive globally, while diversifying the base of the western Canadian economy beyond primary resource industries.

In 2016–17, WD’s strategic outcome is advanced through three programs: Business Development and Innovation; Community Economic Growth; and Policy, Advocacy and Coordination, with focused efforts in four priority areas.

#### Program 1.1: Business Development and Innovation

##### Description

Business Development and Innovation supports western Canadian businesses, industry, and research organizations to enhance business innovation, productivity, and global engagement. Value-added production is strengthened through the introduction of new products, technologies, or innovations to existing processes, as well as through efforts to pursue global markets and increase investment in Western Canada. Additionally, this program supports some members of the Western Canada Business Service Network and related partners to provide business services and access to capital in Western Canada in support of increased entrepreneurship. Transfer payments in support of this program are made under the authority of the Women's Enterprise Initiative and the Western Diversification Program. Funding support of the Canada Business Network is comprised of operations and maintenance funding.

##### Budgetary Financial Resources (dollars)

2016–17 Main Estimates	2016–17 Planned Spending	2017–18 Planned Spending	2018–19 Planned Spending
95,135,450	95,135,450	94,352,960	90,022,045

##### Human Resources (Full-Time Equivalent [FTEs])

2016–17	2017–18	2018–19
103	102	115

## Performance Measurement

Expected Results	Performance Indicators	Targets	Date to be Achieved
Western Canadian small and medium-enterprises (SMEs) are engaged in international business	Value of international business activity facilitated by WD	\$392M	March 31, 2017
Western Canadian SMEs are competitive	# of SMEs that increase gross margins	18	March 31, 2017
Western Canadian SMEs are innovative	# of instances of protection of intellectual property exercised	26	March 31, 2017

## Planning Highlights

Western Economic Diversification Canada (WD) plans to undertake the following Business Development and Innovation activities in 2016–17.

- Support SMEs to increase their exports, expand the range of their trading partners and adjust to, take advantage of, and prepare for the implementation of new trade agreements.
- Attract foreign investment and tourism to the West.
- Support initiatives to improve access to good quality job training in Western Canada and enhance business productivity, including delivering community-based business support to western SMEs.
- Support market-driven innovation activities, including investments to enhance western Canada's innovation ecosystem and its infrastructure.
- Deliver the Western Innovation Initiative to assist western Canadian SMEs in commercializing new technology products, processes and services.
- Deliver the Western Diversification Program to address industry needs aligned with WD's priorities which include innovation, trade and investment, Indigenous economic growth, defence procurement and regional economic development.
- Enhance WD's engagement and strategic investments in the clean technology sector.
- Serve as a convener of key stakeholders and advocate for western interests in national decision-making: economic policy, program and project development and implementation.

### Sub-program 1.1.1: Trade, Investment and Market Access

#### Description

Trade, Investment, and Market Access enhances western Canadian small and medium-sized enterprises (SMEs), research institutes and industry associations' international business engagement and attracts investment to the region, including opportunities linked to government procurement. It focuses on increasing Western Canada's participation in global markets (both to source and supply goods and services); strengthening international partnerships; and attracting new foreign investment as well as Canadian Direct Investment Abroad to support access to and participation in global value chains. It also strives to strengthen trade-related infrastructure to enhance trade flows in and out of

Western Canada, and promotes Western Canada as an attractive destination for international visitors (tourists, students, researchers, and investors). In addition, it supports international research and development (R&D) partnerships to enhance awareness of Western Canada's technology capabilities abroad. Transfer payments in support of this sub-program are made under the authority of the Western Diversification Program.

### Budgetary Financial Resources (dollars)

2016–17 Planned Spending	2017–18 Planned Spending	2018–19 Planned Spending
16,641,784	17,053,817	16,675,108

### Human Resources (FTEs)

2016–17	2017–18	2018–19
25	25	27

### Performance Measurement

Expected Results	Performance Indicators	Targets	Date to be Achieved
Capacity of western clients to pursue international business opportunities / attract international visitors	# of western SMEs and other organizations pursuing a new trade, investment or international R&D opportunity, as a result of global advisory services	509	March 31, 2017
Capacity to support the flow of goods and services in/out of Western Canada	Value of improvements to trade infrastructure	\$2M	March 31, 2017
International awareness of trade, investment and tourism opportunities, and SME technology capabilities in Western Canada	Value of new international business leads generated through missions or events	\$723.2M	March 31, 2017

### Planning Highlights

Western Economic Diversification Canada (WD) plans to undertake the following Trade, Investment and Market Access activities in 2016–17.

- Support western SMEs to increase their exports, expand the range of their trading partners and adjust to, take advantage of, and prepare for the implementation of new trade agreements.
- Support the members of the Western Canada Business Service Network to help SMEs take advantage of government financing and export-oriented supports.
- Raise awareness of Western Canada's key sectors (e.g., clean technology), strengths and capabilities in international markets and attract and promote foreign investment and tourism to the region.

## Sub-program 1.1.2: Business Productivity and Growth

### Description

Business Productivity and Growth supports western Canadian businesses, business service providers, industry, and research organizations to undertake initiatives to enhance business productivity, competitiveness, and growth of western Canadian small and medium-sized enterprises (SMEs). This is achieved through promoting awareness and adoption of sound management and business practices, and current technology, as well as access to skilled labour. In addition, this sub-program supports some members of the Western Canada Business Service Network and related partners in providing business services and access to capital to targeted client groups such as women, persons with disabilities, and Indigenous People. Transfer payments in support of this sub-program are made under the authority of the Women's Enterprise Initiative and the Western Diversification Program. Support of the Canada Business Network is provided through operations and maintenance funding.

### Budgetary Financial Resources (dollars)

Planned Spending 2016–17	Planned Spending 2017–18	Planned Spending 2018–19
24,383,936	23,840,393	23,736,737

### Human Resources (FTEs)

2016–17	2017–18	2018–19
27	27	30

### Performance Measurement

Expected Results	Performance Indicators	Targets	Date to be Achieved
Access to business development services, capital and leveraged capital	# of businesses created, maintained or expanded through business or capital services	1,512	March 31, 2017
Adoption of sound management and business practices and technology	# of SMEs investing in adoption of sound management or business practices, or technology	66	March 31, 2017
Access to skilled labour	# of skilled workers hired as a result of training or skills certification	1,293	March 31, 2017

## Planning Highlights

Western Economic Diversification Canada plans to undertake the following Business Productivity and Growth activities in 2016–17.

- Support targeted investments that address shortages in labour with technology-based skills by targeting youth and Indigenous Peoples in Western Canada.
- Facilitate partnerships between industry, other government levels and organizations that deliver post-secondary training to increase technology-based capacity and skills in order to improve workers' access to good quality jobs.
- Support and strengthen the role of members of the Western Canada Business Service Network in their efforts to enhance business productivity, competitiveness and growth of western Canadian small and medium-sized enterprises.
- Work with Indigenous Peoples across the West to partner with industry, other government departments, post-secondary institutions and other organizations in support of business and economic development for Indigenous Peoples and communities.

### Sub-program 1.1.3: Innovation Capacity Building

#### Description

Innovation Capacity Building strengthens the overall innovation system in the West through capacity building in support of commercialization of knowledge-based products, processes and services. It supports research institutions in acquiring necessary space and equipment to engage in applied research and development (R&D) or in the development of highly qualified personnel; or to conduct applied research and technology development from proof of concept to validation. It also supports not-for-profit institutions to undertake pre-commercialization activities such as triage, patenting, licensing, disclosures, and bundling of technologies; or to develop and demonstrate the potential of research in pre-commercial applications in order to engage commercial partners. In addition, it supports relevant industry skills training for engineers and scientists, as well as technology skills training for non-technical professionals. Transfer payments in support of this sub-program are made under the authority of the Western Diversification Program.

#### Budgetary Financial Resources (dollars)

2016–17 Planned Spending	2017–18 Planned Spending	2018–19 Planned Spending
14,089,147	12,178,319	7,265,474

#### Human Resources (FTEs)

2016–17	2017–18	2018–19
10	10	12

## Performance Measurement

Expected Results	Performance Indicators	Targets	Date to be Achieved
Initial Technology Development - basic technological components are integrated for testing and validation in a simulated (laboratory) environment	Value of applied R&D undertaken up to three years after the funding period	\$9.1M	March 31, 2017
Intermediate Technology Development - prototypes are ready for demonstration in an operational setting	# of prototypes ready for demonstration in operational environment	541	March 31, 2017
Highly Qualified People (HQP) - create a pool of highly qualified personnel to support the commercialization of knowledge-based products, processes and services	# of HQP trained	539	March 31, 2017

## Planning Highlights

Western Economic Diversification Canada plans to undertake the following Innovation Capacity Building activities in 2016–17.

- Invest in projects that strengthen Western Canada’s innovation ecosystem by improving knowledge infrastructure, supporting applied R&D, developing highly qualified personnel and targeting the clean technology sector.
- Convene key western stakeholders from industry, post-secondary institutions, major research facilities and governments to discuss innovation policy and identify new innovation models that foster R&D and support the transition of new technologies into the commercial marketplace.

## Sub-program 1.1.4: Technology Commercialization

### Description

Technology Commercialization aims to increase the commercialization of knowledge-based products, processes, and service. It supports either not-for-profit entities, which assist small and medium-sized enterprises (SMEs), or SMEs directly to engage in advanced technology development, access incremental investments, or sell knowledge-based products, processes, and services. It supports the development and production of prototypes, and demonstration of products, as well as third party certification, testing and quality assurance of specific products. In addition, it supports outreach and promotional activities to attract investment. It also supports the validation of market potential and end-user acceptance, as well as facilitating market-ready knowledge-based products, processes, and services. Transfer payments in support of this sub-program are made under the authority of the Western Diversification Program (WDP).



**Budgetary Financial Resources (dollars)**

2016–17 Planned Spending	2017–18 Planned Spending	2018–19 Planned Spending
40,020,583	41,280,431	42,344,726

**Human Resources (FTEs)**

2016–17	2017–18	2018–19
41	40	46

**Performance Measurement**

Expected Results	Performance Indicators	Targets	Date to be Achieved
Advanced Technology Development - the technology in its final form is proven through successful deployment in an operational setting under real-life conditions	# of products, processes or services, proven through successful deployment in an operational setting	186	March 31, 2017
Enhanced financial capacity of SMEs to pursue technology development and commercialization	Value of incremental private sector investment attracted	\$16M	March 31, 2017
Sales of knowledge-based products, processes, and/or services by small and medium-sized enterprises	Value of sales tied to the knowledge-based product, process, service or technology commercialized	\$229M	March 31, 2017

**Planning Highlights**

Western Economic Diversification Canada (WD) plans to undertake the following Technology Commercialization activities in 2016–17.

- Provide financial support, under the Western Innovation Initiative (WINN), to SMEs in Western Canada to advance their efforts to bring technology-based products, processes and services to the commercial marketplace. Target key growth sectors including clean technology where Canada has the ability to attract investment or grow export-oriented companies.
- Expand WD's outreach to key stakeholders in Western Canada's innovation ecosystem through a structured engagement aimed at strengthening and developing collaborative partnerships (including through Memorandums of Understanding – MOUs) with organizations that have complementary mandates and those supporting the emerging national network for business innovation and cluster support.
- Through WINN and the WDP, make strategic investments in projects that enhance Western Canada's innovation ecosystem through support that advances technology development, product demonstrations and validates market potential.
- Support the development of highly qualified personnel to help grow Western Canada's innovation ecosystem.

- Provide pathfinding to help SMEs identify and leverage other funding sources and to access support services.

## Program 1.2: Community Economic Growth

### Description

Community Economic Growth involves economic development initiatives that support communities to advance their economies, adjust to changing and challenging economic circumstances, and recover from depressed economic circumstances. This is achieved through both direct funding of projects, as well as funding support of the Community Futures organizations. Additionally, this program assists communities to assess community strengths, weaknesses, opportunities, and potential for new economic activity, and to develop and implement community plans. Transfer payments in support of this program are made under the authority of the Western Diversification Program and the Community Futures Program.

### Budgetary Financial Resources (dollars)

2016–17 Main Estimates	2016–17 Planned Spending	2017–18 Planned Spending	2018–19 Planned Spending
57,322,492	57,322,492	57,141,987	32,668,977

### Human Resources (FTEs)

2016–17	2017–18	2018–19
38	38	24

### Performance Measurement

Expected Results	Performance Indicators	Targets	Date to be Achieved
Western Canadian communities have strong businesses	Small and medium-sized enterprise sales growth	12.5%	March 31, 2017
Western Canadian communities have capacity for socio-economic development	# of communities benefitting from Community Economic Growth projects	1,166	March 31, 2017
Western Canadian communities have the necessary public infrastructure to support economic growth	# of communities benefitting from federal public infrastructure investments	235	March 31, 2017

## Planning Highlights

Western Economic Diversification Canada plans to undertake the following Community Economic Growth activities in 2016–17.

- Support communities as they work to become less reliant on one sector for economic opportunities and investments.
- Deliver national programs across the West on behalf of the Government of Canada, including continued administration of the two-year Canada 150 Infrastructure Program.
- Continue to work with other federal organizations to deliver the Economic Development Initiative<sup>ix</sup> as part of the *Roadmap for Canada's Official Languages 2013–2018*.<sup>x</sup>

### Sub-program 1.2.1: Infrastructure Programming

#### Description

Infrastructure Programming provides community infrastructure funding in Western Canada to meet the Government of Canada's commitment to growth and the quality of life of Canadians. It builds and renews infrastructure in rural and urban municipalities across Canada allowing them to compete in the regional, national, and global economy. Western Economic Diversification Canada (WD) delivers infrastructure programming directly or in partnership with Infrastructure Canada and the four western provincial governments. Transfer payments in support of direct delivery of this sub-program are made through designated program authorities, excluding the Western Diversification Program. Transfer payments in support of delivery of this sub-program in partnership are made through Other Government Suspense accounts originating from Infrastructure Canada under various funding authorities. WD receives operations and maintenance funding for the delivery of partnership programming.

#### Budgetary Financial Resources (dollars)

2016–17 Planned Spending	2017–18 Planned Spending	2018–19 Planned Spending
25,121,178	25,061,608	369,368

#### Human Resources (FTEs)

2016–17	2017–18	2018–19
17	17	3

## Performance Measurement

Expected Results	Performance Indicators	Targets	Date to be Achieved
New or improved environmental infrastructure	# of new or improved environmental systems	n/a*	n/a
New or improved transportation or telecommunications infrastructure	# of new or improved transportation or telecommunications networks	n/a*	n/a
New or improved community, cultural, recreational, tourism or other related infrastructure	# of new or improved community, cultural, recreational, tourism or other related facilities	235	March 31, 2017

\* The results of WD's work to support community infrastructure through programs delivered on behalf of Infrastructure Canada are reported through Infrastructure Canada.

## Planning Highlights

WD plans to undertake the following Infrastructure Programming activities in 2016–17.

- Focus on the delivery of the two-year Canada 150 Infrastructure Program (CIP 150) to assist in the modernization of existing community and cultural facilities throughout Western Canada.
- Work with clients to maximize the impact and results of investments under CIP 150.
- Finalize administration of the Building Canada Fund-Communities Component and collaborate with Infrastructure and Communities Canada to sunset this program across the West.

## Sub-program 1.2.2: Community Development

### Description

Community Development strengthens the viability of the local economy, enhances community capacity, and increases the participation of community members by encouraging and supporting them in grass roots economic development. This sub-program assists communities, including the Official Language Minority Communities (OLMCs), to assess the communities' needs and develop a community strategic plan in response to those needs. It also provides funding for the implementation of projects, normally identified through community planning, that stimulate economic development and capitalize on the communities' capacity, strengths, and opportunities. This is achieved through direct funding support for community planning and development projects. Transfer payments in support of this sub-program are made under the authority of the Western Diversification Program.

**Budgetary Financial Resources (dollars)**

2016–17 Planned Spending	2017–18 Planned Spending	2018–19 Planned Spending
2,041,791	1,978,863	2,144,736

**Human Resources (FTEs)**

2016–17	2017–18	2018–19
4	4	4

**Performance Measurement**

Expected Results	Performance Indicators	Targets	Date to be Achieved
Strong community strategic planning	# of regionally-based community strategic plan(s) developed and/or updated	23	March 31, 2017
Effective implementation of community plans	Value of community-based projects	\$4.5M	March 31, 2017

**Planning Highlights**

Western Economic Diversification Canada plans to undertake the following Community Development activities in 2016–17.

- Engage Indigenous Peoples across the West and key partners to identify opportunities for community-based investments in support of Indigenous business development, economic growth and entrepreneurship, assess regional industries that have skilled workforce shortages and use skills development to build labour capacity.
- Support Francophone Economic Development Organizations in the provision of community economic development services to OLMCs.
- Continue to work with other federal organizations to deliver the Economic Development Initiative as part of the *Roadmap for Canada's Official Languages 2013–2018*.

**Sub-program 1.2.3: Community Futures Program****Description**

The Community Futures (CF) Program builds the capacity of rural communities to realize their full economic potential by aiding the development and implementation of local solutions to local problems. This sub-program provides financial support to CF organizations to deliver a range of small business services including information, counseling, training, and referrals to stimulate small business growth and local employment. In addition, CF organizations provide repayable financing to new and existing enterprises, through locally controlled investment funds. In collaboration with partners and stakeholders, CF organizations also assess the communities' needs, develop strategic plans in response to those needs, and implement community economic development projects identified in the plans. Transfer payments in support of this sub-program are made under the authority of the Community Futures Program.

**Budgetary Financial Resources (dollars)**

2016–17 Planned Spending	2017–18 Planned Spending	2018–19 Planned Spending
30,159,523	30,101,516	30,154,873

**Human Resources (FTEs)**

2016–17	2017–18	2018–19
17	17	17

**Performance Measurement**

Expected Results	Performance Indicators	Targets	Date to be Achieved
Strong rural community strategic planning and implementation	Value of community-based projects	\$20M	March 31, 2017
Rural access to business development services	# of businesses created, maintained or expanded through business services	1,050	March 31, 2017
Rural access to capital and leveraged capital	Value of loans	\$70M	March 31, 2017

**Planning Highlights**

Western Economic Diversification Canada plans to undertake the following Community Futures program activities in 2016–17.

- Support CF organizations to build the economic capacity of rural communities by delivering a variety of services ranging from technical and advisory services to businesses, loans to small and medium enterprises and strategic economic planning.
- Continue to work with Western Canada Business Service Network members to strengthen the structures, governance, and accountability and performance management needed to provide value-added offerings to encourage businesses to grow, innovate and export.
- Continue to support Community Future Associations to develop common approaches and initiatives on a pan-western and national basis.

**Sub-program 1.2.4: Targeted Economic Initiatives****Description**

Targeted Economic Initiatives supports economic activity in western Canadian communities, on a temporary basis through targeted economic stimulus or adjustment, to provide timely responses to the most pressing local needs, consistent with government priorities. Through this sub-program, Western Economic Diversification Canada (WD) is able to support western Canadian communities facing economic shocks, natural disasters,

challenging economic circumstances with potential adverse effects, depressed economic conditions, or development opportunities with anticipated positive impacts. WD provides assistance through dedicated, temporary supplementary funding from the Government of Canada or through the Department's own special allocations. Transfer payments in support of this sub-program are made under the authority of the Western Diversification Program, as a temporary and targeted measure only, as well as other program authorities, as necessary.

### Budgetary Financial Resources (dollars)

2016–17 Planned Spending	2017–18 Planned Spending	2018–19 Planned Spending
0	0	0

### Human Resources (FTEs)

2016–17	2017–18	2018–19
0	0	0

### Performance Measurement

Expected Results	Performance Indicators	Targets	Date to be Achieved
Businesses opportunities created	# businesses created, maintained or expanded	n/a*	n/a
Community opportunities created	Value of community-based projects, as well as leverage	n/a*	n/a
Job opportunities created	# jobs created, maintained or expanded	n/a*	n/a

\* No results for targeted economic initiatives are expected for 2016–17.

### Planning Highlights

In 2016–17, WD will continue to monitor and follow-up on repayable contributions made under the Community Adjustment Fund. No additional activities are planned.

## Program 1.3: Policy, Advocacy and Coordination

### Description

Policy, Advocacy, and Coordination arises from the *Western Economic Diversification Act* and empowers the Minister to advance the interests of Western Canada through policies and programs and by establishing cooperative relationships with key stakeholders. Policy, Advocacy and Coordination efforts enable Western Economic Diversification Canada (WD) to: provide a strong voice for Western Canada, which results in effective strategies, policies, and programs that address economic development needs; lead federal and intergovernmental collaboration to pursue key opportunities for long-term growth and diversification in areas of federal or shared federal-provincial

jurisdiction; and, enable economic analysis activities to be carried out, which ultimately assist with informing policy and program decisions. Transfer payments in support of this program are made under the authority of the Western Diversification Program.

### Budgetary Financial Resources (dollars)

2016–17 Main Estimates	2016–17 Planned Spending	2017–18 Planned Spending	2018–19 Planned Spending
8,414,266	8,414,266	8,195,025	8,381,502

### Human Resources (FTEs)

2016–17	2017–18	2018–19
55	54	54

### Performance Measurement

Expected Results	Performance Indicators	Targets	Date to be Achieved
Policies that strengthen the western Canadian economy	Percentage of key informants with the opinion that WD activities resulted in policies that support the economic development of Western Canada	90%	March 31, 2017
Programs that strengthen the western Canadian economy	Percentage of key informants with the opinion that WD activities resulted in programs that support the economic development of Western Canada	90%	March 31, 2017

### Planning Highlights

WD plans to undertake the following Policy, Advocacy and Coordination activities in 2016–17.

- Promote western interests to key decision makers in the development of national policies and strategies.
- Build relationships with key stakeholders and with other federal organizations by proactively engaging potential partners, sharing information and collaborating on economic development initiatives of interest to Western Canada.
- Connecting global companies that have Industrial and Technological Benefits obligations with world-class western Canadian capabilities and technologies.
- Support policy analysis to enhance understanding of western Canadian economic issues, challenges and opportunities related to the Department's priorities in order to identify areas for departmental action.

### Sub-program 1.3.1: Advocacy and Coordination

#### Description

Advocacy and Coordination aims to advance Western Canada's interests in national policies, priorities, and programs through coordinating effective responses by key stakeholders reflecting improved understanding and awareness of regional issues and opportunities. Stakeholders may include other government departments, industry and



industry associations, academia, and the not-for-profit sector. Efforts in this sub-program lead to balanced, regionally-sensitive approaches to western Canadian priorities, coordinated economic development in the West, and increased procurement opportunities in Western Canada. Transfer payments in support of this sub-program are made under the authority of the Western Diversification Program.

### Budgetary Financial Resources (dollars)

2016–17 Planned Spending	2017–18 Planned Spending	2018–19 Planned Spending
5,123,914	4,962,663	5,098,782

### Human Resources (FTEs)

2016–17	2017–18	2018–19
39	39	39

### Performance Measurement

Expected Results	Performance Indicators	Targets	Date to be Achieved
Access to economic opportunities for Western Canada	# of initiatives WD engaged in to enhance access to economic development opportunities for Western Canada	49	March 31, 2017
Coordinated economic development activities, policies and programs in Western Canada	# of initiatives undertaken, programs implemented and policies developed, which were coordinated by WD	37	March 31, 2017
Access to procurement opportunities for western Canadian small and medium-sized enterprises (SMEs)	# of initiatives WD engaged in to enhance access to procurement related opportunities for western Canadian SMEs and stakeholders	24	March 31, 2017

### Planning Highlights

Western Economic Diversification Canada (WD) plans to undertake the following Advocacy and Coordination activities in 2016–17.

- Represent western interests to key decision makers in the development and implementation of national policies and strategies. For example, WD will continue to represent western perspectives in the area of defence, aerospace and marine procurement.
- Work with Indigenous and Northern Affairs Canada and other federal departments to facilitate Indigenous participation in West Coast energy development.
- Build and sustain a strong network of stakeholders throughout the West to enhance the Department's knowledge of issues and opportunities in the region.

- Convene and engage key stakeholders across the West to identify opportunities for partnership and collaboration in support of economic development activities, including the identification of projects with provinces and other stakeholders in targeted areas such as clean technology.

## Sub-program 1.3.2: Economic Analysis

### Description

Economic Analysis strives to increase understanding of western Canadian challenges, opportunities, and priorities through conducting research and disseminating results to support internal or external policy and program development. This is achieved through externally generated research; or in-house research and analysis involving economic overviews, environmental scans, analysis of federal or other government documents, and sectoral or issue analysis that supports departmental policy, planning, or program development. It includes external consultation on key economic issues or opportunities facing Western Canada with leaders from both the private and public sectors. Transfer payments in support of this sub-program are made under the authority of the Western Diversification Program.

### Budgetary Financial Resources (dollars)

2016–17 Planned Spending	2017–18 Planned Spending	2018–19 Planned Spending
3,290,352	3,232,362	3,282,720

### Human Resources (FTEs)

2016–17	2017–18	2018–19
16	15	15

### Performance Measurement

Expected Results	Performance Indicators	Targets	Date to be Achieved
Decisions impacting the western Canadian economy are informed by evidence-based economic analysis	# of evidence-based economic analyses conducted or funded by Western Economic Diversification Canada (WD)	74	March 31, 2017

### Planning Highlights

WD plans to undertake the following Economic Analysis activities in 2016–17.

- Support economic and policy analysis to enhance understanding of western Canadian economic issues, challenges, strengths, opportunities, and priorities.

- Strengthen departmental knowledge of the needs and capabilities of western Canadian businesses related to the Department's strategic priorities through research and analysis.

## Internal Services

### Description

Internal services are groups of related activities and resources that are administered to support the needs of programs and other corporate obligations of an organization. Internal services include only those activities and resources that apply across an organization, and not those provided to a specific program. The groups of activities are Management and Oversight Services; Communications Services; Legal Services; Human Resources Management Services; Financial Management Services; Information Management Services; Information Technology Services; Real Property Services; Materiel Services; and Acquisition Services.

### Budgetary Financial Resources (dollars)

2016–17 Main Estimates	2016–17 Planned Spending	2017–18 Planned Spending	2018–19 Planned Spending
12,519,328	12,519,328	12,968,729	12,406,177

### Human Resources (FTEs)

2016–17	2017–18	2018–19
91	91	91

### Planning Highlights

Western Economic Diversification Canada (WD) plans to undertake the following Internal Services activities in 2016–17.

- Continue to improve internal business processes and leverage technology to ensure that WD remains a high performing organization.
- Continue to collaborate with other Regional Development Agencies in exploring opportunities for improvement toward the efficient delivery of their programs and services to Canadians.
- Support talent management through recruitment and retention strategies, including training and employee development to maintain consistent program delivery, policy implementation and client service.
- Continued participation in the Government of Canada's office modernization initiative.
- Participate in the migration of departmental website content to the one-stop Canada.ca website to ensure government programs and services are accessible to the public.
- Contribute to the Government of Canada's Destination 2020 initiative to build a world-class public service.

- Produce high quality planning, reporting and financial products for Parliamentarians and internal use.

## Section III: Supplementary Information

### Future-Oriented Condensed Statement of Operations

The Future-Oriented Condensed Statement of Operations provides a general overview of the Western Economic Diversification Canada's (WD) operations. The forecast of financial information on expenses and revenues is prepared on an accrual accounting basis to strengthen accountability and to improve transparency and financial management.

Because the Future-Oriented Condensed Statement of Operations is prepared on an accrual accounting basis, and the forecast and planned spending amounts presented in other sections of the *2016-17 Report on Plans and Priorities* are prepared on an expenditure basis, amounts may differ.

A more detailed Future-Oriented Statement of Operations and associated notes, including a reconciliation of the net cost of operations to the requested authorities, are available on WD's website.<sup>xi</sup>

#### **Future-Oriented Condensed Statement of Operations For the Year Ended March 31, 2016 (dollars)**

Financial Information	2015–16 Forecast Results	2016–17 Planned Results	Difference (2016-17 Planned Results minus 2015-16 Forecast Results)
Total expenses	137,290,351	163,137,857	25,847,506
Total revenues	1,172	1,244	72
Net cost of operations before government funding and transfers	137,289,179	163,136,613	25,847,434

WD's total expenses are \$163.1 million in 2016–17, compared to \$137.3 million in 2015–16. The majority of the \$25.8 million increase in total expenses relates to the Canada 150 Infrastructure Program (\$23.1 million or 90 percent).

## Supplementary Information Tables

The supplementary information tables listed in the *2016–17 Report on Plans and Priorities* are available on WD’s website.<sup>xii</sup>

- Departmental Sustainable Development Strategy
- Details on Transfer Payment Programs of \$5 Million or More
- Disclosure of Transfer Payment Programs Under \$5 Million
- Upcoming Internal Audits and Evaluations Over the Next Three Fiscal Years
- Up-Front Multi-Year Funding

## Tax Expenditures and Evaluations

The tax system can be used to achieve public policy objectives through the application of special measures such as low tax rates, exemptions, deductions, deferrals and credits. The Department of Finance Canada publishes cost estimates and projections for these measures each year in the *Tax Expenditures and Evaluations*<sup>xiii</sup> publication. The tax measures presented in that publication are the responsibility of the Minister of Finance.

## Section IV: Organizational Contact Information

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## Appendix: Definitions

**Appropriation:** Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

**budgetary expenditures:** Operating and capital expenditures; transfer payments to other levels of government, organizations or individuals; and payments to Crown corporations.

**Departmental Performance Report:** Reports on an appropriated organization's actual accomplishments against the plans, priorities and expected results set out in the corresponding Reports on Plans and Priorities. These reports are tabled in Parliament in the fall.

**full-time equivalent:** A measure of the extent to which an employee represents a full person-year charge against a departmental budget. Full-time equivalents are calculated as a ratio of assigned hours of work to scheduled hours of work. Scheduled hours of work are set out in collective agreements.

**Government of Canada outcomes:** A set of 16 high-level objectives defined for the government as a whole, grouped in four spending areas: economic affairs, social affairs, international affairs and government affairs.

**Management, Resources and Results Structure:** A comprehensive framework that consists of an organization's inventory of programs, resources, results, performance indicators and governance information. Programs and results are depicted in their hierarchical relationship to each other and to the Strategic Outcome(s) to which they contribute. The Management, Resources and Results Structure is developed from the Program Alignment Architecture.

**non-budgetary expenditures:** Net outlays and receipts related to loans, investments and advances, which change the composition of the financial assets of the Government of Canada.

**performance:** What an organization did with its resources to achieve its results, how well those results compare to what the organization intended to achieve, and how well lessons learned have been identified.

**performance indicator:** A qualitative or quantitative means of measuring an output or outcome, with the intention of gauging the performance of an organization, program, policy or initiative respecting expected results.

**performance reporting:** The process of communicating evidence-based performance information. Performance reporting supports decision making, accountability and transparency.

**planned spending:** For Reports on Plans and Priorities (RPPs) and Departmental Performance Reports (DPRs), planned spending refers to those amounts that receive Treasury Board approval by February 1. Therefore, planned spending may include amounts incremental to planned expenditures presented in the *Main Estimates*.

A department is expected to be aware of the authorities that it has sought and received. The determination of planned spending is a departmental responsibility, and departments must be able to defend the expenditure and accrual numbers presented in their RPPs and DPRs.

**plans:** The articulation of strategic choices, which provides information on how an organization intends to achieve its priorities and associated results. Generally a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead up to the expected result.

**priorities:** Plans or projects that an organization has chosen to focus and report on during the planning period. Priorities represent the things that are most important or what must be done first to support the achievement of the desired Strategic Outcome(s).

**program:** A group of related resource inputs and activities that are managed to meet specific needs and to achieve intended results and that are treated as a budgetary unit.

**Program Alignment Architecture:** A structured inventory of an organization's programs depicting the hierarchical relationship between programs and the Strategic Outcome(s) to which they contribute.

**Report on Plans and Priorities:** Provides information on the plans and expected performance of appropriated organizations over a three-year period. These reports are tabled in Parliament each spring.

**results:** An external consequence attributed, in part, to an organization, policy, program or initiative. Results are not within the control of a single organization, policy, program or initiative; instead they are within the area of the organization's influence.

**statutory expenditures:** Expenditures that Parliament has approved through legislation other than appropriation acts. The legislation sets out the purpose of the expenditures and the terms and conditions under which they may be made.

**Strategic Outcome:** A long-term and enduring benefit to Canadians that is linked to the organization's mandate, vision and core functions.

**sunset program:** A time-limited program that does not have an ongoing funding and policy authority. When the program is set to expire, a decision must be made whether to continue the program. In the case of a renewal, the decision specifies the scope, funding level and duration.

**target:** A measurable performance or success level that an organization, program or initiative plans to achieve within a specified time period. Targets can be either quantitative or qualitative.

**voted expenditures:** Expenditures that Parliament approves annually through an Appropriation Act. The Vote wording becomes the governing conditions under which these expenditures may be made.

**whole-of-government framework:** Maps the financial contributions of federal organizations receiving appropriations by aligning their Programs to a set of 16 government-wide, high-level outcome areas, grouped under four spending areas.

## Endnotes

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- i Ministerial Mandate Letters, <http://pm.gc.ca/eng/ministerial-mandate-letters>
- ii Minister of Innovation, Science and Economic Development Mandate Letter, <http://pm.gc.ca/eng/minister-innovation-science-and-economic-development-mandate-letter>
- iii Minister of Science Mandate Letter, <http://pm.gc.ca/eng/minister-science-mandate-letter>
- iv Minister of Small Business and Tourism Mandate Letter, <http://pm.gc.ca/eng/minister-small-business-and-tourism-mandate-letter>
- v *Western Economic Diversification Act*, <http://laws-lois.justice.gc.ca/eng/acts/W-6.8/>
- vi Prime Minister of Canada’s website: <http://pm.gc.ca/eng/ministerial-mandate-letters>
- vii Whole-of-Government Framework, <http://www.tbs-sct.gc.ca/ppg-cpr/frame-cadre-eng.aspx>
- viii *2016–17 Main Estimates*, <http://publiservice.tbs-sct.gc.ca/ems-sgd/esp-pbc/me-bpd-eng.asp>
- ix Economic Development Initiative, <http://www.wd-deo.gc.ca/eng/11564.asp>
- x *Roadmap for Canada’s Official Languages 2013–2018*, <http://www.pch.gc.ca/eng/1358263602229>
- xi Western Economic Diversification Canada Departmental Plans and Reports, <http://www.wd.gc.ca/eng/59.asp>
- xii Western Economic Diversification Canada Departmental Plans and Reports, <http://www.wd.gc.ca/eng/59.asp>
- xiii *Tax Expenditures and Evaluations*, <http://www.fin.gc.ca/purl/taxexp-eng.asp>