



# **Western Economic Diversification Canada**

## **Performance Report**

For the period ending  
March 31, 1998

**Canada**

## **Improved Reporting to Parliament Pilot Document**

The Estimates of the Government of Canada are structured in several parts. Beginning with an overview of total government spending in Part I, the documents become increasingly more specific. Part II outlines spending according to departments, agencies and programs and contains the proposed wording of the conditions governing spending which Parliament will be asked to approve.

The *Report on Plans and Priorities* provides additional detail on each department and its programs primarily in terms of more strategically oriented planning and results information with a focus on outcomes.

The *Departmental Performance Report* provides a focus on results-based accountability by reporting on accomplishments achieved against the performance expectations and results commitments as set out in the spring *Report on Plans and Priorities*.

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Available in Canada through your local bookseller or by mail from

Canadian Government Publishing — PWGSC

Ottawa, Canada K1A 0S9

Catalogue No. BT31-4/78-1998

ISBN 0-660-60744-1



## Foreword

On April 24, 1997, the House of Commons passed a motion dividing on a pilot basis what was known as the annual *Part III of the Estimates* document for each department or agency into two documents, a *Report on Plans and Priorities* and a *Departmental Performance Report*.

This initiative is intended to fulfil the government's commitments to improve the expenditure management information provided to Parliament. This involves sharpening the focus on results, increasing the transparency of information and modernizing its preparation.

This year, the Fall Performance Package is comprised of 80 Departmental Performance Reports and the government's "*Managing For Results*" report.

This ***Departmental Performance Report***, covering the period ending March 31, 1998, provides a focus on results-based accountability by reporting on accomplishments achieved against the performance expectations and results commitments as set out in the department's *Part III of the Main Estimates* or pilot *Report on Plans and Priorities* for 1997-98. The key result commitments for all departments and agencies are also included in *Managing for Results*.

Results-based management emphasizes specifying expected program results, developing meaningful indicators to demonstrate performance, perfecting the capacity to generate information and reporting on achievements in a balanced manner. Accounting and managing for results involve sustained work across government

The government continues to refine and develop both managing for and reporting of results. The refinement comes from acquired experience as users make their information needs more precisely known. The performance reports and their use will continue to be monitored to make sure that they respond to Parliament's ongoing and evolving needs.

This report is accessible electronically from the Treasury Board Secretariat Internet site:  
<http://www.tbs-sct.gc.ca/tb/key.html>

Comments or questions can be directed to the TBS Internet site or to:

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# ***THE DEPARTMENT OF WESTERN ECONOMIC DIVERSIFICATION***

## ***Performance Report***

**For the period ending March 31, 1998**

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**Minister for Western Economic Diversification**

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## Executive Summary

In 1987, Western Economic Diversification (WD) was created by the federal government to develop and diversify the economy of western Canada. For the first seven years, the department's primary activity was offering repayable contributions to businesses that were diversifying the economy, helping with industry-wide initiatives, and advocating the interests of western Canada in the federal system.

In 1995, in response to the federal Program Review exercise, WD adopted a new focus. It redefined its vision of economic development, eliminated direct assistance to business, and took on the challenge of finding new ways to develop and diversify the western economy. WD has come a long way in meeting that challenge.

The department's vision is to be a leader in delivering integrated government service to small and medium sized business in western Canada. In three years, the department created eight core program areas that provide numerous ways of helping clients. Whether the need is access to capital, business counseling, mentoring, hiring skilled new employees, or gaining a voice in Ottawa, WD is there to help small business and western Canadians.

Today, WD is all about helping the people of western Canada become part of a growing and diversified economy: it's about the Aboriginal entrepreneur looking to start a small business in Hudson Bay, Saskatchewan; it's about the young woman in Calgary getting her first job in her chosen field of science and technology; it's about the francophone businessman in Saint Boniface working to expand his business, and it's about the company in Vancouver that wants assistance in exporting its products. WD is delivering on the Government's commitments from the Throne Speech. It is addressing Government priorities in partnering with aboriginal communities, in creating jobs for young Canadians, in helping rural communities innovate and adopt technology, and in helping Canada build a better export base.

Through the 100 offices of the **Western Canada Business Service Network**, WD partners with provincial/municipal governments, the voluntary and private sectors to ensure that western Canadians - in urban, rural and remote communities - have access to federal programs and services. Through the activities and programs of the network, jobs are being created. Last year, over 8,000 jobs were created for: young people through the International Trade Personnel Program and the First Jobs in Science and Technology Program, for women entrepreneurs through the Women's Enterprise Initiatives, and for rural men, women, young people and aboriginal Canadians through the Community Futures Development Corporations.

Through the network, Canadians are accessing the capital they need to start and grow small businesses. To date, WD's 14 loan investment funds have resulted in financial institutions across the west making over 300 loans totaling over \$100 million to small businesses and entrepreneurs. This is augmented by funding extended by the Community

Futures Development Corporations and the Women's Enterprise Centers which added another \$60 million to the capital pool accessed by western Canadians.

And when it comes to people needing business information 10,000 "hits" per month are recorded on the WD Web Site. Over 18,000 people were given help to prepare business plans which contributed to growing the number of small businesses in western Canada.

WD responds to the needs of western Canadians on behalf of the federal government. WD's effectiveness lies in its capacity to identify economic priorities and respond quickly and efficiently. The department's performance during the Red River valley flood is one example of its ability to adapt and deliver under pressure. In 1997 WD helped over 2,000 small businesses and farm operators restart their operations with over \$9 million in accountable advances. And through the Infrastructure Works Program, 29,000 short term jobs were created for western Canadians in four years.

In addition, WD is working to operate more efficiently and effectively. Internally, WD has refined its service delivery systems by developing processes and systems which measure client and staff satisfaction.



**Table A**  
**Key Results Commitments**

to provide Canadians with :	to be demonstrated by :	document reference:
Economic development programs for western communities	<ul style="list-style-type: none"> <li>• New economic development programs in partnership with: provincial governments, urban municipalities, communities, and strategic client groups.</li> <li>• Economic impact of programs and partnerships</li> </ul>	III.D.1 to III.D.7
Service to small business and entrepreneurs through innovative partnerships and client centered service	<ul style="list-style-type: none"> <li>• Jobs created, new business opportunities found</li> <li>• Achievement of client service standards</li> <li>• Client satisfaction rates</li> <li>• Trend in numbers of small and medium sized exporters</li> <li>• Degree of geographic coverage by an Integrated Service Delivery Network points (including Canada Business Service Centers, Community Futures Development Corporations and Women's Enterprise Centers)</li> <li>• Degree of target group coverage (e.g. youth, francophones, women, etc.)</li> </ul>	III.C III.D.3 III.D.4 III.D.5
Capital for small businesses and entrepreneurs	<ul style="list-style-type: none"> <li>• Small business start-ups, growth rates, and longevity</li> <li>• Delivery efficiency</li> <li>• Client satisfaction rates</li> <li>• Utilization rates</li> <li>• Degree of coverage in rural areas, key growth industries and technology sectors</li> </ul>	III.D.1
Help from the federal government in times of crisis	<ul style="list-style-type: none"> <li>• Westerners' response to flood assistance (client satisfaction)</li> <li>• The normalization of activities in areas affected by disaster</li> <li>• Jobs created through economic restructuring</li> </ul>	III.C III.D.6
Representation of western interests in national decision making	<ul style="list-style-type: none"> <li>• New procurement opportunities afforded to western Canadian business</li> <li>• Reflection of western interests in Canada's international and domestic policies (environment, etc.)</li> </ul>	III.D.6

## Minister's Message

Canada is well positioned to be a leader in the new emerging global knowledge-based economy. Our government is working with the private sector to address the challenges in making the transition to this economy. By focussing on the challenges of a competitive 21<sup>st</sup> century economy, we can turn Canada's potential into reality and create jobs and wealth for our citizens. The Industry Portfolio, bringing together 13 departments and agencies with complementary goals and objectives, plays an important role in helping Canadians achieve this vision.

In 1997-98, the Industry Portfolio focussed on three areas of activity - each crucial for our economic success - now and into the next century:

- promoting innovation through science and technology;
- assisting businesses to grow by providing information, advice and financing support; and
- ensuring a fair, efficient and competitive market place.

The Portfolio members' Performance Reports collectively illustrate how the Portfolio is making a contribution toward the realization of these objectives.

I am pleased to present the *Performance Report* for Western Economic Diversification (WD) for the fiscal year ending March 31, 1998. In the *1997-98 Estimates Part III*, WD articulated its strategic objectives and described how its plans for the fiscal year would contribute to their realization. This report sets out WD's accomplishments against those plans and shows the contribution WD is making to Portfolio and government-wide objectives.

### *The 13 Industry Portfolio members are ...*

Atlantic Canada Opportunities Agency  
Business Development Bank of Canada\*  
Canadian Space Agency  
Competition Tribunal  
Copyright Board  
Canada Economic Development for Quebec Regions  
Industry Canada  
National Research Council Canada  
Natural Sciences and Engineering Research Council of Canada  
Social Sciences and Humanities Research Council of Canada  
Standards Council of Canada\*  
Statistics Canada  
Western Economic Diversification Canada

*\*Not required to submit Performance Reports*

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The Honourable John Manley



**Ron J. Duhamel**  
**Secretary of State**  
**Western Economic Diversification Canada**

Since 1987, the Department of Western Economic Diversification (WD) has worked closely with the people of Western Canada – with women, persons with disabilities, youth, Aboriginal people, community and industry leaders, and entrepreneurs – to build a stronger West and a stronger Canada.

In the 10 years since inception, this small Department has been a significant player in the economic development and diversification of the West and proved that government can convert good intentions into concrete results. However in 1995, WD initiated a reorganization to become more client-service oriented, responsive and business-like in its operations.

Its redirection began by rationalizing and reorganizing its operations from the ground up. Over the last three years, WD focused on streamlining its processes and coordinating economic development investments and efforts between the federal government and four western provinces.

Serving as its blue print for change was a new mission that focused on developing and strengthening partnerships to provide increased access to integrated services and information critical to the success of small- and medium-sized businesses and entrepreneurs, as well as representing the economic interests of Western Canada in Ottawa.

WD has also worked to develop and offer new programs that are creative and relevant to the needs of western Canadians. By focusing its resources on bridging the gaps in services that often prevent the growth and expansion of start-up or early stage businesses, WD has helped Western Canada outpace all other regions in small business growth. By offering a range of targeted business services, capital services and special initiatives, WD has helped foster a positive climate allowing small businesses in knowledge and export-based industries to grow and expand.

WD's broad network of partnerships and its close relationships with the private sector and other levels of government provide it with the knowledge and experience it needs to deliver its mandate. WD has partnered with provincial and municipal governments, community organizations, and the not-for-profit sector to create the Western Canada Business Service Network (WCBSN). Through the WCBSN, WD has been able to leverage its limited financial and human resources to extend its programming to virtually every urban and rural community in the West.

Today, the WCBSN offers over 100 points of service consisting of 95 Community Futures Development Corporations, four Women's Enterprise Centres, four Canada Business Service Centres and WD's four regional and two satellite offices. Over 1,000 volunteers are part of the network and give their time and talents to help foster the growth and prosperity of their communities.

As well as fueling the growth of small businesses across the West, WD continues its reputation for excellence for leading and coordinating federal economic initiatives in Western Canada. As well as implementing a number of initiatives in support of the national agenda, WD plays an important role in addressing key economic and community development challenges across the four provinces.

From its assistance to those devastated by the massive floods in Manitoba's Red River Valley during the Spring of 1997 to WD's assistance to displaced fishers affected by the changes in the West Coast Salmon fishery, the Department has proven itself as a truly responsive organization when western Canadians need them most.

WD is also leading the development of Western Economic Partnership Agreements (WEPA) with the provinces to enhance federal and provincial investments in economic development initiatives across the West. While WD is negotiating similar agreements with Saskatchewan, British Columbia and Manitoba, Alberta is the first province to sign an agreement that will direct \$40 million over the next five years into new economic development projects related to energy, agriculture, forestry, high-technology and telecommunications

The Department is also working to ensure all western Canadians share in the opportunities of a growing economy, with special attention to women, youth, persons with disabilities, Aboriginal peoples and the western francophone community. In Saskatchewan, WD provided a \$5 million contribution to the Saskatchewan Indian Federated College to provide First Nation people the opportunities to further develop their learning potential. In Manitoba, WD provided a \$950,000 repayable contribution to help launch the Aboriginal Business Development Centre in Winnipeg and promote entrepreneurship for urban aboriginal people in the city. WD offers a number of programs to help rural disabled entrepreneurs pursue their dreams of self-employment as well as assist communities and small businesses in employing young interns and post secondary graduates.

WD is also active in promoting linguistic duality in the West by providing western francophones the tools needed to ensure the sustainable economic development of their communities. In British Columbia, WD is supporting the establishment of an economic development society called the *Société de développement économique de la Colombie-Britannique*. Under the Francophone Economic Development Initiative in Manitoba, WD is also supporting the *Conseil de développement économique des municipalités bilingues de Manitoba* to assist with further economic development of bilingual municipalities in the province.

I am proud and confident that Western Economic Diversification will continue to develop and offer programs that are creative and relevant to the needs of western Canadians. As the new millennium approaches, WD's ability to build creative partnerships between the private and public sectors will become increasingly important to further develop and diversify the western economy and build a stronger West and stronger Canada.

Ron J. Duhamel  
Secretary of State  
Western Economic Diversification

## II - Departmental Overview

### II.A: Mandate, Vision and Mission

Western Economic Diversification (WD) is mandated by legislation to:

- promote the development and diversification of the western Canadian economy;
- coordinate federal economic activities in the West; and
- reflect western Canadian interests in national decision making.

WD's key objectives for 1997-98 flow from priorities articulated in the 1996 Speech from the Throne, which outlined, in particular, the government's plan for "A Strong Economy", including ensuring opportunities through the "Jobs and Growth Agenda". The Jobs and Growth Agenda comprises four objectives:

- creating a climate in which SMEs can prosper;
- encouraging the development and application of new technologies;
- enhancing economic opportunities for Canada's youth; and
- increasing the number of western businesses involved in international trade.

#### II.B.1: Operating Environment

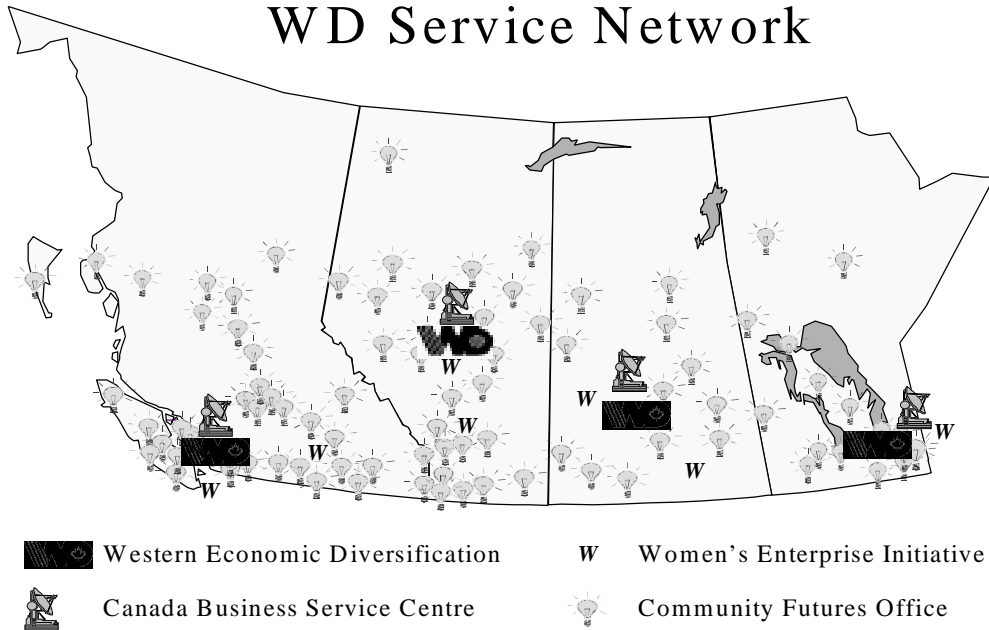
The Minister of Industry has the lead responsibility for the implementation of the Jobs and Growth Agenda. As a member of the Industry Portfolio, Western Economic Diversification Canada contributes to this objective in western Canada through the delivery of national programs, through innovative programs to expand SME access to capital and business information, and through community-based support for entrepreneurship. One of the Department's primary contributions to the Portfolio is expanding access to service by western Canadian business people and entrepreneurs, particularly in rural and remote communities. WD's vision and values reflect this service vocation.

##### WD's Vision

To be leaders in delivering integrated government service to small and medium sized businesses in western Canada

Through the Western Canada Business Service Network, the Department extends the reach of federal services and provides a visible federal presence in over 100 communities in western Canada. The objective is to facilitate access to all government services - to offer "single window" access to government.

# WD Service Network



The focus of WD's programs is small and medium-sized business, the engine of job creation in western Canada in recent years. Through the Western Canada Business Service Network, WD provides access to service to over 737,000 businesses in western Canada, of which roughly 95% are small businesses with fewer than 50 employees and mini-enterprises.

WD's critical success factors in the pursuit of its mission and vision, and against which all of its activities must be measured, are the degree to which it provides western Canadians with:

- effective programs;
- excellent service;
- innovative partnerships
- efficiency; and
- continuous improvement.

WD defines excellent service from the clients' perspective: relevant and value-added to small business, timeliness, accessible and responsive to the changing needs of business - balanced against measures of program efficiency and effectiveness. WD responds to clients' evolving needs by continuous identification, analysis and feedback to senior management of gaps and improvements in product and service delivery.

## WD's VALUES

- "Value-added" service
- Teamwork and partnership
- Integrity, trust and fairness
- Respect for clients and colleagues
- Creativity and innovation
- Personal learning
- Effective communications, both internal and external

WD employees participated in a department-wide effort to define our values; values espoused throughout WD and the rest of the Western Canada Business Service Network which serve to underpin the strong commitment to client service.

## **II.B.2: Objectives and Challenges**

WD's effectiveness lies in its ability to assess changing economic trends, anticipate needs and opportunities, and to respond to them quickly and efficiently, while simultaneously advancing the Government's overall policy agenda. This requires an understanding of the fundamental economic challenges facing western Canada which interact to create the environment in which WD operates.

The first challenge is to keep pace with changes to the western Canadian economy. New trading arrangements, deregulation, instant communication, electronic data transmission and greater mobility of capital have altered the economic fabric of western Canada. Since 1990, 150,000 people started their own small businesses.

The second challenge relates to the cornerstone of western Canada's economy: natural resources. In the last ten years, there have been efforts to develop "downstream" economic activities but, in the near future, western Canada will remain a strong resource based economy. Consequently, economic development must be grounded in an understanding of how the resource sectors perform and how they interact across the West with other economic sectors. For example, new oil and gas recovery techniques must be evaluated in the context of their impact on the environment. New trading agreements in agriculture must take into account the resulting demand on transportation infrastructure. More efficient harvesting technology in the forestry sector must be evaluated in the context of its impact on wildlife habitats. No economic activity can be viewed in isolation, and economic development must be predicated on an inclusive approach across industries and sectors.

The third challenge relates to the fundamental way that business, both for-profit and not-for-profit, is conducted. Today, partnerships, clusters and alliances are as common as stand-alone firms. Businesses must be sensitive to cultural differences among clients, stakeholders, and employees. They must be seen to play an active role in community development, and must recognize the essential role of volunteers in a society which realizes that the not-for-profit sector can contribute as much to economic development efforts and raising the standard of living as the for-profit sector. Effective community development is not possible without the strong commitment displayed by volunteers.

As well, there is the challenge of harmonizing growth among urban and rural communities. Urbanization has been a growing phenomena for thirty years, with a corresponding depopulation of rural areas. As western Canadians and new arrivals from other countries migrate to larger cities, the need to balance development and rapid growth with lifestyle factors becomes pronounced. Revitalizing rural and one-industry communities poses another set of economic challenges.

Constant change, the increasing interconnectedness of all sectors in our resource based economy, the emergence of new business concepts, and balancing urban and rural growth are fundamental in WD's operating environment. In order to be effective in diversifying the Canadian economy, WD must be able to shift priorities, to view the economy in an inclusive manner while dealing with specific issues, and to master the changing nature of the way business is conducted.

## **II.C: Departmental Organization**

The Department's Head Office is located in Edmonton, Alberta-co-located with the Regional Office for Alberta. There are also Regional Offices located in each of the other western provinces, in Winnipeg, Saskatoon and Vancouver, and a Liaison Office located in Ottawa. Regional satellite offices have also recently been opened in Calgary and Regina.

Under the direction of an Assistant Deputy Minister, supported by a dedicated secretariat, each Office has functional leadership of one or more of the business lines/program delivery areas, as follows:

Assistant Deputy Minister, Alberta - Service Partnerships

Assistant Deputy Minister, Manitoba - Capital Services

Assistant Deputy Minister, Saskatchewan - Information Services

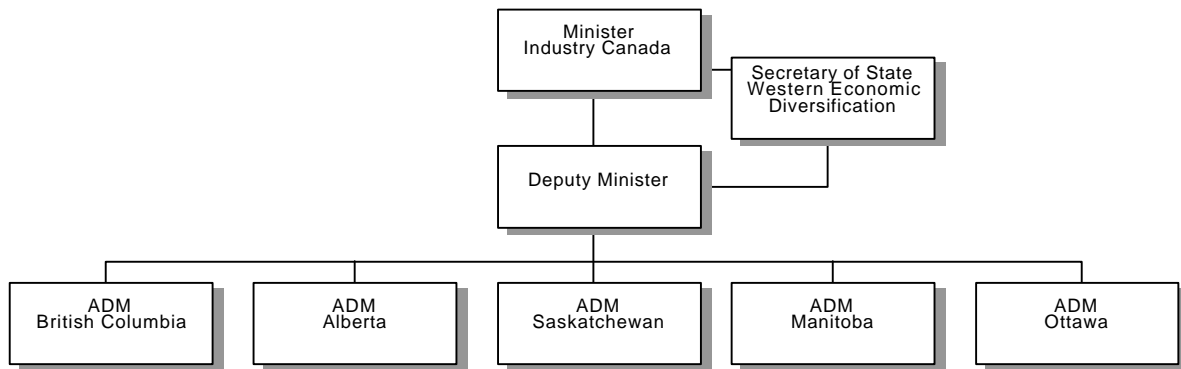
Assistant Deputy Minister, British Columbia - Targeted Business Services

Assistant Deputy Minister, Ottawa - National Programs and Legacy Programs

In addition, Regional Assistant Deputy Ministers are responsible for the regional delivery of all WD programs and services, and for line management of all regional administrative and support services.

The Department reports to the Minister of Industry, who is assisted by the Secretary of State (Western Economic Diversification). The Department has extended the reach of federal government services to small business through partnerships with other federal government agencies and community-based organizations. These partnerships leverage government human resources and promote best practices in single-point-of-contact service to small business.





Recognizing that strong regional economies are the building blocks of a strong national economy, WD delivers eight core programs which promote innovation, growth and job creation in western Canada.

- **Capital Services:** targeted loan/investment fund programs, offered in cooperation with private and public sector financial institutions, as well as other assistance in accessing conventional loan/equity financing. The Funds were established in response to small business' needs for financing in soft asset and new economy areas. The objectives are to increase small business access to leveraged financing, with a particular focus on key growth industries.
- **Information Services:** increased use of information technology to provide cost-effective business information products such as the Interactive Business Planner, and tailor existing databases to the needs of SMEs and entrepreneurs in western Canada.
- **Targeted Business Services:** assistance to SMEs and entrepreneurs to develop business plans, sell to international and public sector markets, and initiatives to streamline small business regulations.
- **Service Partnerships:** develop and implement innovative and/or alternate service delivery arrangements which meet the needs of western Canadian communities, SMEs and entrepreneurs. Activities key on strengthening and expanding the Western Canada Business Service network. WD views service delivery from the client's perspective and works to reduce overlap, duplication and enhance access to service.
- **Strategic Initiatives and Special Projects:** public/private partnerships, federal, provincial and tripartite economic development initiatives to help SMEs compete in the Canadian and global markets.
- **National Programs:** delivery of national economic development programs, including the Infrastructure Works Program, special community economic adjustment initiatives and relief/assistance.

- **Legacy Programs:** administration and recovery of repayable contributions within the terms of contribution agreements made in previous years under the Western Diversification Program (WDP), the Industrial Regional Development Program (IRDP) and the Western Transportation Industrial Development Program (WTID).

### III - Departmental Performance

<b>Table A</b> <b>Key Results Commitments</b>		
to provide Canadians with :	to be demonstrated by :	document reference:
Economic development programs for western communities	<ul style="list-style-type: none"> <li>• New economic development programs in partnership with: provincial governments, urban municipalities, communities, and strategic client groups.</li> <li>• Economic impact of programs and partnerships</li> </ul>	III.D.1 to III.D.7
Service to small business and entrepreneurs through innovative partnerships and client centered service	<ul style="list-style-type: none"> <li>• Jobs created, new business opportunities found</li> <li>• Achievement of client service standards</li> <li>• Client satisfaction rates</li> <li>• Trend in numbers of small and medium sized exporters</li> <li>• Degree of geographic coverage by an Integrated Service Delivery Network points (including Canada Business Service Centers, Community Futures Development Corporations and Women's Enterprise Centers)</li> <li>• Degree of target group coverage (e.g. youth, francophones, women, etc.)</li> </ul>	III.C III.D.3 III.D.4 III.D.5
Capital for small businesses and entrepreneurs	<ul style="list-style-type: none"> <li>• Small business start-ups, growth rates, and longevity</li> <li>• Delivery efficiency</li> <li>• Client satisfaction rates</li> <li>• Utilization rates</li> <li>• Degree of coverage in rural areas, key growth industries and technology sectors</li> </ul>	III.D.1
Help from the federal government in times of crisis	<ul style="list-style-type: none"> <li>• Westerners' response to flood assistance (client satisfaction)</li> <li>• The normalization of activities in areas affected by disaster</li> <li>• Jobs created through economic restructuring</li> </ul>	III.C III.D.6
Representation of western interests in national decision making	<ul style="list-style-type: none"> <li>• New procurement opportunities afforded to western Canadian business</li> <li>• Reflection of western interests in Canada's international and domestic policies (environment, etc.)</li> </ul>	III.D.6

### III. A: Performance Expectations

As a result of Program Review in 1995 WD was challenged to restructure its economic development programs and to take on the responsibility of offering seamless business services to western Canadians. In response, over the last three years the Department has evolved from a four-office agency providing interest-free loans, to a one-stop business support network where entrepreneurs can access a wide array of services from over 100 offices in western Canada. WD has structured itself to respond to Canadians' needs.

At the same time, WD has focused heavily on delivering the Industry Portfolio Agenda in western Canada. The themes of: promoting innovation through science and technology; assisting business to grow by providing information, advice and access to capital; and ensuring a fair, efficient competitive marketplace are woven throughout WD's programs and services.

WD has also acted to implement a tailored economic vision for western Canada. WD is expected to be a leader in delivering service to communities, small and medium-sized enterprises, entrepreneurs and special target groups in western Canada. Western Canadians rely on WD to promote economic development and diversification in their communities; put a human face on federal economic activities; and reflect their interests in national decision making.

WD's performance expectations are conveyed most clearly according to the Department's business lines and core program areas. The following table summarizes the performance expectations for each business line and core program area which were originally presented in the 1997-98 WD Expenditure Plan (Part III of the Main Estimates, now known as the Report on Plans and Priorities).

<b>WD Performance Expectations by Business Line and Core Program Area</b>
<i>Capital Services:</i>  To increase small business access to financing as demonstrated by the performance of various loan fund programs. This contributes to long-term economic growth and job creation, particularly in key industries like technology and in under-served areas like rural communities.  Performance measures as indicated in Table A include the volume of small business start-ups, growth rates, and longevity; delivery efficiency; client satisfaction rates; utilization rates; and the degree of coverage in rural areas, key growth industries, and technology sectors.
<i>Information Services:</i>  To create easier access to business information by small businesses, to collaborate with partners in developing new business information products, and to provide the Western

Canada Business Service Network with increased capacity to deliver business information to clients.

Performance measures as indicated in Table A include delivery efficiency, utilization rates, and (although difficult to measure) trends in business growth and success that can be attributed to this product line.

*Targeted Business Services:*

To equip entrepreneurs and small businesses with the skills and resources needed to succeed in four key areas identified by small business people: business planning; export readiness; regulatory simplification; and selling to government.

Performance measures as indicated in Table A include new business opportunities found, trends in the numbers of exporters, client satisfaction, and numbers of small business start ups.

*Service Partnerships:*

To put together innovative service delivery arrangements which meet the needs of western communities and small businesses. This will give small business owners and entrepreneurs across western Canada access to services when and where they are needed.

Performance measures as indicated in Table A include the degree of geographic coverage and the degree of target group coverage.

*Strategic Initiatives and Special Projects:*

To create relationships involving industry, government, academic institutions and research institutions that will: improve the overall competitiveness of western Canada; generate business opportunities; and create jobs. These initiatives meet needs identified by the small businesses and entrepreneurial communities.

Performance measures as indicated in Table A include the numbers and value of new economic development programs in partnership with other groups, the economic impact of programs and partnerships, and the numbers of jobs created.

*National Programs:*

To create jobs through infrastructure renewal, assist in the economic adjustment of communities affected by the closing of federal facilities, quickly get assistance to where it is needed, leverage additional federal funding into affected areas, and to ensure the western point of view is taken into account in national decision making (advocacy).

Performance measures as indicated in Table A include client satisfaction with the programs offered (e.g. flood assistance), the normalization of activities in areas affected by disaster, jobs created through economic restructuring, and the degree to which national

policies take into account the needs of western Canadians.

*Legacy Programs:*

To maximize the return from previously made repayable contributions, and to ensure that existing commitments are paid out in accordance with the terms of the agreements approved under existing and past programs.

Performance measure is the value of contributions repaid.

### **III.B: Performance Accomplishments**

To accomplish its objectives, the Department has developed a sound knowledge of the issues and challenges affecting western Canada. As a small organization, WD has the flexibility to react quickly to emerging priorities and issues as demonstrated by WD's swift reaction to the Red River Flood in Manitoba. WD has demonstrated its ability to form strong partnerships with other levels of government, industry, academia and community groups.

But, perhaps most importantly, WD represents the federal government to individuals in western Canada. The department takes pride in knowing, and being able to relate to, its clients. Whether its helping a new graduate get his first job, assisting a budding entrepreneur with her business plan, or helping re-start a business that's been decimated by a flood, the department meets the needs of Canadians. The success of this endeavor is demonstrated in part by the recent increase in the Department's visibility. Canadian's awareness of WD over the last three years has risen **to 61%**. (Angus Reid Survey).

### **III.C: Performance Highlights**

The way in which WD serves Canadians can be summarized by offering some examples of the people the department helps and the ways that assistance is offered. Throughout WD's performance accomplishments exists a common thread of delivering on commitments made by the federal government in the Speech From the Throne to open the 36<sup>th</sup> Session of Parliament. Whether it's creating employment opportunities for youth in rural and urban areas, building partnerships with aboriginal communities, fostering innovation and creativity, or building opportunities in international trade, WD is on the ground in western Canada delivering on government commitments.

**WD is: *National Programs* - helping business owners get back on their feet after a disastrous flood**

Last year the Red River Valley was devastated by a massive flood. People suffered as they watched their means of livelihood being washed out. WD recognized that assistance would be required in order to get business owners back on their feet.

The Department's response was immediate and creative - it devised a mobile program

that had officials driving to the victims and serving them on the spot, rather than the other way around.

WD rapidly had personnel on the road searching out affected small businesses, filling out applications for accountable advances on the spot, and returning within a week with a cheque so that entrepreneurs could re-start their businesses. This was the ReStart Program through which WD provided over \$9 million to 2,000 small business owners and entrepreneurs.

**WD is: Service Partnerships, offering 100 plus points of face to face service in western Canada**

When it comes to business services, WD delivers through a network that offers more than 100 points of service in western Canada. The network operates because over 1,000 volunteers recognize its value and unselfishly donate their time and expertise to enable it to operate.

The network ensures that business people get the assistance they need. In 1996, for example, Barbara Dale of Edmonton came to the Alberta Women's Enterprise Initiative Association (a network member) because she had an idea for a business. She received business planning advice and a hundred thousand dollar start-up loan. In 1997, her new company, "Labor Now Industrial Staffing," a high-end placement agency, had sales of over \$1 million. The company is forecasting sales of \$4 million this year.

**WD is: Targeted Business Services - getting entrepreneurs the help they need to start and grow new businesses.**

Lorien Henry is another success story. She noticed that Medicine Hat, Alberta needed a suitable indoor entertainment facility for young families. She took her idea to the nearest Community Futures Development Corporation (also network members). All Lorien needed was

entrepreneurship training and Entre-Corp BDC, the local Community Futures Development Corporation, was happy to help her out. In May of 1996, armed with her training, she opened the first "Ton of Fun Family Entertainment Center". Today, this is a five-city franchise operation with 180 employees. All it took was a person with a good idea, and an organization that was willing to meet the client's expectations.

**WD is: Capital Services - helping firms access the money they need to grow and contribute to economic diversity**

In Winnipeg, Northern Bioidentification Services Ltd. was an emerging biotechnology company specializing in animal DNA typing for breeding programs and tracking threatened species. The firm came to WD's Winnipeg office looking for help to get a loan from the WD/Royal Bank Biotechnology Loan Fund. The application was successful, and

NBS now has equipment, working capital, and funding to cover marketing costs.

It is recognized that an essential component of the federal government's agenda is job creation. WD is doing its part to create jobs for western Canadians and is delivering on

**WD is: Strategic Initiatives - delivering on federal government and Industry Portfolio commitments like job creation and opportunities for youth**

the Throne Speech commitment to create youth employment opportunities both in urban centers and through community based programs. The Community Futures Development Corporations and the Women's Enterprise Centers create jobs by providing funding to entrepreneurs for new businesses ventures, and by delivering job creation programs like the Western Canada Youth

Entrepreneur Program. Through the activities of these two network partners, over 7,000 jobs and employment opportunities were created in 1997-98.

WD also offers programs that directly create new jobs in western Canada. The First Jobs in Science and Technology Program and International Trade Personnel Program combined to directly create 320 new jobs for recent post-secondary graduates in 1997-98. These jobs were with small firms across western Canada that needed graduates with French, new ideas.

### **III. D: Detailed Performance Accomplishments by Business Line/Core Program Area**

Following (sections III.D.1 to III.D.7) is a more detailed examination of performance accomplishments by business line and core program area, which are referenced back to the specific outcomes as described in Table A. For some initiatives, formal evaluations have been conducted and the results are being used to modify programs to better address client needs. In other areas, evaluation frameworks are under development along with benchmarking, tracking, and reporting systems that will result in providing more detailed measures of accomplishment.



WD is working on adapting a Performance Reporting and Accountability Structure to the post-Program Review departmental organization structure. Until the PRAS is completed, financial reporting for all business lines and core program areas must be in a consolidated format. The following table summarizes total appropriations and expenditures for WD in 1997-98.

Comparison of Total Planned Spending to Actual Spending: 1997-98 (millions of dollars)									
	FTEs	Operat'g	Cap'l	Voted Grants and Contri- butions	Subtotal: Gross Voted Expendi- tures	Statutory Grants and Contri- butions	Total Gross Expendi- tures	Less: Revenue Credited to the Vote	Total Net Expendi- tures
Western Economic Diversification									
<b>Available</b>	333	40.7	--	329.9	370.6	24.8	395.4	--	395.4
<b>Spending</b>	<b>325</b>	<b>37.5</b>	--	<b>272.4</b>	<b>309.9</b>	<b>24.8</b>	<b>334.7</b>	--	<b>334.7</b>

### III.D.1: Capital Services

WD now has 14 specific loan investment funds in partnership with financial institutions that bring capital to target areas throughout western Canada in both technical and knowledge based fields and the agricultural segments. The Loan Investment Fund Program has offered business information, contacts, financing and services to more than 850 clients which have resulted in over 250 small businesses accessing \$56 million in approved loans with the potential of leveraging another \$52 million in capital through financial institutions across the west (Fiscal year 1997-98: 383 clients served, 186 loans for \$35 million).

Each dollar that WD contributes to loan investment funds results in from five to ten dollars being levered into action from the fund's partners. To date, for the approved \$56 million in small business loans, WD has provided approximately \$7 million in loan loss reserves, most of which is expected to be repaid.

The loan investment fund program is currently undergoing an evaluation which will provide more detailed information on the degree to which its broader economic objectives (as described in Table A) are being met and the degree of client satisfaction with the program.

Loan investment fund lending activity is augmented by WD's other network partners that also offer capital assistance. Since 1995, the Community Futures Development Corporations have provided entrepreneurs with over 6,400 loans exceeding \$130 million in value. And the Women's Enterprise Centers used WD financing to loan almost

\$8 million to 310 women entrepreneurs. Like the Loan Investment Fund Program, the Women's Enterprise Centers are undergoing an evaluation which will provide more detailed information on the degree to which its broader economic objectives (as described in Table A) are being met and to which clients are satisfied.

In all, almost a quarter of a billion dollars has been made available to small businesses and entrepreneurs in western Canada over the last three years through WD's capital initiatives.

### **III.D.2: Information Services**

This business line is devoted to making it easier for business people to access the information they need to grow and succeed. This business line delivers on the Throne Speech commitment to foster knowledge and creativity through information, knowledge and skills accessibility. Several new products have been developed which are seeing high rates of client use (an objective indicated in Table A). Recent releases include:

- The WD Web Site - launched in March 1996 the site is a key delivery vehicle for WD's services to small business and entrepreneurs. Currently, the site experiences 10,000 visits per month resulting in 60,000 hits on individual pages. The most popular segments of the site are the "Am I an Entrepreneur Self-Assessment Quiz" and the "Accessing Capital" module.
- Interactive Business Planner - a collaborative effort between WD and the Government of British Columbia, this Internet based business planning tool was officially launched as a pilot project on April 21, 1997. The pilot phase is complete, and the planner is being released across Canada.
- Gaining Ground - a package of information on programs and services offered by Community Futures Development Corporations.
- Friendly Regional Economic Database - a broad collection of locally-oriented data purchased by the Community Futures Development Corporations from Statistics Canada will give local business counselors a valuable new tool. The utility of the package will be evaluated in 1999.

Currently under development are the Interactive Exporter which will allow clients to prepare an export plan on-line, and the Regulatory Information Initiative pilot project which will provide "plain language" summaries of provincial regulations in Saskatchewan.

Because these products were released recently, additional measurement indicators as described in Table A are under development.

### III.D.3: Targeted Business Services

More than 400,000 inquiries by small business across western Canada were responded to by the Business Service Network in 1997-98. Many of the inquiries resulted in clients accessing one or more of WD's targeted business services, as demonstrated by the following outputs and outcomes.

- Over 18,000 people were given help to prepare business plans.
- Over its first year of operation, 150 jobs were created for recent graduates of science and technology programs through the First Jobs in Science and Technology Program. A preliminary, external evaluation of the program indicated that the Program is delivering on the indicators outlined in Table A and on Throne Speech commitment to creating employment opportunities for youth: the program is successful in helping small businesses develop and adopt new technologies; client satisfaction is high; and that there is a need for this type of programming which WD is fulfilling. The evaluation also indicated that WD could improve the program's uptake and effectiveness through increased marketing efforts, and through administering the program guidelines with more flexibility. To that effect, marketing plans (including performance targets) are being established, and procedures are being implemented to approve a wider range of project activity.
- Over three years, 400 jobs have been created for recent graduates working in the area of international trade through WD's International Trade Personnel Program. An evaluation of the program indicated that the program is clearly delivering on the indicators outlined in Table A and on Throne Speech commitments toward opportunities for youth and expanding Canada's international trade activity: through the "ITPP" firms are becoming more export-ready and graduates are learning valuable new skills. Sixty percent of survey respondents in the evaluation agreed that the program was substantially responsible for an increase in export sales and client satisfaction is high. And over half the "new graduates" who got jobs through the program said they expect to be working in international trade five years in the future. The evaluation also pointed out that WD could assess the program's effectiveness better if more accurate export performance reports were collected from clients. As a result, client reporting requirements are being adjusted. The evaluation also suggested looking at options for program delivery through the business services network, and the potential in this regard is being examined. Like the First Jobs Program, marketing plans and targets to increase program uptake are also being implemented for the ITPP.
- In British Columbia, the One Stop Business Registration system, which WD participated in, enables a business owner to complete multiple government agency applications in a single step, saving valuable time. Applications for provincial sales tax, declaration for proprietorship or partnership, GST, corporate income tax, payroll taxes, and Workers Compensation can all be made through one stop at a terminal. Results of this pilot project have yet to be evaluated.

- And in the area of selling to government, the department works with firms across the west to ensure they receive opportunities to provide their goods and services on Crown projects both small and large. The benefits to western businesses include sub-contracting opportunities, new plans for new Canadian products, and transfers of technology between companies. WD has succeeded in ensuring hundreds of millions of dollars flow to western firms through procurement contracts associated with five major capital projects since 1990.

#### **III.D.4: Service Partnerships**

WD serves its clients through over 100 offices that comprise the Western Canada Business Service Network. The network is a series of partnerships with members devoted to helping small businesses and entrepreneurs succeed, and to building communities from within. After three years of intensive building effort, the network now offers virtually 100% geographic coverage to rural western Canadians - which fulfills the objective outlined in Table A. Whether a business person lives in Eyebrow, Saskatchewan or Vancouver, British Columbia, he or she can access the same degree of service just by connecting with the local network office.

Following are some specific accomplishments of network members which meet the needs of western Canadians, women, and aboriginal people (target groups as referenced in Table A):

- The Canada Business Service Centers serve each province and provide “everything you need to know” about starting and running a small business. The four western CBSCs handle 32,500 inquiries and record over 50,000 website hits each month.
- The 90 Community Futures Development Corporations are the rural network members and are run by volunteer boards of directors. They offer loans, do general business counseling, provide young people with job experience, help disabled people start their own business, and act to develop their local communities. In 1997-98, the Community Futures Development Corporations made over 2,300 loans to local business people, and assisted in creating more than 6,700 jobs for rural Canadians. This includes over \$3.2 million in loans and 633 new jobs for young entrepreneurs, and 159 loans to entrepreneurs with disabilities.
- The Women’s Enterprise Centers address the special needs of women entrepreneurs and business owners. A center in each western province reaches out to women across the province to provide loans, business counseling, and mentoring services. In 1997, the Women’s Enterprise Centers addressed over 20,000 inquiries and provided loans to 130 women entrepreneurs. The Women’s Enterprise Center initiative is currently undergoing an evaluation which will elaborate on the objectives met.

In 1997-98 WD entered into special arrangements with two Alberta Aboriginal Capital Corporations to expand the roster of services to aboriginal clients (two in Saskatchewan

joined shortly afterward). This is the first stage of a strategy that will see the services provided by the network reaching out to ever greater numbers of entrepreneurs in aboriginal communities. It delivers on the Throne Speech commitment to build relationships and partnerships with aboriginal communities.

### **III.D.5: Strategic Initiatives and Special Projects**

The strategic initiatives program is the linchpin between WD's economic development activities and the priorities of the federal government and the Industry Portfolio. Sometimes strategic initiatives involve "one time" economic development activities; and sometimes the initiatives become programs that become part of WD's business line offerings.

The initiatives are categorized under specific theme areas, which reflect federal government and Throne Speech priorities like: Aboriginal Initiatives, Youth Initiatives, Francophone Initiatives, and Science and Technology. In 1997-98 WD developed over 30 strategic initiatives representing over \$25 million in accessible funding for western Canadians. Some examples of strategic initiatives, by theme area (target group), include:

<b>Examples of WD's Strategic Initiatives in 1997-98</b>
<i>Aboriginal Initiatives:</i> An aboriginal business development center was opened in Manitoba, two Aboriginal Capital Corporations in Alberta (and two in Saskatchewan later in 1998) were linked to the WD network, and \$5 million in funding was committed for a new aboriginal facility at the University of Regina.
<i>Youth Initiatives:</i> Three youth programs currently delivered through the department's business lines were developed as strategic initiatives. The International Trade Personnel Program, the First Jobs in Science and Technology Program, and the Western Youth Entrepreneurship Program have combined to provide over 900 jobs for young people in western Canada.
<i>Francophone :</i> WD has an action plan that provides almost \$2 million per year toward the development of the official language minority communities in western Canada. The funding is being used for coordinating economic development, developing entrepreneurs, building the tourism sector, and providing access to business capital.
<i>Science and Technology - the Innovation Gap:</i> WD is addressing science and technology priorities in western Canada by taking action to reduce the "innovation gap" identified by the OECD. Action includes providing funding to small businesses for R&D and technology adoption, working with western Universities to accelerate the rate of technology commercialization, providing business with skilled personnel through the First Jobs in Science and Technology Program, and helping to develop Innovation Centers to facilitate technology commercialization.

On the theme of building partnerships, it must be noted that WD is renewing Western Economic Partnership Agreements with each of the western provinces. The five-year agreements will create new employment opportunities and enhance economic growth through strategic areas of mutual interest. Agreements have been signed with the provinces of Alberta, Saskatchewan and Manitoba, and negotiations are proceeding in

British Columbia. The agreements will bring \$160 million in federal and provincial contributions toward economic priorities over their five year life span. Each agreement is required to undergo a full program evaluation which will provide information on the degree to which the objectives in Table A, and other objectives, are being met.

WD is also a party to urban development agreements in western Canada, which use a variety of methods to address economic priorities in urban centers.

### **III.D.6: National Programs**

Paramount among the national programs delivered by WD is the Canada Infrastructure Works Program. This program, over its first four years, created more than 29,000 short term jobs for western Canadians to meet the objective set out in Table A. Over 3,500 infrastructure works projects have been approved in western Canada, and virtually all of the \$524 million funding available under the first phase of the program has been committed.

Providing assistance to Manitobans affected by the 1997 flooding of the Red River was another important national initiative carried out by WD. WD launched the Jobs and Economic Restoration Initiative (JERI) at the height of the flood. A major component of this initiative was the Restart Program which provided more than \$9 million in accountable advances to 2,000 small business and farm operators to get their operations restarted. This was followed by several programs which followed up on ensuring the businesses got the help they needed to get back on their feet and repair damages. The follow-up programs resulted in over 1,600 applications and over \$13 million in financial disbursements. Client satisfaction was high, and feedback from all sources including the media was positive.

WD played a part in a variety of other important economic adjustment initiatives. The department has been working with interest groups in Churchill, Manitoba to put the community on the road to a sustainable economic future. In Saskatchewan, WD worked with the community of Moose Jaw on a project to train foreign pilots at three western Canadian air bases which will help counter the impact of reduced defense spending. And in British Columbia WD made over \$30 million available to coastal fishing communities to help fishers with economic adjustment.

WD's advocacy activity is also an important part of the national program area. Through advocacy, WD works to ensure that national policies take into account the needs of western Canadians. While difficult to measure directly, WD worked extensively to ensure federal government policy reflected the needs of western Canadians through: helping to ensure western Canada's infrastructure program needs were met through the program extension, assisting those affected by military base closures, and helping rally federal efforts to offer economic adjustment options to those affected by the reduction in atomic energy research activity at Whiteshell.

### **III.D.7: Legacy Programs**

From 1987 to 1995, WD delivered the Western Diversification Program to businesses in western Canada. The program offered repayable contributions (a first for government programming) to firms that were developing new products, new markets, new technologies, or replacing imports. The objective of the legacy program area is maximize the return from previously made repayable contributions, and to ensure that existing commitments are paid out in accordance with the terms of the agreements approved under existing and past programs.

The performance measure, as noted in Table A, is the value of contributions repaid. In 1997-98, WD collected \$45 million from its Western Diversification Program portfolio. In administering its collection activities, the department takes an approach that involves working with businesses to adapt repayment plans to business fluctuations, and ensuring, within good business practices, that businesses are given every chance to survive and contribute to economic growth.

### **III.E: Year 2000 Readiness**

WD has made significant progress towards ensuring that its internal systems are Y2K compliant. While not a mission critical department, by May, 1997 all WD internal systems had been reviewed and either confirmed as Y2K compliant or action plans developed to replace them by the end of 1998/99. A Y2K action team with representation from across the department was established in early 1998 to identify issues, monitor progress, and report to senior departmental management.

WD has also implemented testing procedures for our internal systems, with the objective of identifying areas where contingency plans are required. Contingency plans will be put in place by early to mid 1999, as recommended by the Year 2000 Task Force.

As the lead department for federal economic activities in the West, WD is also responsible for ensuring that our network partners and small business clientele are fully aware of and taking steps to address the Y2K issue. Consistent with the Task Force recommendations, a strategy has been implemented to ensure our partners and clients are informed about the potential impacts the Y2K problem may have on their operations, and that they are also aware of the various government and industry sources of information that can assist them to address the problem. Results to date on this front include the addition of a Y2K component to the WD web site in June, 1998, feature profiles on Y2K in departmental publications, briefings and presentations to our delivery partners, advertising in support of the SOS 2000 print campaign, and support of Industry Canada sponsored Y2K seminars for business.

In support of the Task Force recommendations, WD continues to work with our partners in the Industry Portfolio to develop a co-ordinated approach to ensuring that clients who receive financial support are aware of, and taking steps to address, Y2K issues that effect their operations, prior to receiving financial support.



## Section IV: Financial Performance

### Financial Performance Overview

The following financial tables depict the resources available to the Department in 1997-98 and how these resources were used, as well as revenues generated by the Department. The tables also provide comparative historical information for the previous two years.

As shown in Table 1, planned spending for 1997-98 at the beginning of the year was \$255.9 million. Additional spending of \$139.5 million was approved by Parliament, increasing available resources to \$395.4 million. This additional funding was provided essentially to add to the federal share of the Canada Infrastructure Works Program (\$73.0 million) and provide financial resources to implement programs for those affected by the Red River Valley floods in Manitoba in the spring of 1997 (\$31.0 million).

Of the \$395.4 million available, the Department spent \$334.7 million. However, if you factor in revenues of \$69.4 million generated by the Department in 1997-98 and services provided by other departments, the net cost is \$268.5 million (see Table 2). Spending was less than expected mostly because of delays in construction projects under the Canada Infrastructure Works Program (CIWP). Unspent amounts have been allocated to the CIWP in 1998-99.

**Table 1 : Summary of Voted Appropriations**

<b>Authorities for 1997-98 - Part II of the Estimates</b>			
<b>Financial Requirements by Authority (millions of dollars)</b>			
<b>Vote</b>	<b>1997-98 Planned Spending</b>	<b>1997-98 Total Authorities</b>	<b>1997-98 Actual</b>
Western Economic Diversification			
115 Operating Expenditures	32.4	37.3	34.1
120 Grants and Contributions	203.4	329.9	272.4
(S) Liabilities under the Small Business Loans Act	16.7	24.8	24.8
(S) Contributions to Employee Benefit Plans	3.4	3.4	3.4
<b>Total Department</b>	<b>255.9</b>	<b>395.4</b>	<b>334.7</b>
Total Authorities are main estimates plus supplementary estimates plus other authorities			

**Table 2 : Comparison of Total Planned Spending to Actual Spending**

<b>Departmental Planned versus Actual Spending by Business Line (millions of dollars)</b>									
	FTEs	Operating	Capital	Voted Grants and Contri- butions	Subtotal: Gross Voted Expendi- tures	Statutory Grants and Contri- butions	Total Gross Expendi- tures	Less: Revenue Credited to the Vote	Total Net Expendi- tures
Western Economic Diversification	333	35.8	--	203.4	239.2	16.7	255.9	--	255.9
	333	40.7	--	329.9	370.6	24.8	395.4	--	395.4
	<b>325</b>	<b>37.5</b>	--	<b>272.4</b>	<b>309.9</b>	<b>24.8</b>	<b>334.7</b>	--	<b>334.7</b>
<b>Totals</b>	333	35.8	--	203.4	239.2	16.7	255.9	--	255.9
	333	40.7	--	329.9	370.6	24.8	395.4	--	395.4
	<b>325</b>	<b>37.5</b>	--	<b>272.4</b>	<b>309.9</b>	<b>24.8</b>	<b>334.7</b>	--	<b>334.7</b>
Other Revenues and Expenditures									
Revenue credited to the Consolidated Revenue Fund									(68.1)
									(68.1)
									<b>(69.4)</b>
Cost of services provided by other departments									3.2
									3.2
									<b>3.2</b>
Net Cost of the Program									191.0
									330.5
									<b>268.5</b>
<b>NOTE:</b>									
<i>Numbers in italics</i> denote total authorities for 1997-98 (main and supplementary estimates and other authorities).									
<b>Bolded numbers</b> denote actual expenditures/revenues in 1997-98.									

**Table 3 : Historical Comparison of Total Planned Spending to Actual Spending**

<b>Departmental Planned versus Actual Spending by Business Line (millions of dollars)</b>					
	Actual 1995-96	Actual 1996-97	Planned Spending 1997-98	Total Authoriti es 1997-98	Actual 1997-98
Western Economic Diversification	362.9	303.2	255.9	395.4	334.7
<b>Total</b>	<b>362.9</b>	<b>303.2</b>	<b>255.9</b>	<b>395.4</b>	<b>334.7</b>
Total Authorities are main estimates plus supplementary estimates plus other authorities					

**Table 4 : Crosswalk between Old Resource Allocation and New Allocation**

This table is not applicable to Western Economic Diversification
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**Table 5 : Resource requirements by Organization and Business Line**

This table is not applicable to Western Economic Diversification
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**Table 6 : Revenues to the Vote**

This table is not applicable to Western Economic Diversification
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**Table 7 : Revenues to the Consolidated Revenue Fund (CRF)**

<b>Revenues Credited to the Consolidated Revenue Fund by Category (millions of dollars)</b>					
	<b>Actual 1995-96</b>	<b>Actual 1996-97</b>	<b>Planned Revenue 1997-98</b>	<b>Total Authorities 1997-98</b>	<b>Actual 1997-98</b>
Repayment of repayable contributions	49.4	54.6	54.0	54.0	46.7
Adjustment to previous years payables at year-end	0.2	2.3	0.0	0.0	1.6
Service fees under the Small Business Loans Act	13.3	11.2	13.0	13.0	19.8
Other Revenue	1.2	1.0	1.1	1.1	1.3
<b>Total Revenues Credited to the CRF</b>	<b>64.1</b>	<b>69.1</b>	<b>68.1</b>	<b>68.1</b>	<b>69.4</b>

**Table 8 : Statutory Payments**

<b>Statutory Payments (millions of dollars)</b>					
	<b>Actual 1995-96</b>	<b>Actual 1996-97</b>	<b>Planned Spending 1997-98</b>	<b>Total Authorities 1997-98</b>	<b>Actual 1997-98</b>
Liabilities under the Small Business Loans Act	9.0	16.8	16.7	24.8	24.8
Contributions to employee benefit plans	2.3	3.0	3.4	3.4	3.4
<b>Total Statutory Payments</b>	<b>11.3</b>	<b>19.8</b>	<b>20.1</b>	<b>28.2</b>	<b>28.2</b>
Total Authorities are main estimates plus supplementary estimates plus other authorities					

**Table 9 : Transfer Payments**

<b>Transfer Payments (millions of dollars)</b>					
	<b>Actual 1995-96</b>	<b>Actual 1996-97</b>	<b>Planned Spending 1997-98</b>	<b>Total Authorities 1997-98</b>	<b>Actual 1997-98</b>
<b>GRANTS</b>					
Grants for the Western Economic Diversification Program	0.0	0.0	5.0	21.0	17.5
<b>Total Grants</b>	<b>0.0</b>	<b>0.0</b>	<b>5.0</b>	<b>21.0</b>	<b>17.5</b>
<b>CONTRIBUTIONS</b>					
Western Diversification Program	111.2	131.8	130.9	168.4	150.7
Canada Infrastructure Works Program	205.0	110.9	62.5	135.5	99.2
Loan Fund Program	5.1	7.5	5.0	5.0	5.0
(S) Liabilities under the Small Business Loans Act	9.0	16.8	16.7	24.8	24.8
<b>Total Contributions</b>	<b>330.3</b>	<b>267.0</b>	<b>215.1</b>	<b>333.7</b>	<b>279.7</b>
<b>Total Transfer Payments</b>	<b>330.3</b>	<b>267.0</b>	<b>220.1</b>	<b>354.7</b>	<b>297.2</b>
Total Authorities are main estimates plus supplementary estimates plus other authorities					

**Table 10 : Capital Spending by Business Line**

This table is not applicable to Western Economic Diversification

**Table 11 : Capital Projects by Business Line**

This table is not applicable to Western Economic Diversification

**Table 12 : Status of Major Crown Projects**

This table is not applicable to Western Economic Diversification

**Table 13 : Loans, Investments and Advances**

This table is not applicable to Western Economic Diversification

**Table 14 : Revolving Fund Financial Statements**

This table is not applicable to Western Economic Diversification

**Table 15 : Contingent Liabilities**

<b>Contingent Liabilities (millions of dollars)</b>			
<b>List of Contingent Liabilities</b>	<b>Amount of Contingent Liabilities</b>		
	<b>March 31, 1996</b>	<b>March 31, 1997</b>	<b>Current as of March 31, 1998</b>
Threatened Litigation	1.6	2.2	2.0

### **Legislation Administered**

The Western Economic Diversification Act, 1987.

## **Section V - WD Sustainable Development Strategy**

WD's major achievement in this area during 1997/98 was to complete its Sustainable Development Strategy. The strategy, which covers the three year period beginning December 15, 1997, was tabled by the government in the House of Commons in December, 1997.

The strategy was developed in consultation with businesses and business associations, federal and provincial government departments, representatives of the academic community and environmental research institutions. These consultations also included members of WD's Western Canada Business Services Network which is made up of over one hundred points of service in cities and rural communities throughout western Canada. A draft version of the strategy was sent to more than forty stakeholders, and their comments and suggestions were factored into the final WD Sustainable Development Strategy.

The strategy outlines thirteen objectives that make up WD's action plan over the three year period from December, 1997 to December, 2000. The objectives focus on three principle activities: raise awareness of sustainable development and provide others with sustainable development information; support sustainable development through co-operative action; and foster a sustainable development culture within WD.

In keeping with our action plan objective of raising awareness, WD's Sustainable Development Strategy was put on our WD Website in January, 1998. Along with an internet link to Environment Canada's website and links to Industry Canada, these sites provide a key source of information and ideas about sustainable development, WD's strategy and other relevant business information, and important legislation and regulations for western Canadian business, WD's partners, and other interested stakeholders. For the current fiscal year and beyond, WD will implement additional measures described in our strategy to enhance client and staff awareness.

WD's objective of supporting sustainable development through cooperative action have over the past year concentrated on supporting western Canadian businesses seeking to establish or expand market opportunities for environmental and related enabling technologies. One example of how this has been accomplished is the WD-TB Bank Environmental Technology Loan Program. Through this program, which is designed to assist small and medium sized businesses to obtain high risk capital, four loans worth \$1.6 million were approved under the Environmental Technology Loan Program in 1997/98. Over the next year our action plan calls for WD to collaborate with its network partners, other governments, and industry to ensure that economic development programs and services reflect sustainable development objectives and priorities.

Internally, while slowed to some extent by the reorganization of WD over the past year, staff and management of WD continue to implement measures that support sustainable development such as internal recycling programs and the purchase of environmentally friendly goods and services. Key objectives over the next year include an internal awareness campaign and updated Environmental Stewardship Action Plan, and participation in the development of a green procurement policy in partnership with other federal and provincial agencies.



# Western Economic Diversification Contact Information

**Toll free telephone service  
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**WD Web site**  
[www.wd.gc.ca](http://www.wd.gc.ca) (english)  
[www.deo.gc.ca](http://www.deo.gc.ca)

## **WD OFFICES**

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