

Performance REPORT

for the period ending March 31, 2010

The *Departmental Performance Report for the period ending March 31, 2010* (DPR) gives an account of the results achieved by the Economic Development Agency of Canada for the Regions of Quebec against the performance commitments set out in the *Report on Plans and Priorities 2009-2010* (RPP). The DPR reports on costs and results attained as they relate to the Agency's priorities and the strategic outcome sought during this period.

To achieve its strategic outcome: **A competitive and diversified economy for the regions of Quebec**, the Agency established five priorities in 2009-2010

- Accelerate regions' and communities' adjustment to the new economic context
- Reinforce the performance of innovative, competitive SMEs
- Implement the *Regional Development Research* program
- Continue implementing the Departmental plan for enhancing program effectiveness
- Reinforce Departmental performance- and risk-based monitoring, analysis and decision making.



Agency's RAISON D'ÊTRE

The object of the Agency is to promote the long-term economic development of the regions of Quebec by giving special attention to those where slow economic growth is prevalent or opportunities for productive employment are inadequate. In carrying out its object, the Agency shall take such measures as will promote cooperation and complementarity with Quebec and the communities of Quebec.

In the long term, Quebec's regions and communities will have increased their development capabilities, dynamism and prosperity in a significant, lasting manner for the benefit of their citizens.



The Agency **IN ACTION**

The Agency aims to increase communities' vitality and reinforce the competitiveness of Quebec enterprises and regions. Through its 14 business offices and its advisors, it covers all areas of Quebec, where it acts primarily in relation to small- and medium-sized enterprises (SMEs) and non-profit organizations. In particular, the Agency offers consulting and information services, as well as financial assistance.

In order to promote the economic development and diversification of the regions of Quebec, and to achieve its targeted strategic outcome, the Agency has at its disposal several program instruments, among other things.

Regular programs

- *Community Diversification*
- *Business and Regional Growth*
- *Regional Development Research*

Canada-wide program implemented in Quebec by the Agency

- *Community Futures Program*

Canada's Economic Action Plan (CEAP) dedicated programs

- *Recreational Infrastructure Canada*
- *Contribution program to supply the Municipality of Shannon with drinking water*

The *Community Adjustment Fund*, stemming from CEAP, is implemented through the Agency's regular programs: *Community Diversification* and *Business and Regional Growth*.



Canada's economic **ACTION PLAN**

Tabled on January 27, 2009, CEAP provided the Agency with additional funding for Fiscal Years 2009-2010 and 2010-2011. Used as an economic stimulus, this funding is intended to create employment opportunities and implement adjustment measures in communities hit by the economic downturn. In particular, CEAP includes the *Recreational Infrastructure Canada* (RInC) program and the *Community Adjustment Fund* (CAF).

For 2009-2010, the Agency had the following financial and human resources at its disposal

Financial resources <i>(in thousands of dollars)</i>			Human resources <i>(full-time equivalents)</i>		
Planned spending	Total authorities	Actual expenditures	Planned resources	Actual resources	Variation
305,392	445,134	398,055	411	426	15



The Agency's **PERFORMANCE** with respect to its priorities

PROGRAM PRIORITIES

Priority #1 *Achievements met all expectations*

Accelerate regions' and communities' adjustment to the new economic context

- In 2009-2010, the Agency focussed on support for entrepreneurship and creation or maintenance of viable enterprises, and increasing communities' attraction capability through their tourist and industrial attractions. These interventions translated into approved commitments of some \$126 million in 215 projects.

Priority #2 *Achievements met all expectations*

Reinforce the performance of innovative, competitive SMEs

- In 2009-2010, the Agency also focussed on development of enterprises' strategic capabilities and support for the startup of innovative SMEs. These interventions translated into approved commitments of some \$65 million in 233 projects.

Priority #3 *Achievements met all expectations*

Implement the *Regional Development Research* program

- A first call for proposals concerning the transformation of the manufacturing sector was launched in fall 2009.
- Research questions were validated through external consultations conducted with development agents in summer 2009.

MANAGEMENT PRIORITIES

Priority #4 *Achievements mostly met expectations*

Continue implementing the Departmental plan for enhancing program effectiveness

- Most tools supporting consistent practices for implementing programs were developed and implemented.
- An enhanced claims process was designed in order to alleviate the administrative burden on promoters.
- A study of operational risk management practices was conducted and more effective practices were developed.
- A new operational risk evaluation model was developed. Following validation and calibration tests, the model will be launched in a pilot project and will be integrated with the grant and contribution management system.

Priority #5 *Achievements met all expectations*

Reinforce Departmental performance- and risk-based monitoring, analysis and decision-making

- Performance measurement tools were updated, and a training tour was carried out in the 14 business offices.
- The update report on Departmental risk management was carried out.
- The Departmental risk profile was incorporated in the 2010-2011 RPP and in the integrated planning process.
- An in-house communication approach concerning risk management was developed.

The Agency's **PERFORMANCE** with respect to its strategic outcome

Strategic outcome: *A competitive and diversified economy for the regions of Quebec*

Performance indicators

Five-year target
(from 2007-2008
to 2011-2012)

Performance 2009-2010

Indicator of the competitiveness and diversification level of Quebec regions

The competitiveness and economic diversification of Quebec regions are maintained or increased.

Direct, indirect and induced impacts in terms of jobs and wealth generated

The Agency contributed to maintaining communities' vitality

- by helping 30 communities mobilize, produce a plan and implement development and diversification initiatives
- through reinforcement of the tourism offering
- through support for the creation, development and maintenance of 407 SMEs.

The Agency contributed to the competitiveness of SMEs and regions

- through the growth seen in the sales of 153 SMEs that received assistance
- through enhancement of the productivity of 201 SMEs
- through the creation and expansion of 98 innovative enterprises.

The Agency developed its ability to meet the needs of regions, communities and SMEs

- through the development of policies geared to the needs of regions and enterprises
- through the completion of research collaboration agreements
- through the implementation of awareness-raising activities concerning the *Industrial and Regional Benefits Policy* in Quebec
- through increased cooperation with the Government of Quebec.

The Agency contributed to creating employment opportunities and establishing adjustment measures in communities hit by the economic downturn, in particular

- through implementation of the CAF and RInC.

Leverage effect: \$1 from the Agency = \$2.59 in investment by the promoter and other funding sources, excluding funding associated with CEAP and the *Infrastructure* program activity.

