



Canada Economic
Development
for Quebec Regions

Développement
économique Canada
pour les régions du Québec

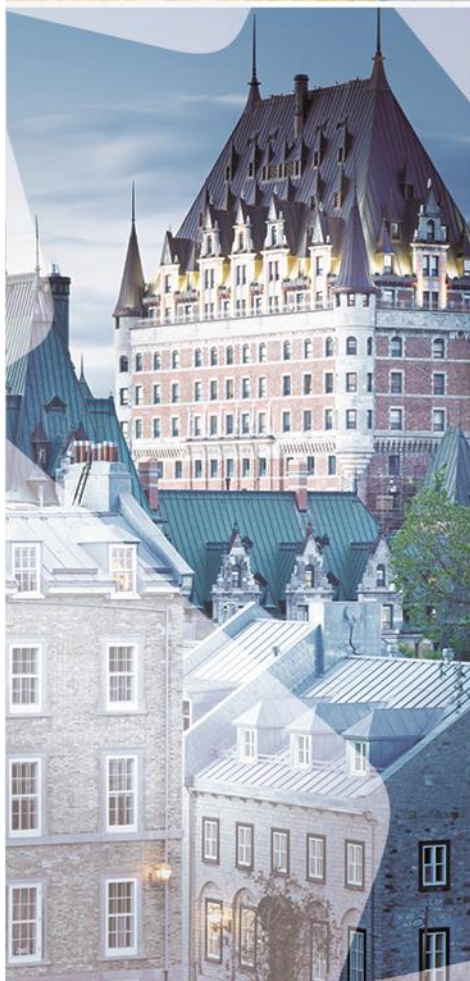


Canada Economic Development for Quebec Regions

2019–20 Departmental Plan

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

Minister of Innovation, Science and
Economic Development and Minister
responsible for Canada Economic
Development for Quebec Regions



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Minister's message

It is my pleasure to present the 2019-20 Departmental Plan for Canada Economic Development for Quebec Regions (CED). We are working across the Innovation, Science and Economic Development Portfolio to support and develop the innovation ecosystem, strengthen science to support evidence-based decision making, champion the tourism sector, and help small businesses start up and scale up.

Our government committed to invest in Canadians to grow our economy, strengthen the middle class, and help those working hard to join it. With CED, we have delivered on those commitments over the last four years.

CED is a key player in Quebec's business ecosystem and it allows the federal government to work towards economic growth while working hand in hand with innovators and job creators in the province. The Agency works in synergy with federal, provincial and local players to promote regional economic development.

Ultimately, the Portfolio's work will create the right environment to generate ideas, commercialize those ideas, and give Canadians the skills to access the jobs and opportunities presented by today's economy.

Together with Canadians of all backgrounds, regions and generations, we are building a strong culture of innovation to position Canada as a leader in the global economy.



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

Institutional Head’s message

Canada Economic Development for Quebec Regions (CED) is a key federal player in helping businesses innovate, grow and make strategic investments that promise long-term economic growth for Canadians. CED's 2019–20 Corporate Plan outlines the resources and action plans we will be deploying to achieve our results, consistent with government priorities.

To achieve this, the government has made a commitment to support projects that foster innovation. With the implementation of the new pan-Canadian *Regional Economic Growth Through Innovation* program, we are convinced that the sustainable economic prosperity of our businesses and communities depends above all on innovation, the development of new technologies and their use.

With the expertise of our 12 business offices located across the province, and our network of experienced collaborators, we are implementing the *Federal Strategy for Innovation and Growth for the Regions of Quebec*, announced in 2018. This will enable us to continue to make sound investments, while ensuring sound management of public funds for current and future generations.

Today, more than ever, our planning highlights our responsible management and our commitment to a more innovative, sustainable and inclusive economy.

Happy reading!



Manon Brassard
Deputy Minister / President of
Canada Economic Development for
Quebec Regions

Plans at a glance and operating context

Quebec's economy has grown at a sustained pace over the last few years. However, population aging has accelerated, and labour scarcity has become an obstacle to SME growth. In fact, nearly one business in four has mentioned that the shortage of labour is a major obstacle.¹ Many businesses will be seeking to increase their productivity and improve their recruitment strategy. Consequently, the economic situation should be generally favourable to private investment and the economic participation of groups that are generally underrepresented in the labour market. It will also be essential for companies to renew their skills in a context where the digital revolution and technological innovations are transforming many industries. Artificial intelligence, clean technologies and advanced manufacturing are just a few examples of the new realities shaping the Quebec's economic landscape today.

Moreover, the possibility of increased protectionism— which has already slowed down international trade over the last year— and the possibility of higher-than-expected interest rate hikes in the US could negatively impact the US economy and Canadian exports.² With Quebec's economy growing at a more moderate pace, trade tensions and the imposition of tariffs, there will be increased nervousness among business and investors over the next year.

⇒ **Plans at a glance**

In collaboration with the other regional development agencies (RDAs), we support the implementation of the [Innovation and Skills Plan \(ISP\)](#), the framework adopted by the government to stimulate growth. This multi-year plan leverages Canada's assets and tackles the challenges of innovation throughout the growth continuum of businesses. The specific contribution of RDAs to the ISP happens through the [Investing in Regional Innovation and Development](#) action plan.

As a member of the Innovation, Science and Economic Development (ISED) portfolio and through the new national program [Regional Economic Growth through Innovation \(REGI\)](#), CED is well positioned to continue implementing the ISP in the regions of Quebec. We have the expertise, programs and services to help businesses remain competitive, communities to diversify and target clientele to fully participate in economic development. In order to promote collaboration and synergy between federal ISP partners, we are directing the implementation of the [Federal Strategy on Innovation and Growth for the Quebec Regions \(FSIGQR\)](#). Announced in November 2018, this strategy will make it possible to prioritize federal actions in order to

¹ According to the [Survey on Financing and Growth of Small and Medium Enterprises, 2017](#) by Statistics Canada (December 2018), the shortage of labour is a major obstacle for 23.5% of Quebec SMEs and a moderate obstacle for 15.2% of them. These are the highest rates in Canada.

² Department of Finance Canada, [Fall Economic Statement 2018](#).

make full use of resources and opportunities aimed at supporting innovation and entrepreneurial dynamism in Quebec.

In continuity with our 2018–19 orientations, we will be making special efforts on the following five priorities over the next fiscal year.

1- Strengthen the regional ecosystems in support of innovative businesses

The Government of Canada is committed to providing further support for innovation in businesses. Funds from the new REGI program will enable us to continue our key and complementary role with other federal partners in the innovation and marketing continuum. We will be prioritizing the growth and evolution of regional innovation ecosystems by, for example, supporting industrial clusters, incubators and accelerators. These regional stakeholders improve the innovation capacity and productivity of participating businesses by facilitating alliances and offering guidance in the key steps of their development. Our support will help businesses expand, attract international investment and establish connections with international value chains.

2- Support the growth and expansion of businesses, particularly those with high potential

Small and medium enterprises (SMEs) are essential economic growth engines in the regions of Quebec. We will continue to strengthen the growth of businesses by increasing our support for innovation, the adoption and development of new technologies, digitization and business automation. In order to help them expand and remain competitive, we will also prioritize marketing in foreign markets. More specifically, we want to help businesses with high growth potential become frontline players in international markets, given that they generate a significant portion of new jobs, innovate and invest in advanced technologies and focus on exporting their products and services.

3- Support clean economic growth

The Government of Canada believes that a clean environment and a strong economy go hand in hand. In line with this vision, we fund projects that improve the environmental performance of businesses. This includes, for example, developing and implementing new processes for reducing raw or residual materials; purchasing energy-efficient equipment; adopting clean technologies aimed at increasing the productivity and competitiveness of businesses; or developing and marketing clean technologies that will enable SMEs to export their know-how to international markets.

4- Contribute to inclusive growth by supporting women entrepreneurs and Indigenous people

By virtue of our [mandate](#), we are committed to fostering the resilience and inclusive growth of Quebec communities, taking into account each community’s unique needs. This commitment also includes improving the economic prospects of various population groups. By deploying our inclusive vision of economic development, we will invest in a more specific way to support the economic participation of certain population groups generally underrepresented, including women and Indigenous people.

5- Continue the "Horizon 2021" initiative

In 2018–19, we committed to innovate in the way we do business, deliver our services and meet the expectations of citizens through our “Horizon 2021” initiative. We will continue our efforts in this direction by focusing on implementing our digital strategy, developing a culture of innovation and improving customer experience. These are the solid foundations that allow us to support the government in the government-wide initiative "Beyond 2020", which aims to contribute to the renewal of the public service.

For more information on CED’s plans, priorities and planned results, see the “Planned results” section of this report.

Planned results: what we want to achieve this year and beyond

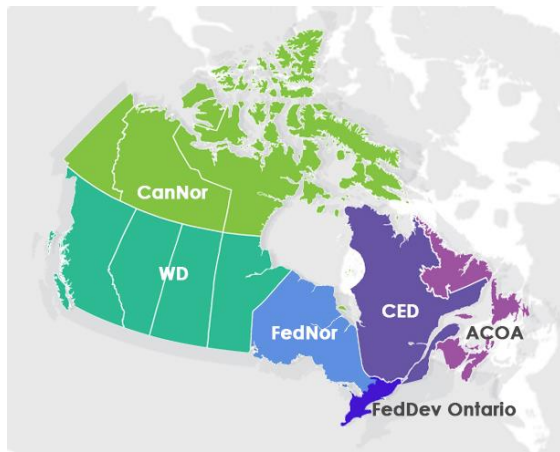
Core responsibility

Economic Development in Quebec

Description Support Quebec economic growth, job creation and economic prosperity through inclusive clean growth; help SMEs growth through trade and innovation; and build on competitive regional strengths.

Planning highlights

CED will work with the other five regional development agencies (RDAs)—in accordance with their respective mandates—in order to contribute to the economic development of every Canadian region.



To measure the progress being made to fulfill its essential responsibilities, CED is looking to contribute to and have an influence on the three following departmental results.

The priorities presented previously all support, to varying degrees and in complementary ways, the achievement of the three departmental results

Departmental Result 1: Businesses are innovative and growing in Quebec

As announced in Budget 2018, the government has grouped together 22 program components offered by the RDAs under the banner of a new program, thereby simplifying funding searches for innovative businesses. The new program, *Regional Economic Growth through Innovation (REGI)*, is implemented by each RDA and takes into account the particular needs of enterprises and of the various regions in the country. The RDAs are therefore one of the government's flagship platforms³ for supporting innovation. We will therefore work together with other federal innovation organizations, namely the National Research Council Canada (NRCC), the Trade Commissioner Service (TCS) and Innovation Canada. Also under the REGI program, RDAs will undertake an initiative to target capability enhancing investments for the many SMEs across Canada that are downstream steel and aluminum users. This funding is part of broader efforts aimed at supporting businesses and workers impacted by the tariffs and countervailing measures in the steel and aluminum industry. By helping businesses strengthen their productivity and

³ The three others are: the [Industrial Research Assistance Program](#), the [Strategic Innovation Fund](#) and the [Trade Commissioner Service](#).

competitiveness, the program will help maintain and create good middle-class jobs for Canadians.

Between now and 2023, an additional \$15 million per year will be made available to the regions of Quebec to support regional innovation ecosystems and to help SMEs expand, export to new markets and adopt new technologies and processes. During the upcoming fiscal year, we plan on approving 100 new projects with an innovative component.

We also support business projects aimed at developing and adopting new technologies and business practices focused on clean growth. During the 2019–20 fiscal year, a minimum of \$25 million will be invested to support projects aimed at developing or adopting clean technologies.

In order to maximize the industrial and technological benefits generated by the Government of Canada’s major procurement projects, we are also promoting the capacities of Quebec businesses with major contractors. We will thereby continue to support partnership projects between contractors and SMEs in order to contribute to their economic growth.

Departmental Result 2: Communities are economically diversified in Quebec

⇒ Economic diversification

We are present throughout Quebec and support rural and remote regions to contribute to their economic vitality. In order to increase the performance and resilience of local economies of Quebec—and especially those that are reliant on a single sector—we support projects that aim to strengthen their entrepreneurial or industrial fabric. We support the development and promotion of the regions’ assets, particularly through projects aimed at funding festivals, sporting events or community economic facilities (CEFs)⁴. In this way, we help generate investment, increase the spending of tourists from outside Quebec, and attract international organizations, which benefits an entire given region.

We will also continue with our commitment to strengthen and diversify the economies of communities that have suffered an economic shock. Examples include the Lac-Mégantic Recovery Initiative and the Initiative for the Economic Diversification of Communities Reliant on Chrysotile, which will continue in 2019–20.

⇒ Underrepresented groups

In an effort to make sure that our programs contribute to diversity outcomes, we will be putting forth several initiatives aimed at increasing the participation of generally underrepresented

⁴ CEFs—for example airports or stretch of railway—are amenities that benefit businesses and contribute to economic growth or vitality of communities.

groups in the economy in general and in entrepreneurship more specifically. These groups include women, Indigenous people and young people. For example, we have launched the *CED Fast Forward Challenge*, an experimental project that reflects the governments' commitment⁵ to foster the development of new businesses by investing in entrepreneurial talent. The challenge is aimed specifically at young students or engineering graduates and aims to stimulate business creation with this clientele. Up to 10 laureates will receive a \$ 50,000 grant.

We also support economic projects by Indigenous entrepreneurs or organizations, with the objective of supporting a minimum of 40 Indigenous projects by 2021. To do this, we have streamlined our intervention parameters for projects from First Nations in order to promote their participation in Quebec's economic growth.

Lastly, we will continue to work with other RDAs to build an economy that is strong and inclusive by delivering the new *Women's Entrepreneurship Strategy* (WES) in our respective regions. The government-wide strategy is part of the *Innovation and Skills Plan* (ISP) and aims to help women have easier access to the funding, talent, networks and expertise they need to launch or grow their businesses. It will also enable them to gain the skills to succeed in the business world. This new funding in the form of contributions aims to double the number of SMEs with majority ownership by women by 2025.

Departmental Result 3: Businesses invest in the development and commercialization of innovative technologies in Quebec

As mentioned previously, new funds are being made available to businesses under the REGI program, particularly to help them develop, adopt and market new innovative technologies.

The presence of industry clusters and innovation ecosystems in Quebec attracts more investment looking to take advantage of promising and growing industries. In 2019–20, we will continue to support the development of regional economic innovation ecosystems, particularly by supporting incubator, accelerator and sectoral cluster projects in these promising sectors.

We will also contribute to creating an environment that is suitable for exchanges between economic stakeholders by supporting several organizations that support SMEs in completing their business projects, for example, organizations that support technology transfers, those supporting exporting or marketing projects or those that attract direct foreign investment.

⁵ This commitment is in line with the priorities contained in the Federal Strategy on Innovation and Growth for the Quebec Regions.

Experimentation

CED created the *CED Fast Forward Challenge*, an experimental contest that aims to encourage innovative entrepreneurship among young engineering students or graduates. Despite a strong interest to begin their own businesses, few of them take action. That is why we have decided to test a new approach with this clientele.

Projects will be evaluated by both CED and a selection board on a competitive basis, based on their innovative character, quality, potential and economic benefits.

The experimental character of the process is based on the use of new program delivery mechanisms, agile project management and communication methods never before tested.

The contest will be given a complete evaluation to measure the impacts and what has been learned. It has also been designated as a pilot initiative in the application of Gender-Based Analysis Plus (GBA+). The implementation of the Challenge began in November 2018. The winners will be announced in 2019, and the evaluation of the experiment will take place in the first quarter of 2020.

Risks

Risk 1: Technology and information management

Because of the obsolescence of the financial system, the integrity of financial data used for decision making is at risk, which requires the continuation of our organizational transformation.

CED plans on reducing this risk by:

- undertaking certain activities that are part of our digital strategy, including the implementation of our new grants and contributions management system (Cortex) and of the SAP financial management system;
- assessing the condition of systems for each transformation project and preparing alternatives, if required;
- renewing our assets in terms of technological tools;
- following up on service requests concerning technological infrastructure that support related solutions; and
- effectively and diligently maintaining relationships with our technology service delivery partners.

Risk 2: Workforce management

There is a risk that we may not have adequate internal capacity to meet functional and operational needs. This could affect our results. In coming years, we will have to deal with several challenges in terms of staffing and employee retention (e.g., retirements, labour shortages, etc.). These challenges will be tied to proper knowledge management and transfer, while dealing with increased pressure on resources.

We will:

- apply innovative staffing and talent retention strategies, including campus recruitment;
- identify unique positions that are at risk;
- target employment equity groups;
- develop employee versatility; and
- coach employees to take up and gain new tools and skills.

Risk 3: Ability to adjust mandate delivery in a changing economic environment

There is a risk concerning CED's ability to adequately support Quebec businesses and regions because of changing economic circumstances. These changes include labour shortages hindering SME growth and productivity, trade disputes and their repercussions on Canadian exports.

To address this risk, CED will focus on:

- the development and implementation of specific initiatives;
- continuous monitoring of the regional economic development context and an analysis of the related impact;
- an ongoing dialogue with stakeholders and citizens;
- maximizing business-level expertise and their evolution through new business models; and
- the development and maintenance of strategic partnerships, including the implementation of the growth and innovation strategy in Québec.

Planned results

Departmental Results	Departmental Result Indicators	Target	Date to achieve target	2015–16 Actual results	2016–17 Actual results	2017–18 Actual results
Businesses are innovative and growing in Quebec	Number of high growth firms in Quebec	3,400	March 31, 2020	2,420	Not available*	Not available*
	Value of exports of goods (in dollars) from Quebec	\$86 B	March 31, 2020	77,2 G\$	78,6 G\$	Not available*
	Value of exports of clean technologies (in dollars) from Quebec	Not available**	March 31, 2020	Not available*	Not available*	Not available*
	Revenue growth rate of firms supported by CED programs	10%	March 31, 2020	6,4%	12,3%	Not available*
Communities are economically diversified in Quebec	Percentage of SMEs that are majority-owned by women, Indigenous people, youth, visible minorities and persons with disabilities in Quebec	Women 17% Indigenous people: 0.8% Youth: 17.5% Visible minorities: 5% Persons with disabilities: Not available*	March 31, 2020	Not available*	Women 16.2% Indigenous people: 0.7% Youth: 17.2% Visible minorities: 4.5% Persons with disabilities: Not available*	Not available*
	Percentage of professional, science and technology-related jobs in Quebec's economy	36.5%	March 31, 2020	35.2%	36.1%	35.4%
	Amount leverage per	\$2.2	March 31,	\$2.3	\$2.4	\$2.6

	dollar invested by CED in community projects		2020			
Businesses invest in the development and commercialization of innovative technologies in Quebec	Value of Business Expenditures in Research and Development (BERD) by firms receiving CED program funding (in dollars)	\$25 M	March 31, 2020	7 M\$	25 M\$	30 M\$
	Percentage of companies engaged in collaborations with higher education institutions in Quebec	19%	March 31, 2020	Not available*	Not available*	Not available*

*No data available for this year. The indicators in this table came into effect in 2018–19 and, as a result, the information provided is based on historical data and has not been previously monitored as part of our reporting.

**At the time of writing, no data is available for this indicator. Statistics Canada should produce a satellite survey on clean technologies at a later date. As a result, we cannot set targets for the moment.

Budgetary financial resources (dollars)

2019–20 Main Estimates	2019–20 Planned spending	2020–21 Planned spending	2021–22 Planned spending
302,995,403	301,916,121	223,522,522	222,733,926

Human resources (full-time equivalents)

2019–20 Planned full-time equivalents	2020–21 Planned full-time equivalents	2021–22 Planned full-time equivalents
191	191	191

Note: Main Estimates, Planned spending and Full-time equivalents figures do not include Budget 2019 announcements. More information will be provided in the 2019–20 Supplementary Estimates and Departmental Results Report, as applicable.

The level of the above-mentioned resources combines grants and contributions funding with those of the operating budget required to develop and ensure program delivery, notably through our 12 business offices across Quebec’s regions. The tables do not include the resources relating to internal services in support of the delivery of our programs.

Planned spending as of 2020–21 does not include the reinvestment of revenues coming from our clients’ contribution repayments, as authorizations are not received at the time of writing this Departmental Plan.

Financial, human resources and performance information for CED’s Program Inventory is available in the [GC InfoBase](#).ⁱ

Internal Services

Description

Internal Services are those groups of related activities and resources that the federal government considers to be services in support of Programs and/or required to meet corporate obligations of an organization. Internal Services refers to the activities and resources of the 10 distinct services that support Program delivery in the organization, regardless of the Internal Services delivery model in a department. These services are:

- Management and Oversight Services
- Communications Services
- Legal Services
- Human Resources Management Services
- Financial Management Services
- Information Management Services
- Information Technology Services
- Real Property Management Services
- Materiel Management Services
- Acquisition Management Services

Budgetary financial resources (dollars)

2019–20 Main Estimates	2019–20 Planned spending	2020–21 Planned spending	2021–22 Planned spending
19,151,289	20,230,571	19,953,892	19,224,788

Human resources (full-time equivalents)

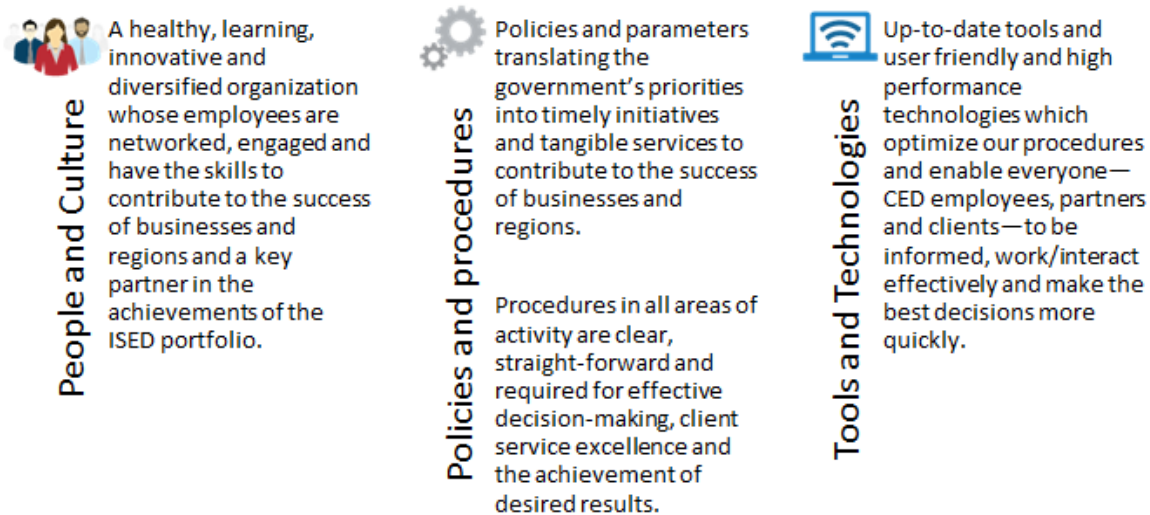
2019–20 Planned full-time equivalents	2020–21 Planned full-time equivalents	2021–22 Planned full-time equivalents
151	146	142

Note: Main Estimates, Planned spending and Full-time equivalents figures do not include Budget 2019 announcements. More information will be provided in the 2018–19 Supplementary Estimates and Departmental Results Report, as applicable.

Planning highlights

⇒ **Horizon 2021 initiative**

Whether at our business offices or our headquarters, modernization and optimization projects intended to make our processes and way of doing things more agile and robust are under way. The Horizon 2021 initiative will thus continue for the rest of the fiscal year, with several projects in the three transformation areas illustrated below.



Specifically, the projects and initiatives that will carry over into 2019–20 include:

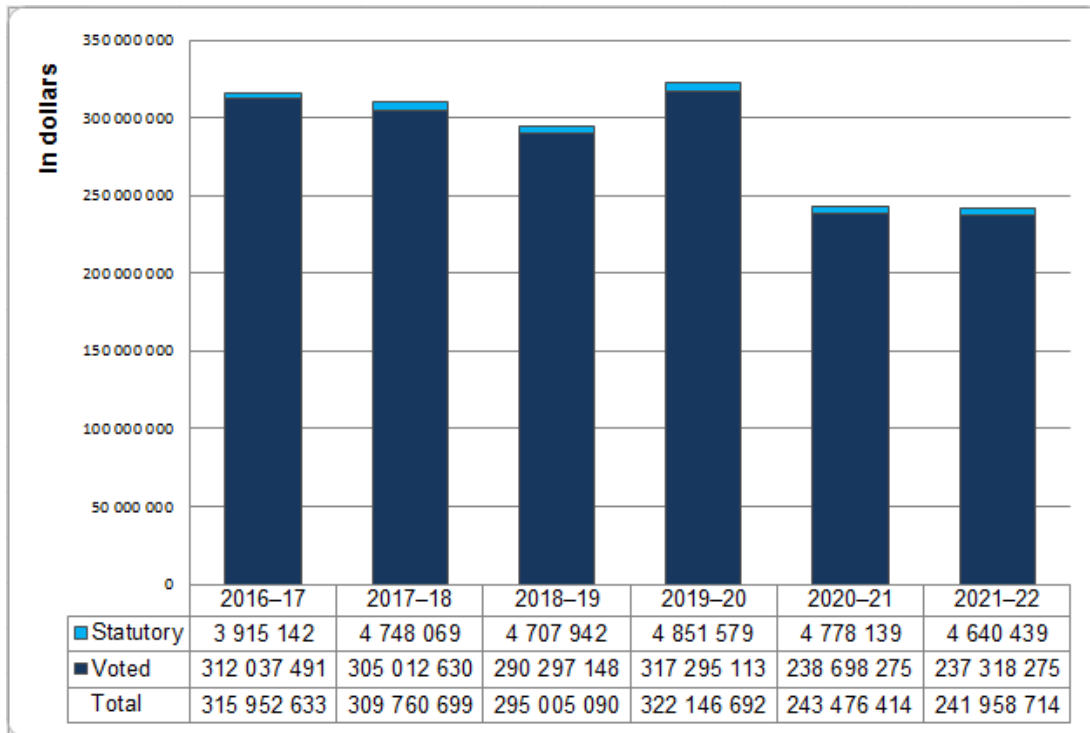
- Implementing the digital strategy, developed to maximize the contribution of technology and information management. Initiatives in six spheres of activity—including digital services; modern technology; open, collaborative and data-driven ministry; and integrity and cybersecurity—will be deployed. For example, the transition from our current financial system to the common SAP financial management solution.
- Developing a new common management platform for grants and contributions in cooperation with other RDAs. In 2019, the system will be configured and implemented to manage our grant and contribution projects, but also to interact with our clients. This system places our business clients’ needs at the core of our actions. We are also taking this opportunity to review our business processes, modernize and streamline our way of doing things and focus them on improved client experience. We will deploy the system—named CORTEX—in summer 2020.
- Creating the “innovation incubator,” which will coordinate the implementation of projects intended to seize opportunities or respond to known operational challenges so that we can be better equipped for the digital age and better positioned as an employer of choice. The incubator will develop non-traditional solutions through experimentation.

Spending and human resources

Planned spending

Departmental spending trend graph

The figure below shows CED's actual and planned spending trends during the previous three and next two fiscal years. The dark blue bar corresponds to grants and contributions and operating expenditures. The pale blue bar corresponds to statutory expenditures associated with the employee benefit plan.



Spending in 2016–17 peaked at \$316 million, due in part to funding for the Canada 150 Community Infrastructure Program (CIP-150 – components I and II). This two-year initiative came to an end on March 31, 2018, which partially explains the reduction in planned spending starting in 2018–19.

In 2019–20, spending will reach \$322 million due to additional funding of 26.2 million for the new initiative supporting SMEs that are downstream steel and aluminum users. Expenditures also include the Lac-Mégantic Recovery Initiative and the Economic Diversification of Communities Reliant on Chrysotile Initiative, which will continue in 2019–20.

The spending reduction beginning in 2020–21 is due in part to the fact that planned spending as of April 1, 2020 does not include the reinvestment of revenues from clients' contribution repayments. Official approvals for these repayments are not yet obtained at the time of writing this Departmental Plan.

Budgetary planning summary for Core Responsibilities and Internal Services (dollars)

Core Responsibilities and Internal Services	2016–17 Expenditures	2017–18 Expenditures	2018–19 Forecast spending	2019–20 Main Estimates	2019–20 Planned spending	2020–21 Planned spending	2021–22 Planned spending
Developing Quebec's economy	297,418,222	291,790,589	274,757,239	302,995,403	301,916,121	223,522,522	222,733,926
Internal Services	18,534,411	19,638,153	19,247,851	19,151,289	20,230,571	19,953,892	19,224,788
Total	315,952,633	311,428,742	294,005,090	322,146,692	322,146,692	243,476,414	241,958,714

Note: Main Estimates, Planned spending and Full-time equivalents figures do not include Budget 2019 announcements. More information will be provided in the 2018–19 Supplementary Estimates and Departmental Results Report, as applicable.

- High spending in 2016–17 and 2017–18 is due in part to temporary initiatives under the Targeted Transition Support Program, including the Lac-Mégantic Economic Recovery Initiative, the Economic Diversification Initiative for Communities Reliant on Chrysotile, and the CIP 150 (components I and II). The decrease in total spending for 2017–18 is mainly due to the end of the CIP 150 Initiative.
- In 2018–19, we received new funds, which will continue until 2022–23, for the Innovation and Skills Plan and the Women's Entrepreneurship Strategy. Starting in 2019–20, additional funds are included in planned spending for the previously mentioned Steel and Aluminium Initiative.
- The decline in planned spending starting in 2020–21 is partially a result of the recovered portion of repayable contributions granted to clients, which is not included in planned spending.
- The portion of internal service expenditures will reach \$ 20.2 million in 2019–20. This is due, among other things, to a number of major and ongoing government-wide projects, including the new grant and contribution management system, the replacement of the current financial system, and the establishment of a team dedicated to innovation to make the organization more efficient.

Planned human resources

Human resources planning summary for Core Responsibilities and Internal Services (full-time equivalents)

Core Responsibilities and Internal Services	2016–17 Actual full-time equivalents	2017–18 Actual full-time equivalents	2018–19 Forecast full-time equivalents	2019–20 Planned full-time equivalents	2020–21 Planned full-time equivalents	2021–22 Planned full-time equivalents
Developing Quebec's economy	190	182	188	191	191	191
Internal Services	140	138	140	151	146	142
Total	330	320	328	342	337	333

Note: Main Estimates, Planned spending and Full-time equivalents figures do not include Budget 2019 announcements. More information will be provided in the 2018–19 Supplementary Estimates and Departmental Results Report, as applicable.

CED is continually adjusting to the economic context, the needs of the regions and operational requirements stemming from various government priorities and initiatives, which explains workforce fluctuations from one year to the next.

Estimates by vote

Information on CED's organizational appropriations is available in the [2019–20 Main Estimates](#).ⁱⁱ

Future-Oriented Condensed Statement of Operations

The Future-Oriented Condensed Statement of Operations provides a general overview of CED's 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. The forecast and planned spending amounts presented in other sections of the Departmental Plan are prepared on an expenditure basis; as a result, 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 [CED's website](#).

Future-Oriented Condensed Statement of Operations
for the year ending March 31, 2020 (dollars)

Financial information	2018–19 Forecast results	2019–20 Planned results	Difference (2019–20 Planned results minus 2018–19 Forecast results)
Total expenses ⁶	178,556,000	205,722,000	27,166,000
Total revenues	0	0	0
Net cost of operations before government funding and transfers	178,556,000	205,722,000	27,166,000

In 2019–20, total net spending is projected to be \$205.7 million. Planned spending consists largely of transfer payments, which are payments related to non-repayable and conditionally repayable contributions. These are projected to total \$155.6 million in 2019–20, an increase of 20.8% over 2018–19.

Our revenues, returned to the Consolidated Revenue Fund, are declared in our financial statements as being earned on the government’s behalf. Note that CED’s total gross revenues are forecast to amount to \$492,000 in 2019–20, a decrease of \$353,000 from fiscal year 2018–19. The planned amount for 2019–20 represents the average of net revenues of the organization for the past few years.

⁶ Expenditures correspond to the economic resources used by CED over a given period to deliver its programs. There are two types of expenditures: transfer payments and operating expenditures. Expenditures calculated in the future-oriented statement of operations (Section III) are different from those presented in sections I and II of the Departmental Plan, since unconditionally repayable contributions are recorded as loans, which reduces total transfer payment expenditures.

Additional information

Corporate information

Organizational profile

Appropriate minister:

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

Minister of Innovation, Science and Economic Development and Minister responsible for the Canada Economic Development for Quebec Regions

Deputy Head:

Manon Brassard

Ministerial portfolio:

Innovation, Science and Economic Development

Enabling instrument(s):

[Economic Development Agency of Canada for the Regions of Quebec Act](#), (S.C. 2005, c. 26)ⁱⁱⁱ

Year of Incorporation / Commencement: 2005

Raison d'être, mandate and role

“Raison d'être, mandate and role: who we are and what we do” is available on [CED's website](#).

Reporting framework

The Canada Economic Development for Quebec Regions Departmental Results Framework and Program Inventory of record for 2018–19 and 2019–20 are shown below.

Departmental Results Framework	Core Responsibility : Economic Development in Quebec		
	Department Result : Businesses are innovative and growing in Quebec	Indicator : Number of high growth firms in Quebec	
	Departmental Result : Communities are economically diversified in Quebec	Indicator : Value of exports of good (in dollars) from Quebec	
	Departmental Result : Businesses invest in the development and commercialization of innovative technologies in Quebec	Indicator : Value of exports of clean technologies (in dollars) from Quebec	
	Departmental Result : Communities are economically diversified in Quebec	Indicator : Revenue growth rate of firms supported by CED programs	
	Departmental Result : Businesses invest in the development and commercialization of innovative technologies in Quebec	Indicator : Percentage of SMEs that are majority-owned by women, Indigenous people, youth, visible minorities and persons with disabilities in Quebec	
	Departmental Result : Communities are economically diversified in Quebec	Indicator : Percentage of professional, science and technology-related jobs in Quebec's economy	
	Departmental Result : Businesses invest in the development and commercialization of innovative technologies in Quebec	Indicator : Amount leverage per dollar invested by CED in community projects	
	Departmental Result : Businesses invest in the development and commercialization of innovative technologies in Quebec	Indicator : Value of Business Expenditure in Research and Development (BERD) by firms receiving CED program funding (in dollars)	
Departmental Result : Businesses invest in the development and commercialization of innovative technologies in Quebec	Indicator : Percentage of companies engaged in collaborations with higher education institutions in Quebec		
Program Inventory	Program : Regional Innovation		
	Program : Vitality of communities		
	Program : Targeted or temporary support		

Concordance table

Concordance between the Departmental Results Framework and the Program Inventory 2018–19 and 2019–20

Essential responsibility and Program Inventory 2019-2020	Lower level program in the 2018 2019 Program Inventory	Percentage of lower level programs included in the Program Inventory (in dollars) (2018-19) that correspond to the new program in the Program Inventory (2019-20)
Responsabilité essentielle : Développer l'économie du Québec		
Program: Regional Innovation	Innovation and technology transfer	100%
	Productivity, digitalisation and expansion	100%
	Commercialization and exports	100%
	Innovative and inclusive economic ecosystems	95%
	Promotion and development of regional assets	5%
Program: Community Vitality	Innovative and inclusive economic ecosystems	5%
	Promotion and development of regional assets	95%
	Community Futures Program	100%
	Economic Development Initiative (EDI) – Official Languages	100%
Program: Targeted or temporary support	Canadian initiative for the economic diversification of communities reliant on chrysotile	100%
	Economic Recovery Initiative for Lac-Mégantic	100%

Supporting information on the Program Inventory

Supporting information on planned expenditures, human resources, and results related to the Canada Economic Development for Quebec Regions' Program Inventory is available in the [GC InfoBase](#).^{iv}

Supplementary information tables

The following supplementary information tables are available on [CED's website](#).

- ▶ [Departmental Sustainable Development Strategy](#)
- ▶ [Details on transfer payment programs of \\$5 million or more](#)
- ▶ [Gender-based analysis plus](#)

Federal tax expenditures

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 [Report on Federal Tax Expenditures](#).^v This report also provides detailed background information on tax expenditures, including descriptions, objectives, historical information and references to related federal spending programs, as well as evaluations, research papers and gender-based analysis. The tax measures presented in this report are the responsibility of the Minister of Finance.

Organizational contact information

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Appendix: definitions

appropriation (crédit)

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

budgetary expenditures (dépenses budgétaires)

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

Core Responsibility (responsabilité essentielle)

An enduring function or role performed by a department. The intentions of the department with respect to a Core Responsibility are reflected in one or more related Departmental Results that the department seeks to contribute to or influence.

Departmental Plan (plan ministériel)

A report on the plans and expected performance of an appropriated department over a three-year period. Departmental Plans are tabled in Parliament each spring.

Departmental Result (résultat ministériel)

Any change that the department seeks to influence. A Departmental Result is often outside departments' immediate control, but it should be influenced by Program-level outcomes.

Departmental Result Indicator (indicateur de résultat ministériel)

A factor or variable that provides a valid and reliable means to measure or describe progress on a Departmental Result.

Departmental Results Framework (cadre ministériel des résultats)

The department's Core Responsibilities, Departmental Results and Departmental Result Indicators.

Departmental Results Report (rapport sur les résultats ministériels)

A report on the actual accomplishments against the plans, priorities and expected results set out in the corresponding Departmental Plan.

evaluation (évaluation)

In the Government of Canada, the systematic and neutral collection and analysis of evidence to judge merit, worth or value. Evaluation informs decision making, improvements, innovation and accountability. Evaluations typically focus on programs, policies and priorities and examine questions related to relevance, effectiveness and efficiency. Depending on user needs, however, evaluations can also examine other units, themes and issues, including alternatives to existing interventions. Evaluations generally employ social science research methods.

experimentation (expérimentation)

Activities that seek to explore, test and compare the effects and impacts of policies, interventions and approaches, to inform evidence-based decision-making, by learning what works and what does not.

full-time equivalent (équivalent temps plein)

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.

gender-based analysis plus (GBA+) (analyse comparative entre les sexes plus [ACS+])

An analytical process used to help identify the potential impacts of policies, Programs and services on diverse groups of women, men and gender-diverse people. The “plus” acknowledges that GBA goes beyond sex and gender differences. We all have multiple identity factors that intersect to make us who we are; GBA+ considers many other identity factors, such as race, ethnicity, religion, age, and mental or physical disability.

government-wide priorities (priorités pangouvernementales)

For the purpose of the 2019–20 Departmental Plan, government-wide priorities refers to those high-level themes outlining the government’s agenda in the 2015 Speech from the Throne, namely: Growth for the Middle Class; Open and Transparent Government; A Clean Environment and a Strong Economy; Diversity is Canada's Strength; and Security and Opportunity.

horizontal initiative (initiative horizontale)

An initiative where two or more departments are given funding to pursue a shared outcome, often linked to a government priority.

non-budgetary expenditures (dépenses non budgétaires)

Net outlays and receipts related to loans, investments and advances, which change the composition of the financial assets of the Government of Canada.

performance (rendement)

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 (indicateur de rendement)

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 Information Profile (profil de l'information sur le rendement)

The document that identifies the performance information for each Program from the Program Inventory.

performance reporting (production de rapports sur le rendement)

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

plan (plan)

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.

planned spending (dépenses prévues)

For Departmental Plans and Departmental Results Reports, planned spending refers to those amounts 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 Departmental Plans and Departmental Results Reports.

priority (priorité)

A plan or project 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 Departmental Results.

Program (programme)

Individual or groups of services, activities or combinations thereof that are managed together within the department and focus on a specific set of outputs, outcomes or service levels.

Program Inventory (répertoire des programmes)

Identifies all of the department's programs and describes how resources are organized to contribute to the department's Core Responsibilities and Results.

result (résultat)

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 (dépenses législatives)

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.

sunset program (programme temporisé)

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 (cible)

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 (dépenses votées)

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

Endnotes

- i. GC InfoBase, <https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start>
- ii. 2018–19 Main Estimates, <https://www.canada.ca/en/treasury-board-secretariat/services/planned-government-spending/government-expenditure-plan-main-estimates.html>
- iii. *Economic Development Agency of Canada for the Regions of Quebec Act*, <http://laws-lois.justice.gc.ca/eng/acts/E-1.3/index.html..>
- iv. GC InfoBase, <https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start>
- v. Report on Federal Tax Expenditures, <http://www.fin.gc.ca/purl/taxexp-eng.asp>