

Western Economic Diversification Canada

2021–22

Departmental Plan

The Honourable Mélanie Joly, P.C., M.P.
Minister of Economic Development and Official
Languages

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Catalogue No. Iu92-1/9E-PDF

ISSN 2371-6762

This document is available on the Western Economic Diversification Canada website at <https://www.wd-deo.gc.ca>.¹

This document is available in alternative formats upon request.

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From the Minister

I am pleased to present Western Economic Diversification Canada's Departmental Plan for the 2021-22 fiscal year.

This year is a turning point. Just as COVID-19 is causing companies across the country to rethink their approaches, it also requires the Government of Canada to be increasingly nimble in how it supports them to recover. In western Canada, small and medium-sized businesses are the lifeblood of communities and the backbone of the economy. The pandemic created uncertainty and anxiety for entrepreneurs and their employees. The government has been there for them since the start of the pandemic and will remain so throughout the coming year.

As the Minister of Economic Development and Official Languages, and Minister responsible for Western Economic Diversification Canada (WD), my mission is to make a positive difference in the lives of families in the West. Not only are our plans meant to ensure the success of our economy and the resilience of our communities, but they are also designed to make certain the recovery is equitable and inclusive. Doing so means supporting efforts to increase the number of high-quality jobs in the West to meet the government's commitment to build better for the future. This means in particular, creating over one million jobs to restore former employment levels for the region.

The economic situation challenges us to support sectors that have been severely impacted by this crisis. In particular, businesses of all sizes, located on main streets of towns and cities as well as in tourist destinations across the West.

While applauding the progress made by natural resources industries for cleaner production, we must continue diversification of knowledge and technology, especially in expanding areas.

We also need to position promising sectors such as life sciences and clean technologies at the forefront of the new economy. In this way, as we aim for a carbon neutral future, WD will facilitate access to training, support, and new opportunities so that everyone can succeed in the clean economy. Moreover, underrepresented groups that face additional barriers to business success will continue to find support and expertise from WD.

Changes in the domestic and global economies mean we need to introduce a new approach to regional development in western Canada. This area is not a monolithic block. Economic drivers and conditions are fundamentally different between the Pacific and the Prairies. In the months ahead, WD will move forward on a plan to create separate agencies to manage federal economic development in the two regions. This recognizes the dramatic growth and diversity of western Canada's economy, providing the Government of Canada with greater flexibility to focus on local and specific economic priorities in British Columbia as well as in Alberta, Saskatchewan, and Manitoba.

Over the coming months, WD will also continue rolling out one of the largest economic assistance packages currently available. With over \$2 billion dollars in direct support, the nationwide Regional Relief and Recovery Fund is providing a backstop to thousands of

businesses that do not qualify for existing federal programs. The demand has been notably high in western Canada and the government has responded by augmenting the Fund twice over the last year. This is concrete help to alleviate immediate financial pressures and help eligible local businesses pay employees and cover costs. This additional support will position more companies, like those in the tourism sector, to play a meaningful role in our economic recovery.

In these pages, you will find more insight about the priorities of WD, and our commitment to deliver on them as we work with westerners towards a more prosperous future.



The Honourable Mélanie Joly

Minister of Economic Development and Official Languages, and
Minister responsible for Western Economic Diversification Canada

From the Deputy Minister

Living through times of change is not new for western Canadians. History shows that westerners are resilient people. They have ridden the highs and lows of economic cycles for generations. In that spirit today, they face new challenges: shifting trade patterns and a rebalancing of global economic centres, social and climate changes, and an unprecedented global health crisis. It is in this complex environment that Western Economic Diversification Canada (WD) is working to improve the economic future for western Canadian families.

As the only Government of Canada department headquartered in the West – founded in 1987, WD understands how strategic investments and other supports meet the needs of companies and communities across Manitoba, Saskatchewan, Alberta, and British Columbia. This means WD professionals will use their highly attuned regional knowledge and strong on-the-ground relationships to help WD clients: small and medium-sized businesses and the organizations that support them, such as chambers of commerce, academic institutions, and provincial and local governments.

Details of WD’s strategic plan for 2021-22 follow. It is about nurturing innovation and the new economy while expanding export opportunities and bolstering mainstay sectors like natural resources and food production. It is also about supporting small and medium-sized enterprises to overcome the devastating COVID-19 pandemic.

In the coming year WD will take on the government’s challenge to rethink the way economic development is approached in the West. Creating separate regional development agencies to better meet the economic needs of people who live in the Prairie and Pacific regions is recognition of western Canada’s increasingly diverse regional economies.

The road ahead is long. WD is well prepared to help westerners navigate it.



Dylan Jones
Deputy Minister
Western Economic Diversification Canada

Plans at a glance

The Story of WD

For 34 years, Western Economic Diversification Canada (WD), has helped to grow and diversify the western Canadian economy and advance its interests in Ottawa. WD makes strategic investments in a wide range of programs, policy and advocacy activities, and needed services across western Canada. Recently, WD has pivoted to support businesses and organizations affected by the COVID-19 pandemic. This important work is done by talented and dedicated WD employees and partners in Ottawa and throughout the West.

Who we help

We help businesses, communities, and not-for-profit groups across the West.

Why we do it

Government programs and services are created to help Canadians in need. Typically, these programs help clients and partners succeed and improve the economy. In difficult times, programs and services keep businesses, communities, and organizations going, bridging them to economic recovery. These activities focus on achieving results in job growth, diversification, and economic growth.

How we do it

WD makes investments using grants and contributions programs, provides business services through network partners, and undertakes policy development and coordination activities to assist clients and improve the western economy. To promote growth and diversification in the West, the department plays four key roles: investor, advisor, convener, and delivery agent. These four roles are most successful when done in close proximity to local and regional clients and partners.

- **Investor** - using repayable and non-repayable contribution programs for businesses, communities, and organizations.
- **Advisor** - providing place-based advice and economic expertise to assist clients and partners, and to advocate for regional interests in national policy discussions.
- **Convener** - connecting key economic stakeholders, including governments, industry, post-secondary institutions, and underrepresented groups, with federal departments and other partners, to drive innovation and growth.
- **Delivery Agent** - advancing Government of Canada and regional priorities by delivering programs in western Canada.

Details of [WD's programs](#)ⁱⁱ such as the Regional Economic Growth through Innovation Program, the Western Diversification Program, and network partner funding for the Western Canada Business Service Network, are available below in the [Planned Results section](#) and on the department's website.

WD Success Stories and Impact

The department has a history of success and results. Click on these links to read more about them.

- [WD News Releases](#)ⁱⁱⁱ
- [Western Canadian success stories and how WD helped](#)^{iv}
- [WD's Annual Departmental Results Report](#)^v

2021-22

Over the next year, WD will work on new and evolving priorities and issues such as pandemic relief, recovery, and the new economy. The department will advance western economic interests in Ottawa, and implement national priorities such as COVID-19 pandemic relief, economic recovery, [diversity and inclusion](#),^{vi} innovation, and the environment. WD will support the government’s proposal for a new approach to regional development in the West, which would create separate regional development agencies for British Columbia and the Prairies. In 2021-22, WD will also maintain its two existing priorities of inclusiveness and cluster growth:

- 1) **Inclusiveness** - Indigenous Peoples, women, youth, and other underrepresented groups have lower rates of employment and business ownership than other Canadians. WD has specific supports to help these groups increase economic participation, and improve economic and social outcomes, which in turn, will benefit all Canadians.
- 2) **Cluster growth** - Clusters are networks of regional partners (businesses, entrepreneurs, researchers, and others) that collaborate and share knowledge to create economic solutions, such as developing innovative technologies and processes, expanding production capacity, and competing in export markets. Clusters are building blocks for growing emerging industries, diversifying local economies, and transforming traditional sectors. The department supports key economic clusters of strength in western Canada such as: life sciences, clean technologies, value-added agriculture, and advanced manufacturing.

In addition to these priorities, WD will continue to advance economic initiatives as outlined in *Grow West: The Western Canada Growth Strategy*.^{vii}

The COVID 19 pandemic continues to evolve, as does its effects on the western Canadian economy. WD will be nimble in its response to help westerners with short-term recovery and improve their long-term economic outcomes.

For more information on the Western Economic Diversification Canada’s plans, priorities and planned results, see the “Core responsibilities: planned results and resources, and key risks” section of this report.

Core responsibilities: planned results and resources, and key risks

This section contains detailed information on the department’s planned results and resources for its core responsibility. It also contains information on key risks related to achieving those results.

Core Responsibility: Economic development in western Canada

Description

Western Economic Diversification Canada (WD) promotes growth and diversification in the western Canadian economy by enhancing innovation, improving business competitiveness, promoting the adoption of clean technologies and inclusive growth.

Planning highlights

The department’s mandate is to grow and diversify the western Canadian economy and advance its interests in Ottawa. WD achieves this mandate by working with clients and partners across the West. Our clients are businesses, not-for-profit organizations, and communities:

- **Businesses** - funding western Canadian businesses for recovery and innovation to help advance technology, scale-up, reach new markets, expand existing markets, and be more productive and competitive.
- **Not-for-profit organizations** - making targeted investments in not-for-profit organizations to generate sustainable, inclusive growth and nurture regional innovation ecosystems.
- **Communities** - supporting communities to leverage their capacity and strengths to sustain, grow, and diversify their economies.

Within these three client groups are organizations such as Indigenous groups, women-led businesses, academic institutions, industry organizations, municipalities, other governments, business accelerators, and incubators.

To assist our clients and achieve results for westerners, WD and its partners deliver numerous programs and services within our four roles of investor, advisor, convenor, and delivery agent. Some of these programs, services, activities and expected results are explained below.

New Programs

Regional Relief and Recovery Fund (RRRF)^{viii}

RRRF is a \$2 billion Canada-wide fund to help keep afloat businesses affected by the COVID-19 pandemic that are unable to access other federal pandemic support programs. The RRRF has funding categories for rural businesses, for women-owned or women-led businesses, and for all other small and medium-sized businesses. This Fund also includes a focus on tourism related businesses which have been hard hit by the pandemic. Other federal COVID-19 programs are part of [Canada’s COVID-19 Economic Response Plan](#).^{ix}

Black Entrepreneurship Program (BEP)^x

The BEP is a partnership between the Government of Canada, Black-led business organizations, and financial institutions. With an expected investment of \$221 million over four years across

Canada, it will help Black Canadian business owners and entrepreneurs grow their businesses and succeed now and into the future.

The three components of the BEP are:

- [National Ecosystem Fund](#)^{xi}
- Black Entrepreneurship Loan Fund
- [Black Entrepreneurs Knowledge Hub](#)^{xii}

WD is leading the delivery of the National Ecosystem Fund in the West.

Regional Air Transportation Initiative

Recognizing that regional air transport is a critical success factor to western Canada’s economic development and economic well-being of its communities, the new Regional Air Transportation Initiative is part of an interdepartmental effort involving Regional Development Agencies (RDAs), Transport Canada (TC) and Innovation, Science, and Economic Development Canada (ISED) to mitigate the impacts of the COVID-19 pandemic on the air transportation sector. In the Fall Economic Statement 2020, the Government of Canada proposed to provide Western Economic Diversification with \$54.6 million in funding over two years (2020-21 and 2021-22). This funding will help maintain and enhance regional airports and local air carrier operations/services to ensure they remain operational and adapt to new realities.

Existing WD Programs to grow western Canada's economy

WD's programs^{xiii} offer grants, contributions, and loans to businesses, not-for-profit organizations, and communities. These funds help grow western Canada's economy and improve the quality of life for all western Canadians.

Our Core Programs

WD has the following core mechanisms for providing funding:

Regional Economic Growth through Innovation^{xiv}

- **Regional Innovation Ecosystems:** creating environments that meet business needs for innovation and entrepreneurship.
- **Business Scale-up and Productivity:** promoting business growth through commercialization, productivity, and market expansion.

Economic Development Initiative: strengthening official language minority communities in the West.

Community Economic Development and Diversification: assisting organizations and communities in western Canada to fully participate in and benefit from economic opportunities and to recover from economic downturns or natural disasters.

Western Canada Business Service Network (WCBSN): helping entrepreneurs start or expand small businesses and supporting community economic development. The Network focuses particularly on rural areas and underrepresented groups with lower economic participation rates.

The WCBSN^{xv} is a network of more than 100 points of service including:

- Community Futures (CF) organizations;
- Women’s Enterprise Initiative (WEI) offices;
- Francophone Economic Development Organizations (FEDOs);

- Indigenous Business Development Services (IBDS);
- Canada Business Network (CBN); and,
- Entrepreneurs with Disabilities Program (EDP).

The WCBSN provides business information and assistance, planning and implementation of community economic growth initiatives and loans to small and medium-sized enterprises.

Time-Limited Program Delivery (Short-term and One-time)

WD delivers short-term funding that is regionally-tailored to advance national objectives, and responds to regional economic dynamics. Some current initiatives include:

- [Women Entrepreneurship Strategy](#)^{xvi}
- Canada Coal Transition Initiative
- [Regional Relief and Recovery Fund \(RRRF\)](#)^{xvii}
- [Black Entrepreneurship Program \(BEP\)](#)^{xviii}
- [Arctic Gateway Trade Corridor Initiative](#)^{xix} in the Port of Churchill, Manitoba region. The department continues to assist in this important initiative.
- WD also delivers one-time funding for special, temporary initiatives for groups facing economic challenges or natural disasters.

Other Initiatives or Topics

As part of the department’s advocacy and coordination activities, WD connects directly with regional businesses and other stakeholders to understand and help address their economic situations. WD also responds to regional economic dynamics and connects leaders and partners to co-create strategies that address the unique economic challenges faced by each province. As part of this work, WD supports the development of companies from early formation to late-stage scaling and growth through funding, analysis, and partnerships with others in the innovation ecosystem.

Grow West: The Western Canada Growth Strategy^{xx}

After extensive engagement and development, WD launched *Grow West* in June 2019, based on four inter-related pillars:

- 1) **Diversification** - Building a broader western economy.
- 2) **Trade** - Help westerners by improving export access and grow local, regional, and global markets.
- 3) **Skills** - Developing talent for the new economy.
- 4) **Communities** - Building community resilience and livability.

Nine federal departments are partners in *Grow West* and also lead or co-lead pillars. WD coordinates the overall strategy and co-leads the diversification pillar.

WD and the federal departments leading pillars will work closely with partners such as industry, provincial and municipal representatives, Indigenous organizations, academia, and western thought leaders. With these partners, WD will seek to tailor existing federal programs and services, influence the direction of initiatives currently under development, and co-create new solutions to best meet the needs of western Canadians.

Risk

The economic environment caused by the COVID-19 pandemic and impacts on the energy industry from low oil prices, will make it very difficult for WD, communities, businesses, and partners to achieve economic success. This pandemic, and its effects on the economy, and public and private sector finances, are unprecedented. Faced with an energized online economy, border closures, limited tourism, lack of diversification, and new technological advancements, western Canadian firms must adapt to increase participation in the new economy.

To mitigate this risk, WD must also be flexible and responsive in its work. The department will:

- Increase innovation and diversification in western Canada. WD will do this by investing more in digital technology, innovation, life sciences, and clean technology.
- Assist clients and partners in need by being creative with our solutions and using new program and service delivery methods when possible. The department will also continue to improve response times for client's applications and requests.
- Continue to conduct data research and analysis to forecast economic conditions, assess demand for western products, inform the assessment of project proposals, and provide advice and solutions for clients and the West.
- Use new programs and initiatives such as *Grow West: The Western Canada Growth Strategy*, to create solutions to western problems and build long-term economic growth. With collaboration and feedback from westerners, WD will continue to improve its delivery, service, and assistance.

Gender-based Analysis Plus (GBA+)

An important goal of the Government of Canada and WD is the advancement of gender diversity and inclusion. WD will always take an inclusive approach to program delivery to support the economic development of western Canada, as well as its diverse population.

The GBA+ Champion, departmental committee, and subject matter focal points keep up to date on GBA+ developments and integrate GBA+ into the policy cycle. Functional specialists from across WD have access to an online toolkit on how to integrate GBA+ into their work and into decision-making processes for programs, policy, and initiatives. With this in mind, WD reviews and develops all projects with consideration of the impacts on women, youth, and Indigenous populations.

United Nations' 2030 Agenda for Sustainable Development and the UN Sustainable Development Goals (SDGs)

WD continues to support Canada's efforts to address the UN 2030 Agenda and the Sustainable Development Goals (SDGs). The department's programs and services contribute towards:

- SDG Goal 8 – promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.
- SDG Goal 9 – build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.

United Nations Declaration on the Rights of Indigenous Peoples in Canada

WD's inclusiveness priority works well with the Government of Canada's commitment to upholding the [United Nations Declaration on the Rights of Indigenous Peoples^{xxi}](#) (UNDRIP). The Government of Canada endorsed the United Nations Declaration without qualification and committed to its full and effective implementation. In 2020, the government introduced legislation to implement the Declaration which will provide a framework for government to

work with Indigenous peoples to respect, recognize and protect their human rights and to address the wrongs of the past.

WD continues to support the inclusion of Indigenous peoples in the western Canadian economy. The department coordinates this work through the Indigenous Economic Growth Working Group (IEG working group), made up of policy and programs staff from each region. The IEG working group has developed a strategy to target WD's work in the area, including a plan to conduct baseline research on Indigenous economic participation in western Canada.

While our inclusiveness priority is specifically aimed at external clients and partners, we also strive for diversity and inclusion within the department. WD will develop a departmental strategy that supports a diverse workforce and an inclusive workplace. The department will also take targeted, meaningful actions and consultations that focus on making positive change for employees.

A Culture of Innovation and Experimentation at WD

WD has a very creative and innovative workplace. Innovation and experimentation is a constant and employees are always encouraged to explore new ways to address challenges in helping our clients and improving internal business processes. Experimentation and innovation at WD includes:

- Hiring independent evaluators to conduct a first-ever longitudinal study to gather and analyze longer-term economic performance data for WD assisted recipients (both for-profit and non-profit organizations).
- After identifying knowledge gaps in the national picture of women and youth entrepreneurs, WD provided funding to the Centre for Innovation Studies (THECIS) to conduct Global Entrepreneurship Monitor (GEM) studies across the West. These GEM studies collect region-specific data on women and youth. WD's investment has already sparked new research and partnerships across Canada. This work will improve thinking within the entrepreneurship ecosystem and lead to better supports for our women and youth entrepreneurs.
- Developing creative ideas and processes to improve how the department serves Canadians through the Employee Innovation Fund. Ideas supported through the fund will:
 - improve and streamline application processes to be more accessible, efficient and inclusive;
 - facilitate better client service;
 - create new ways to promote and share WD's services; and,
 - improve the sharing of WD's results and success stories with Canadians.
- Continuing work on *Grow West: The Western Canada Growth Strategy*,^{xxii} which is an innovative new initiative developed by WD and co-led with nine other federal departments. The collaboration and feedback from westerners and partners resulting from *Grow West* will help WD improve its program delivery and service.
- Continuous improvement of grants and contributions program delivery.
- Increasing our capacity and partnerships for research and data analytics to support evidence-based decision-making.
- Developing a data analytics strategy that will improve high-quality live data and business intelligence activities using applications such as Microsoft Power BI.

- Shifting to a remote-working model in response to the pandemic, mobilizing expertise to provide internal and external clients with digital access to WD services.
- Collaborating with post-secondary students and institutions on economic development and alternative policy approaches provides learning opportunities for students and invaluable new perspectives for WD.

Long-term Approach for Results

WD takes a patient, long-term approach to economic development. Many investments are multi-year in duration and require several years to realize results and economic outcomes.

Consequently, there is often more information available at the activities and outputs level than on outcomes and impacts. Also, for some of our indicators, analyzing historical data over a year-by-year basis may not be an accurate way to forecast or compare results. WD is addressing this in part by conducting a longitudinal study to understand the longer-term impacts of its investments in both the for-profit and not-for-profit sectors.

Planned results for economic development in western Canada

| Departmental result | Departmental result indicator | Target | Date to achieve target | 2017–18 actual result | 2018–19 actual result | 2019–20 actual result |
|--|---|--|------------------------|--|--|--|
| Businesses are innovative and growing in western Canada | Value of exports of goods from western Canada (\$) | \$181.8B | March 31, 2022 | \$181.8B | \$207.8B | \$209.5B |
| | Revenue growth rate of firms supported by WD programs | 7% | March 31, 2022 | 4.1% | 12.3% | 6.4% |
| | Value of exports of clean technologies from western Canada (\$) | \$3.3B | March 31, 2022 | Not available ¹ | Not available ¹ | \$3.5B |
| | Number of high-growth firms in western Canada | 3,779 | March 31, 2022 | 3,680 | 3,440 | 3,780 |
| Communities are economically diversified in western Canada | Percentage of SMEs that are majority-owned by women, Indigenous people, youth, visible minorities and persons with disabilities in western Canada | Women: 15.3% Indigenous: 2.2% Youth: 16.0% Visible minorities: 15.4% Persons with disabilities: 0.4% | March 31, 2022 | Women: 14.3% Indigenous: 1.4% Youth: 16.8% Visible minorities: 10.6% Persons with disabilities: 0.4% | Women: 15.1% Indigenous: 2.2% Youth: 15.7% Visible minorities: 15.1% Persons with disabilities: 0.4% | Women: 15.1% Indigenous: 2.2% Youth: 15.7% Visible minorities: 15.1% Persons with disabilities: 0.4% |

| | | | | | | |
|---|--|---------|----------------|----------------------------|---------|---------|
| | Amount leveraged per dollar by WD in community projects | 1.0 | March 31, 2022 | 1.3 | 1.1 | 1.1 |
| Businesses invest in the development and commercialization of innovative technologies in western Canada | Value of business expenditures in research and development by firms receiving WD program funding (\$) | \$14.2M | March 31, 2022 | Not available ² | \$21.3M | \$15.8M |
| | Percentage of professional jobs (including science and technology) in western Canada | 32.8% | March 31, 2022 | 32.4% | 32.8% | 35.1% |
| | Percentage of companies engaged in collaborations with higher education institutions in western Canada | 8.8% | March 31, 2022 | Not available ¹ | 8.8% | 8.8% |

¹ Actual results data were not available for this year.

² Actual results were not available for 2017–18 because this was a new indicator starting in 2018–19.

Financial, human resources and performance information for the Western Economic Diversification Canada's program inventory is available in the [GC InfoBase](#).^{xxiii}

Planned budgetary financial resources for economic development in western Canada

| 2021–22 budgetary spending (as indicated in Main Estimates) | 2021–22 planned spending | 2022–23 planned spending | 2023–24 planned spending |
|---|--------------------------|--------------------------|--------------------------|
| 330,416,372 | 330,416,372 | 200,397,240 | 165,310,164 |

Financial, human resources and performance information for Western Economic Diversification Canada's program inventory is available in the [GC InfoBase](#).^{xxiv}

Planned human resources for economic development in western Canada

| 2021–22 planned full-time equivalents | 2022–23 planned full-time equivalents | 2023–24 planned full-time equivalents |
|---------------------------------------|---------------------------------------|---------------------------------------|
| 262 | 219 | 216 |

Financial, human resources and performance information for Western Economic Diversification Canada's program inventory is available in the [GC InfoBase](#).^{xxv}

Internal Services: planned results

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

Planned budgetary financial resources for Internal Services

| 2021–22 budgetary spending (as indicated in Main Estimates) | 2021–22 planned spending | 2022–23 planned spending | 2023–24 planned spending |
|---|--------------------------|--------------------------|--------------------------|
| 13,369,956 | 13,369,956 | 11,976,317 | 11,494,090 |

Planned human resources for Internal Services

| 2021–22 planned full-time equivalents | 2022–23 planned full-time equivalents | 2023–24 planned full-time equivalents |
|---------------------------------------|---------------------------------------|---------------------------------------|
| 92 | 83 | 81 |

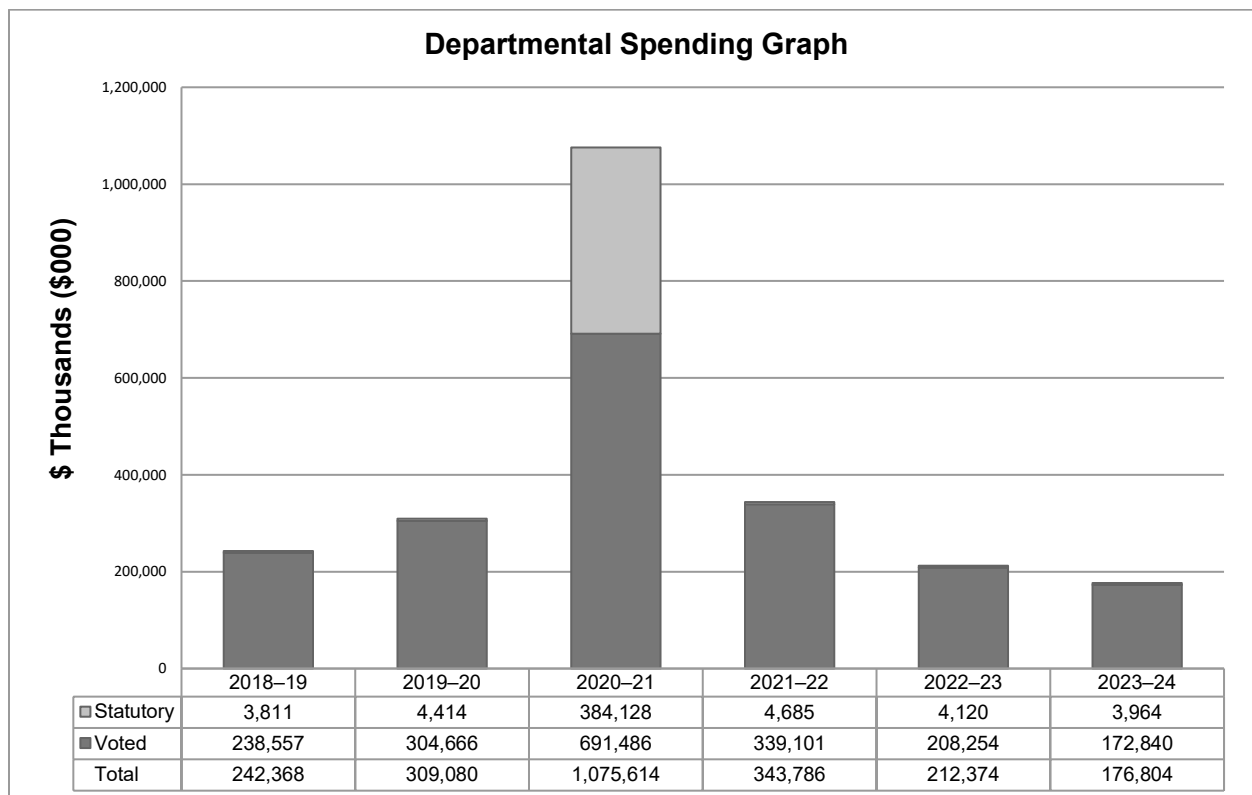
Spending and human resources

This section provides an overview of the department’s planned spending and human resources for the next three consecutive fiscal years, and compares planned spending for the upcoming year with the current and previous years’ actual spending.

Planned spending

Departmental spending 2018–19 to 2023–24

The following graph presents planned (voted and statutory) spending over time.



The overall decrease in voted and statutory spending from 2020–21 to 2021–22 mostly relates to the conclusion of the Regional Relief and Recovery Fund as part of the Government of Canada’s COVID-19 Economic Response Plan.

Budgetary planning summary for core responsibilities and Internal Services (dollars)

The following table shows actual, forecast and planned spending for Western Economic Diversification Canada's core responsibility and to Internal Services for the years relevant to the current planning year.

| Core responsibilities and Internal Services | 2018–19 expenditures | 2019–20 expenditures | 2020–21 forecast spending | 2021–22 budgetary spending (as indicated in Main Estimates) | 2021–22 planned spending | 2022–23 planned spending | 2023–24 planned spending |
|---|----------------------|----------------------|---------------------------|---|--------------------------|--------------------------|--------------------------|
| Economic development in western Canada | 228,742,960 | 295,440,866 | 1,059,586,712 | 330,416,372 | 330,416,372 | 200,397,240 | 165,310,164 |
| Internal Services | 13,624,581 | 13,639,563 | 16,026,829 | 13,369,956 | 13,369,956 | 11,976,317 | 11,494,090 |
| Total | 242,367,541 | 309,080,429 | 1,075,613,541 | 343,786,328 | 343,786,328 | 212,373,557 | 176,804,254 |

WD's planned spending in 2021–22 is \$343.8 million, compared to the 2020–21 forecast spending of \$1,075.6 million. This represents a net decrease in spending of (\$731.8) million, which includes a net decrease in contributions and other transfer payments of (\$722.1) million and a decrease in operating costs of (\$9.7) million. Factors contributing to the net decrease in spending in 2021–22 include:

- an increase of \$27.7 million in funding to support the Air Sector Economic Recovery Strategy;
- an increase of \$7.0 million in funding to support National Medical Science, Research and Development Response to COVID-19;
- an increase of \$2.7 million in funding for the Black Entrepreneurship Program;
- an increase of \$0.5 million in support for the LNG Canada Development Inc. Haisla Bridge project;
- a decrease of \$716.5 million in funding for the conclusion of the Regional Relief and Recovery Fund Response to COVID-19;
- a decrease of \$12.0 million in funding for the conclusion of Canada's Research & Innovation Response to COVID-19;
- a decrease of \$10.6 million in funding for the conclusion of the Canadian Seafood Processor's Fund Response to COVID-19;
- a decrease of \$10.0 million related to the timing difference for reinvestment of receipts from repayable contributions;
- a decrease of \$9.4 million in funding for the conclusion of the Federal Strategy on Jobs and Tourism announced in Budget 2019;
- a decrease of \$5.2 million in funding for the Women Entrepreneurship Strategy;
- a net decrease of \$3.1 million in funding for a budget carry forward, Phoenix damages, adjustments for collective bargaining settlements, and employee benefits;

- a decrease of \$1.5 million in funding for the conclusion of the Greyhound Response to Intercity Bus Service Disruptions in western Canada; and
- a decrease of \$1.4 million in project cashflow funding for the Canada Coal Transition Initiative announced in Budget 2018.

Planned human resources

The following table shows actual, forecast and planned full-time equivalents (FTEs) for the core responsibility in Western Economic Diversification Canada’s departmental results framework and to Internal Services for the years relevant to the current planning year.

Human resources planning summary for core responsibilities and Internal Services

| Core responsibilities and Internal Services | 2018–19 actual full-time equivalents | 2019–20 actual full-time equivalents | 2020–21 forecast full-time equivalents | 2021–22 planned full-time equivalents | 2022–23 planned full-time equivalents | 2023–24 planned full-time equivalents |
|---|--------------------------------------|--------------------------------------|--|---------------------------------------|---------------------------------------|---------------------------------------|
| Economic development in western Canada | 212 | 237 | 273 | 262 | 219 | 216 |
| Internal Services | 97 | 97 | 94 | 92 | 83 | 81 |
| Total | 309 | 334 | 367 | 354 | 302 | 297 |

The overall decrease in FTE’s from 2020–21 to 2022–23 mostly relates to the conclusion of the Regional Relief and Recovery Fund as part of the Government of Canada’s COVID-19 Economic Response Plan. The base human resource levels continue to be stable, fluctuations that occur at the program level reflect resource realignment in support of priorities and projects. The department will continue to achieve its results by allocating its human resources to best support its programs.

Estimates by vote

Information on the Western Economic Diversification Canada’s organizational appropriations is available in the [2021–22 Main Estimates](#).^{xxvi}

Future-oriented Condensed statement of operations

The future-oriented condensed statement of operations provides an overview of Western Economic Diversification Canada's operations for 2020–21 to 2021–22.

The amounts for forecast and planned results in this statement of operations were prepared on an accrual basis. The amounts for forecast and planned spending presented in other sections of the Departmental Plan were prepared on an expenditure basis. Amounts may therefore 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 [Western Economic Diversification Canada's website](#).^{xxvii}

Future-oriented Condensed statement of operations for the year ending
March 31, 2022 (dollars)

| Financial information | 2020–21 forecast results | 2021–22 planned results | Difference (2021–22 planned results minus 2020–21 forecast results) |
|--|--------------------------|-------------------------|---|
| Total expenses | 770,586,763 | 297,012,450 | (473,574,313) |
| Total revenues | 1,232 | 1,030 | (202) |
| Net cost of operations before government funding and transfers | 770,585,531 | 297,011,420 | (473,574,111) |

WD's total expenses are expected to be \$297.0 million in 2021–22, compared to \$770.6 million in 2020–21. The \$473.6 million difference in total expenses is primarily due to a decrease in spending for the conclusion of the Regional Relief and Recovery Fund, Canada's Research & Innovation Response to COVID-19, and the Canadian Seafood Processor's Fund, offset by an increase in spending to support the Air Sector Economic Recovery Strategy.

Corporate information

Organizational profile

Minister of Economic Development and Official Languages:

The Honourable Mélanie Joly, P.C., M.P.

Institutional head: Dylan Jones

Ministerial portfolio: Innovation, Science and Economic Development

Enabling instrument(s): *Western Economic Diversification Act*,^{xxviii} R.S.C. 1985, c.11, (4th Supplement)

Year of incorporation / commencement: 1987

Other:

Headquarters – Edmonton, Alberta

Offices – Vancouver, British Columbia
Edmonton and Calgary, Alberta
Saskatoon, Saskatchewan
Winnipeg, Manitoba
Ottawa, Ontario

Raison d’être, mandate and role: who we are and what we do

“Raison d’être, mandate and role: who we are and what we do” is available on the [Western Economic Diversification Canada website](#).^{xxix}

For more information on the department’s organizational mandate letter commitments, see the “[Minister’s mandate letter](#)”.^{xxx}

Operating context

Information on the operating context is available on the [Western Economic Diversification Canada website](#).^{xxxi}

Reporting framework

The Western Economic Diversification Canada approved departmental results framework and program inventory for 2021–22 are as follows.

| | | | |
|---------------------------------------|--|--|--------------------------|
| Departmental Results Framework | Core Responsibility: Economic development in western Canada | | Internal Services |
| | Departmental result: | Indicator: Value of exports of goods from western Canada (\$) | |
| | Businesses are innovative and growing in western Canada | Indicator: Number of high-growth firms in western Canada | |
| | | Indicator: Value of exports of clean technologies from western Canada (\$) | |
| | | Indicator: Revenue growth rate of firms supported by WD programs | |
| | Departmental result: | Indicator: Percentage of SMEs that are majority-owned by women, Indigenous people, youth, visible minorities and persons with disabilities in western Canada | |
| | Communities are economically diversified in western Canada | Indicator: Amount leveraged per dollar by WD in community projects | |
| | | Departmental result: | |
| | Businesses invest in the development and commercialization of innovative technologies in western Canada | Indicator: Percentage of professional jobs (including science and technology) in western Canada | |
| | | Indicator: Percentage of companies engaged in collaborations with higher education institutions in western Canada | |
| Program: Innovation | | | |
| Program Inventory | Program: Business Growth | | |
| | Program: Business Services | | |
| | Program: Community Initiatives | | |
| | | | |

Supporting information on the program inventory

Supporting information on planned expenditures, human resources, and results related to Western Economic Diversification Canada’s [program inventory](#)^{xxxii} is available in the [GC InfoBase](#).^{xxxiii}

Supplementary information tables

The following [supplementary information tables](#)^{xxxiv} are available on the Western Economic Diversification Canada website:

- ▶ [Departmental Sustainable Development Strategy](#)^{xxxv}
- ▶ Details on transfer payment programs
- ▶ Gender-based analysis plus
- ▶ Up-front multi-year funding

Federal tax expenditures

Western Economic Diversification Canada’s Departmental Plan does not include information on tax expenditures that relate to its planned results for 2021–22.

Tax expenditures are the responsibility of the Minister of Finance, and the Department of Finance Canada publishes cost estimates and projections for government-wide tax expenditures each year in the [Report on Federal Tax Expenditures](#).^{xxxvi} This report provides detailed information on tax expenditures, including objectives, historical background 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 solely the responsibility of the Minister of Finance.

Organizational contact information

Mailing address

Western Economic Diversification Canada
Suite 1500, 9700 Jasper Avenue
Edmonton, Alberta T5J 4H7

Telephone: 780-495-4164 / Toll Free: 1-888-338-WEST (9378)

Fax: 780-495-4557

Email: WD.contactus-contactez-nous.DEO@canada.ca

Website: <http://www.wd-deo.gc.ca>^{xxxvii}

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 a department over a 3-year period. Departmental Plans are tabled in Parliament each spring.

departmental priority (priorité ministérielle)

A plan or project that a department has chosen to focus and report on during the planning period. Departmental priorities represent the things that are most important or what must be done first to support the achievement of the desired departmental results.

departmental result (résultat ministériel)

A consequence or outcome that a department seeks to achieve. 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)

A framework that consists of the department's core responsibilities, departmental results and departmental result indicators.

Departmental Results Report (rapport sur les résultats ministériels)

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

experimentation (expérimentation)

The conducting of activities that seek to first explore, then test and compare, the effects and impacts of policies and interventions in order to inform evidence-based decision-making, and improve outcomes for Canadians, by learning what works and what doesn't. Experimentation is related to, but distinct from innovation (the trying of new things), because it involves a rigorous comparison of results. For example, using a new website to communicate with Canadians can be an innovation; systematically testing the new website against existing outreach tools or an old website to see which one leads to more engagement, is experimentation.

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 assess how diverse groups of women, men and gender-diverse people experience policies, programs and services based on multiple factors including race, ethnicity, religion, age, and mental or physical disability.

government-wide priorities (priorités pangouvernementales)

For the purpose of the 2020–21 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 in which two or more federal organizations 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 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.

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.

strategic outcome (résultat stratégique)

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

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. Western Economic Diversification Canada (WD) website, <https://www.wd-deo.gc.ca>
- ii. WD's Programs, <https://www.wd-deo.gc.ca/eng/16.asp>
- iii. WD News Releases, <https://www.canada.ca/en/news/advanced-news-search/news-results.html>
- iv. Western Canadian success stories and how WD helped, <https://www.wd-deo.gc.ca/eng/19843.asp>
- v. WD's Annual Departmental Results Report, <https://www.wd-deo.gc.ca/eng/20104.asp>
- vi. Diversity and inclusion in the public service, <https://www.canada.ca/en/government/publicservice/wellness-inclusion-diversity-public-service/diversity-inclusion-public-service.html>
- vii. Grow West: The Western Canada Growth Strategy, <https://www.wd-deo.gc.ca/eng/19876.asp>
- viii. Regional Relief and Recovery Fund, <https://www.wd-deo.gc.ca/eng/20059.asp>
- ix. Canada's COVID-19 Economic Response Plan, <https://www.canada.ca/en/department-finance/economic-response-plan.html>
- x. Black Entrepreneurship Program, https://www.ic.gc.ca/eic/site/150.nsf/eng/h_00000.html
- xi. National Ecosystem Fund, <https://www.ic.gc.ca/eic/site/150.nsf/eng/00003.html>
- xii. Black Entrepreneurs Knowledge Hub, <https://www.ic.gc.ca/eic/site/150.nsf/eng/00004.html>
- xiii. WD's Programs, <https://www.wd-deo.gc.ca/eng/16.asp>
- xiv. Regional Economic Growth through Innovation, <https://www.wd-deo.gc.ca/eng/19774.asp>
- xv. Western Canada Business Service Network, <https://www.wd-deo.gc.ca/eng/19541.asp>
- xvi. Women Entrepreneurship Strategy, <https://www.ic.gc.ca/eic/site/107.nsf/eng/home>
- xvii. Regional Relief and Recovery Fund, <https://www.wd-deo.gc.ca/eng/20059.asp>
- xviii. Black Entrepreneurship Program, https://www.ic.gc.ca/eic/site/150.nsf/eng/h_00000.html
- xix. Arctic Gateway Trade Corridor Initiative, <https://www.wd-deo.gc.ca/eng/19811.asp>
- xx. Grow West: The Western Canada Growth Strategy, <https://www.wd-deo.gc.ca/eng/19876.asp>
- xxi. United Nations Declaration on the Rights of Indigenous Peoples, <https://www.justice.gc.ca/eng/declaration/index.html>
- xxii. Grow West: The Western Canada Growth Strategy, <https://www.wd-deo.gc.ca/eng/19876.asp>
- xxiii. GC InfoBase, <https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start>
- xxiv. GC InfoBase, <https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start>
- xxv. GC InfoBase, <https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start>
- xxvi. 2021–22 Main Estimates, <https://www.canada.ca/en/treasury-board-secretariat/services/planned-government-spending/government-expenditure-plan-main-estimates.html>
- xxvii. Departmental Plans and Reports for Western Economic Diversification Canada, <https://www.wd-deo.gc.ca/eng/59.asp>
- xxviii. Western Economic Diversification Act, <https://laws-lois.justice.gc.ca/eng/acts/W-6.8/>
- xxix. Raison d'être, Mandate and Role, <https://www.wd-deo.gc.ca/eng/20145.asp>
- xxx. Minister's Mandate Letter, <https://pm.gc.ca/en/mandate-letters>
- xxxi. Operating Context, <https://www.wd-deo.gc.ca/eng/20144.asp>
- xxxii. WD's Program Inventory, <https://www.wd-deo.gc.ca/eng/20142.asp>
- xxxiii. GC InfoBase, <https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start>
- xxxiv. Supplementary Information Tables, <https://www.wd-deo.gc.ca/eng/20143.asp>
- xxxv. Departmental Sustainable Development Strategy, <https://www.wd-deo.gc.ca/eng/57.asp>
- xxxvi. Report on Federal Tax Expenditures, <https://www.canada.ca/en/department-finance/services/publications/federal-tax-expenditures.html>
- xxxvii. Western Economic Diversification Canada (WD) website, <https://www.wd-deo.gc.ca>