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Participants

Ministry of Tourism and Sport

Jeff Dumont, Assistant Deputy Minister and Senior Financial Officer

David Goldstein, Deputy Minister

Paul Lamoureux, Assistant Deputy Minister, Sport, Tourism and Recreation

Carmen Vidaurri, Executive Director, Financial Services

8 a.m. Tuesday, March 25, 2025

[Mr. Sabir in the chair]

The Chair: Good morning, everyone. I would like to call this meeting of the Public Accounts Committee to order and welcome everyone in attendance.

My name is Irfan Sabir, MLA for Calgary-Bhullar-McCall and chair of the committee. As we begin this morning, I would like to invite members, guests, and LAO staff at the table to introduce themselves. We'll start from my right.

Ms Armstrong-Homeniuk: Jackie Armstrong-Homeniuk, MLA, Fort Saskatchewan-Vegreville. Good morning, everyone.

Mr. Rowswell: Garth Rowswell, MLA, Vermilion-Lloydminster-Wainwright.

Ms de Jonge: Chantelle de Jonge, MLA for Chestermere-Strathmore.

Mr. Lundy: Good morning, everybody. Brandon Lundy, MLA for Leduc-Beaumont.

Mr. McDougall: Good morning. Myles McDougall, MLA for Calgary-Fish Creek.

Mrs. Johnson: Good morning. Jennifer Johnson, MLA for Lacombe-Ponoka.

Mr. Dumont: Good morning. Jeff Dumont, senior financial officer, Tourism and Sport.

Ms Vidaurri: Good morning. Carmen Vidaurri, executive director, financial services, Tourism and Sport.

Mr. Goldstein: Good morning. I'm David Goldstein. I'm the Deputy Minister of Tourism and Sport.

Mr. Lamoureux: Good morning, everyone. Paul Lamoureux, assistant deputy minister for Tourism and Sport.

Mr. Driesen: Good morning. Rob Driesen, Assistant Auditor General.

Mr. Schmidt: Marlin Schmidt, Edmonton-Gold Bar.

Ms Renaud: Marie Renaud, St. Albert.

Mr. Ellingson: Court Ellingson, Calgary-Foothills.

Ms Robert: Good morning. Nancy Robert, clerk of *Journals* and committees.

Mr. Huffman: Warren Huffman, committee clerk.

The Chair: Thank you.

A few housekeeping items to address before we turn to the business at hand. Please note that microphones are operated by *Hansard* staff. Committee proceedings are live streamed on the Internet and broadcast on Alberta Assembly TV. The audio- and videostream and transcripts of the meeting can be accessed via the Legislative Assembly website. Please set your cellphones and other devices to silent for the duration of the meeting, and comments and discussion should flow through the chair at all times.

Hon. members, are there any changes or additions to the agenda? If not, would a member like to move that the Standing Committee on Public Accounts approve the proposed agenda as distributed for

its Tuesday, March 25, 2025, meeting? Moved by Garth. Any discussion? Seeing none, all in favour? Any opposed? Thank you. The motion is carried.

We also have minutes from the Tuesday, February 25, 2025, meeting of the committee. Do members have any errors or omissions to note? If not, would a member like to move that the Standing Committee on Public Accounts approve the minutes as distributed of its meeting held on Tuesday, February 25, 2025? Moved by MLA Garth Rowswell. Any discussion on the motion? Seeing none, all in favour? Any opposed? Thank you. The motion is carried.

Members, at our last meeting debate was adjourned on a motion related to the format of the committee's audit-focused meetings, which was based off recommendations from the subcommittee on committee business February 4th report. As a reminder, all upcoming audit-focused meetings will be held – the first meeting will be held on April 29 to review the Auditor General's surface water management report.

Our committee clerk has displayed the motion on the screen and the videoconference. It will be read into the record now.

Mr. Huffman: Thank you, Mr. Chair. Moved by Mr. Rowswell that

the Standing Committee on Public Accounts adopt the following format for its audit-focused meetings: (a) that officials from the office of the Auditor General provide opening remarks on the audit report, (b) that officials from the invited entities respond to the report of the Auditor General, (c) that the question-and-answer portion with officials allow members to ask a question and a follow-up question and that questions alternate between caucuses as much as possible, and (d) that the committee allocate an additional 15 minutes after the question-and-answer portion concludes to determine whether to hold a meeting to conduct deliberations on its review of the audit report.

The Chair: Thank you.

We adjourned the last meeting just as the motion was moved, so I will offer MLA Rowswell the opportunity to speak to the motion before I open it to the floor.

Mr. Rowswell: Yeah. I just think surface water is important. I'm glad to see the Auditor General has a report on it and for us to review it. Certain parts, like the Beaver River basin and Saskatchewan River basin, have got reports on them since 2006 and the rest don't, so I think it will be interesting to see what we can learn from the auditor's report and what action we can go and take forward. I think it will be a good one.

The Chair: Thank you.

Anybody else?

Mr. Schmidt: I'm wondering if the subcommittee can explain to the committee the rationale for the question-and-answer format, where it's a question and follow-up question and then alternating both sides rather than the traditional practice of the committee to give one caucus a block of time and then give the other caucus a block of time.

Mr. Rowswell: Well, like, it's how we do it. We do it that way at the Alberta heritage savings trust fund. Going back and forth seems to work well. We just keep going back and forth until it's wrapped up. It seems like a good function as opposed to what we have done before.

Mr. Schmidt: Yeah. I just think that, from our side, this isn't a format that's optimal. I think that it would be better if we had a

block of time to really dig into a particular area of focus, ask a series of questions that are designed to get at a particular answer from representatives from the department. This one question, one follow-up format really runs the risk of running a really fragmented meeting where we can't meaningfully get at the issues at hand.

I won't be supporting this motion because the format is so awful.

The Chair: Thank you.

Any other members?

Seeing none, I will put the question. All in favour of this motion?

Any opposed?

The motion is carried.

At the subcommittee's next meeting we will discuss and make recommendations on which audit report to review at the committee's second audit-focused meeting and a schedule of meetings for the fall session. The committee will be able to review the subcommittee report at one of our upcoming meetings during the spring session.

With that, now we'll turn to the ministry that is here today. I will ask the guests from the Ministry of Tourism and Sport to take their seats, which they have already done. We will be addressing here the ministry's annual report 2023-24, responsibilities under their purview during that reporting period, and relevant reports of the Auditor General, if any.

I would like to invite ministry officials to provide opening remarks not exceeding 10 minutes.

Mr. Goldstein: Thank you again, Mr. Chair, committee staff, members of the committee. It's good to be with you this morning. I'm pleased to be here to represent the ministry and to present the highlights of the 2023-24 annual report. The Ministry of Tourism and Sport was established in June 2023 to champion tourism and sport, drive economic development and diversification, and support the health and well-being of Albertans. This means that the business plans in 2023-2024 were developed under former ministries, partially under culture and partially under what was then forestry, parks, and tourism before this ministry was created. Today we're presenting the consolidated tourism annual report that flowed from those two business plans.

We maintain a strong system of internal controls here in our department and at Travel Alberta, which is one of the main agencies of the department. There are no recommendations brought forward by the Auditor General in this year's audit. I would like to thank the Auditor General and their team. The same group that undertakes the audit for the department is also the one that undertakes the audit for Travel Alberta. I guess I also take some pride in the fact that Travel Alberta has just had its eighth consecutive clean audit. Moreover, the minister's office expenses were recently audited. The review concluded that the department is compliant with government directives and policies regarding the minister's office expenses.

Mr. Chairman, with regard to tourism we have a great story to tell of great success. We are the first jurisdiction in Canada to recover and surpass pre-COVID levels of visitor spend and the first to surpass pre-COVID international levels of visitor spend. Visitor spending increased in 2023 to \$12.7 billion, a new record and a 19 per cent increase from 2022. The fact that that number isn't in the annual report is because of the lag of Statistics Canada data. The spend data for that previous year comes a little later. International expenditures grew by 91 per cent year over year, faster than any other major province in Canada, including B.C., Ontario, and Quebec, and domestic expenditures grew 7 per cent over the previous year.

8:10

Tourism is a major sector of Alberta's economy, our province's number one services export sector, and the fourth overall largest export sector, generating \$2.9 billion in annual export revenue. Alberta's government understands that the growing tourism sector is an important part of diversifying our province's economy, and the tourism sector supports almost 90,000 full-time jobs. To reflect this importance, tourism funding represents more than 70 per cent of the ministry's portfolio.

Several years ago Travel Alberta's mandate was expanded from being a destination marketing organization to one of being a full-fledged destination management organization responsible for destination development and investment in attractions and accommodations, and we are the only province to do so. I'm happy to expand on that later. With this change the mandate focused on more than just marketing but also access in place. Travel Alberta helped drive recovery of the tourism sector two full years ahead of schedule. To drive further success, in February 2024 the ministry launched higher ground, our bold strategy to grow Alberta's visitor economy from \$10 billion originally, before COVID, to \$25 billion a year by the year 2035.

Alberta's tourism strategy will grow Alberta's visitor economy through five key pillars: leadership and alignment, competitive product, people and careers, expanded access, and, perhaps more centrally, Indigenous tourism. By investing in our emerging destinations, visitors to our province have more authentic Alberta experiences that inspire them to stay longer, spend more, and will give Albertans more opportunities to explore their own backyard.

Travel Alberta's tourism investment program invested in projects in more than 70 communities across the province in 2023-24. More than 60 per cent of those projects were in small urban and rural areas of Alberta. More than \$10 million was allocated in 2023-24 to the support of the air access strategy and yielding international arrivals from the U.S., U.K., France, Germany, Japan, Korea, and soon to be Mexico with a new direct flight from Calgary to Mexico City. Through the product development program Travel Alberta's \$7.1 million investment attracted \$63.3 million in private capital and returned an investment of nearly \$9 for every 1 public dollar invested.

Mr. Chairman, members of the committee, sports and recreation are also very important and the primary part of the ministry's work. Alberta's nonprofit sports system delivers affordable access to sport and recreation activities through training, grants, and award programs. The major sport event grant program provided \$2.5 million in 2023-24 to support 29 national and international sporting events in all corners of the province, including the BMW International Biathlon Union World Cup final in Canmore, the International Skating Union speed skating championship in Calgary, and the 2024 World Archery field championship in Lac La Biche. I could go on, but we are short of time. This grant program was built on Alberta's reputation as an attractive destination as well as its success in hosting world-class events. These events create opportunities for Albertans to participate, showcase Alberta talent, and build Alberta's reputation as an attractive destination for international visitors.

As we know, sport and recreation play an important role in the early stages of life. They teach teamwork, build confidence, and promote healthy lifestyles that can last into adulthood. To ensure more Alberta children have an opportunity to enjoy the benefits of physical activity, the Alberta government provided \$8 million in funding for the every kid can play program, making sport and recreation accessible to more than 8,500 children and youth.

The Alberta government is also proud to provide young people the opportunity to reach their athletic potential by supporting provincial-level competitions. Thousands of young Albertan athletes showcased their athletic skill and competed in the Alberta Summer Games in Okotoks in 2023 and the Alberta Winter Games in Grande Prairie in 2024.

Team Alberta North also competed in the Arctic Winter Games in Alaska in February 2024, building cultural bridges across the Arctic and showcasing athletic talents. These games are a key support development opportunity for athletes and coaches in northern Alberta. The games benefited host communities as well, leaving a legacy of enhanced facilities, trained volunteers, and tourism revenue.

In 2023 Alberta Summer Games in July brought just over 10,000 visitors to the province as an economic benefit and nearly \$9.5 million to the host community of Okotoks and Black Diamond. In February 2024 Alberta Winter Games, hosted in Grande Prairie, brought almost 2,000 participants.

Finally, Mr. Chair and members of the committee, the ministry continues to support the promotion of federal, provincial, and territorial initiatives such as concussion awareness and safe sport training to eliminate maltreatment in sport.

Tourism and Sport not only encourages Albertans to be active and to create healthier Albertans and communities by harnessing the power of sport, but we are also focused on the sustainable growth and diversity of Alberta's economy through tourism. Our ministry is committed to making a positive impact well into the future and continuing to make Alberta the best place to live, visit, and play.

Thank you very much for your time. I believe, Mr. Chair, I may have additional time, and I'm happy to yield that back to members of the committee.

The Chair: Thank you.

We will now turn things over to the Assistant Auditor General for his comments. You have five minutes.

Mr. Driesen: Thank you, Mr. Chair, and good morning again, everybody. I'll briefly provide you with an overview of the work the office of the Auditor General does for this ministry. We audit the Department of Tourism and Sport to the extent necessary to provide our audit opinion on the consolidated financial statements of the province. We also audit the financial statements of Travel Alberta. As the deputy minister mentioned, for the year ended March 31, 2024, we issued a clean audit opinion, which you will see in the annual report, starting on page 36. We made new recommendations as a result of our 2024 audit work and have no outstanding recommendations for this department and Travel Alberta.

I'd like to thank the management group here today for their time, co-operation, and assistance during our audit work.

That concludes my opening comments, Chair. Thank you very much.

The Chair: Thank you.

We will now proceed to questions from the committee members. We will begin with the Official Opposition. You have 15 minutes.

Mr. Schmidt: Thank you, Mr. Chair.

My first questions are related to financial information presented on page 60 of the annual report. I'm not quite sure which line item this might appear under. Hopefully, the deputy minister can help me out with that.

Now, the government of Alberta sunshine list indicates that former UCP MLA Dave Rodney is employed as a special adviser

to the Department of Tourism and Sport, and the government org chart says that Dave Rodney answers to the deputy minister. Now, his initial contract, which is also available on the sunshine list, indicates that he was hired for a one-year term set to expire on November 30, 2023. The contract stipulates that he was to carry out the duties set out in schedule B, but schedule B isn't published on the sunshine list site. I'm wondering if the deputy minister can tell the committee what the duties of the special adviser were.

Mr. Goldstein: Thank you, Mr. Chair. It's a very good question. Mr. Rodney was initially retained by the previous department of forestry, parks and tourism. His contract was inherited, as some of them are – or in the division of the desi regs, the changes to the two departments: we are the successor to that contract.

Mr. Rodney provides an important role not just as counsel but from an external stakeholder relations perspective, particularly as we look at the tourism development zones in the southern part of the province. In predominantly southern Alberta but through the rest of the province he has a wealth of knowledge and understanding of the players and has been part of very important discussions and outreach with the industry associations and other communities throughout.

Mr. Schmidt: Thank you to the deputy minister for that answer.

Now, it looks like from travel expense reports on the government website as well as his own LinkedIn profile that Mr. Rodney continues to hold the role of special adviser. Can the deputy minister inform the committee why Mr. Rodney's contract was extended and what end date it was extended to?

Mr. Goldstein: Sorry. I missed that part of the question. That was part of the member's initial question, the extent of the contract. It was a one-year contract with, I believe, three one-year extensions. We are in the middle of, I think, the last extension of that contract and will be re-evaluating that at the end of this fiscal year.

Mr. Schmidt: Thank you very much. Am I correct that the deputy minister himself extended that contract when it was up for renewal?

Mr. Goldstein: Yes.

Mr. Schmidt: Thank you very much.

Now, Mr. Rodney has what I would describe as a colourful employment history. He stepped down as the MLA for Calgary-Lougheed in 2017 to allow the then new UCP leader, Jason Kenney, to run in the by-election. Shortly after the UCP was elected in 2019, Rodney was hired as the agent general in Houston, where he failed spectacularly and left that job after only 10 months. He failed again, then, at Invest Alberta, where he only lasted for a little over a year. Then in December 2022 he finds himself as a special adviser and somehow has managed to last a year and a half.

I'm wondering if the deputy minister can tell the committee whether he was directed by the Premier, any of her staff, the minister or his staff, or anybody else in political office to extend Dave Rodney's contract.

8:20

Mr. Goldstein: Mr. Chair, in all fairness, I think part of that question is fair and part of it's not. The fact that Mr. Rodney is a former colleague around this table I don't think has bearing on what the rest of his career has pertained to. I think he's doing an important job for ministry officials and advising me as well.

I'm sorry. The last part of your question was . . .

Mr. Schmidt: Whether or not you were directed by anybody in the Premier's office or staff . . .

Mr. Goldstein: No. I was not directed by anybody in the Premier's office or Executive Council to either continue or extend this contract.

Mr. Schmidt: Okay. Thank you very much.

Now, according to the sunshine list Dave Rodney's salary in calendar year 2023 was more than \$200,000. That's more than the Premier makes and certainly more than most civil servants in your department, Deputy Minister. Can the deputy minister tell this committee how this exorbitant salary isn't just an ongoing gift to the man who gave up his Legislature seat to Jason Kenney?

Mr. Lundy: Point of order, Mr. Chair. Thank you. I'd like to call two points of order, 23(b) as well as 23(i). I'll start with 23(b). This is not a relevant line of questioning to the annual report. The member opposite mentioned Mr. Rodney's LinkedIn profile; I'd love for him to direct to the page where that is in here. He also went on an interesting soliloquy about his work history. We could all sit here and do that. I'm not sure that's helpful to this committee. That's clearly a point of order under 23(b).

I'd also like to raise a point of order under 23(i). The member opposite is clearly imputing false motives to the ministry official here, asking him direct questions about being influenced, clearly implying that he's not able to make these decisions on his own or that he is not making these decisions in the best interests of the province. In fact, the member opposite is accusing the deputy minister of ulterior motives in this instance. I don't think that's appropriate for this committee.

I don't need to call it, but I could call 23(c) as well. This is probably the fourth or fifth question; the deputy has provided good answers.

We'll start with 23(b) and 23(i). Thank you very much, Mr. Chair.

Mr. Schmidt: Well, I'm glad the member opposite was able to make up his mind at the end there as to which point of order he wanted to raise. With respect to 23(b), Mr. Chair, of course, this is absolutely within the purview of the committee. The annual report is from the fiscal year 2023-24. I referenced in my last question Dave Rodney's exorbitant salary of over \$200,000 which was registered on the sunshine list in 2023. With respect to 23(b) the member doesn't have a point of order there.

With respect to 23(i), I believe, I'm not impugning false motives. What I'm doing is giving the deputy minister the chance to clear the air here because if anybody with eyes to see were to look at this situation where a former MLA with not a whole lot of experience working in the tourism and sports sector is earning \$200,000 a year, more than the Premier and more than most civil servants in the department, it certainly looks like this is a gift. I'm hoping that the deputy minister can maybe clear the air and justify why Mr. Rodney is paid such an exorbitant salary.

The Chair: Thank you, Member.

Does any other member want to add anything?

Okay. I'm prepared to rule. I will start with 23(i). Standing Order 23(i) reads: "imputes false or unavowed motives to another Member." I think this provision won't cover someone who's not a member, so on 23(i) I think your point of order is not – you didn't make the case for that.

With respect to 23(b), which is about relevance, we are literally less than five minutes into questioning, and unless a member has asked questions for a while and I can see that he's going offside of what's under discussion, it's very hard to rule that something is irrelevant. But I can still remind members to please make sure that your questions relate to the annual report under discussion and

anything relevant to reports of the Auditor General and responsibilities under the purview of the ministry during the reporting period.

Thank you.

Mr. Schmidt: Yeah. Thank you.

Again my question to the deputy minister: why is Dave Rodney getting paid \$200,000 a year?

Mr. Goldstein: Mr. Chair, I think two things I have to – I'd like to clear up a previous statement that the member made. Mr. Rodney has extensive experience in the tourism business. He's a former executive director of the Canmore Kananaskis tourism district. He's been involved in the tourism sector for over three decades. I don't want to quibble that. But I also wonder how many of the other members of the professional team at the department are going to be led to this type of public discussion. I don't think that that's – I remember carefully when the member was a member of the government, his defence of the public service. I can tell you that the contracting went through a normal process, that the remuneration is part of a function of experience and his track record, and that he's providing that service to the department every day.

I'm happy to continue those discussions, but I think you actually asked the question of: where does it find itself in the annual report? That would be line 2.1 under program support.

Mr. Schmidt: I thank the deputy minister for that answer. Not exactly a rousing defence of Mr. Rodney, but, hey, that's what we've got today.

I do have another question, though, and this one is on line 2.2 of the financial information related to tourism policy and strategy. Now, according to her LinkedIn profile former Banff-Kananaskis UCP MLA Miranda Rosin was hired as a director for this branch of the department. Now, Ms Rosin was hired with no prior experience as a manager in the government or with any experience in tourism policy strategy at all. In fact, according to her resumé, she only graduated from university in 2017. Now, I'm wondering if the deputy minister can tell us whether he or anyone in the department was directed by the Premier, her staff, the minister, or his staff to hire Ms Rosin into this position so shortly after she lost her seat in the 2023 election.

Mr. Goldstein: Thanks again, Mr. Chair. That's another interesting question about staff in the department. I'm going to correct one issue, and then I'm going to pass it over to the assistant deputy minister to walk through the process of how that job was posted and appointed. She was the parliamentary secretary for tourism. She comes from that region of the province. She represented constituents who were the most affected by tourism policy probably in the province. So I think her experience is somewhat relevant.

Then I will ask the ADM to go through the process by which she was appointed.

Mr. Lamoureux: Mr. Chair, to the member: as the deputy explained earlier, the Ministry of Tourism and Sport was stood up in June of 2023. Following that organization of the ministry, the director who was responsible for tourism policy and strategy took a transfer to another ministry over the summer; therefore, that position became vacant over the summer. As per our standard processes the department worked with the Public Service Commission to issue an open competition, meaning that any Canadian citizen with both experience in tourism and with government could apply.

We received over 50 applications for that position. The screening was done by the Public Service Commission, independent of the

department. The candidates were then shortlisted. Ms Rosin interviewed along with others, and she was deemed to be the best candidate for the position.

8:30

Mr. Goldstein: Sorry. If I can add to that . . .

Mr. Schmidt: Nope. That's all that I needed. Thank you, Deputy Minister.

Mr. Goldstein: Well, no. I'm sorry, Mr. Chair. We didn't get to finish . . .

Mr. Schmidt: Yeah, no. I got the answer to the question that I had asked, Mr. Chair. I'd like to just continue on.

I'm wondering if the department could provide the documentation that was used to support the hiring of Ms Rosin. It's a little bit hard to believe that with 50 applicants from all over the country, someone with no experience as a government manager, four years as a parliamentary secretary for tourism, which has absolutely nothing to do with the work of the department – it's hard to imagine that in a fair and open competition somebody like Ms Rosin, with her resumé, would come out on top. My question is whether or not the department can table for this committee all of the documentation related to the hire of Ms Rosin.

Mr. Lamoureux: Through the chair and to the member, we will have to check with the Public Service Commission with respect to what is publicly available with respect to privacy rules related to competitions.

Mr. Schmidt: Thank you very much.

Now, my next question is definitely related to line 1.2 on page 60 of the annual report as well as schedule 2 of the Travel Alberta report. I'm wondering if the deputy minister can clarify for the committee whether his salary for the '23-24 fiscal year was aligned with the regulations that set out deputy minister pay or with the regulations that set out the pay for the CEO of Travel Alberta.

Mr. Goldstein: Mr. Chair, it's an excellent question. This is an unusual arrangement but not unheard of. In fact, my colleague in Saskatchewan and up until recently my colleague in Nova Scotia were both the deputy minister and the head of the provincial marketing and management organization at the same time. That has required a series of protocol with Executive Council and the board where I as the CEO have evolved certain duties to the board chair and the minister and devolved certain duties to the assistant deputy minister and to the chief operating officer of Travel Alberta.

To clarify, I make one salary, and the apportion part of the Travel Alberta salary is on one side and the apportion part of the deputy minister salary is on the other. It's an amalgam of both of them. Then I'd ask my ADM to actually walk you through some of the provisions that have been taken place to make sure that there are either no perceived or real conflicts of interest.

Mr. Schmidt: Sorry. Thank you to the deputy minister for that question.

Before we get to the second piece, I'm just wondering if the deputy minister can clarify then, like, what – there's a reported salary in the Travel Alberta annual report. Is that all that is paid to you, and is that all paid to you out of Travel Alberta's budget? Are you paid a salary out of the budget of the Department of Tourism and Sport? Just give the committee a breakdown on it.

Mr. Goldstein: Mr. Chair, I'll let the finance officials answer that question.

Ms Vidaurri: Chair, the deputy minister's salary is paid out of Travel Alberta, and then Travel Alberta invoices the department for basically half of the salary on a quarterly basis.

Mr. Schmidt: For half of his salary?

Ms Vidaurri: Yes.

Mr. Schmidt: Okay. So the amount that's reported, then, in the Travel Alberta annual report: is that reflective of his whole salary? It is. Okay. Okay. Thank you very much.

Now, the department's expense disclosures show that the deputy minister charges for travel and accommodation whenever travelling to Edmonton. How is it that the Deputy Minister of Tourism and Sport, who is supposed to have an office here in Edmonton, is charging people for travelling to Edmonton for meetings?

Mr. Goldstein: As you know, there are a few deputy ministers that are actually not based in Edmonton. The provisions of my employment are that I continue to be based in Calgary and that the expenses that are performed in my deputy minister duty are approved by the Deputy Minister of Executive Council, and the travel expenses that are undertaken under the Travel Alberta portfolio are approved by the board chair.

Mr. Schmidt: Okay. Thank you very much for that.

I think the deputy minister was going to ask his ADM to talk about how you portion. Like, how do you know when you're working as the Deputy Minister of Tourism and Sport and how do you know when you're working as a CEO of Travel Alberta? Can you explain that and particularly making sure that we're not getting charged twice for expenses that you rack up performing those roles?

Mr. Goldstein: Really, the only travel that I attribute to the deputy minister portfolio is that between Calgary and Edmonton. Pretty much the rest of any travel expenses are really attributed to my duties as the CEO of Travel Alberta.

What I was going to ask the ADM to explain is how we differentiate some of the duties to make sure there are no real or perceptions of conflict of interest in the two roles.

Mr. Lamoureux: Mr. Chair, to the member, with the unique arrangement of both DM and CEO, as soon as we stood up the department, the minister's office, the deputy minister's office, specifically the director of executive operations, myself, the finance team got together to set up, establish processes to make sure that any typical DM duties related to approvals, decision-making related to Travel Alberta . . .

The Chair: Thank you.

We will now move to the government side for questions. You have 15 minutes.

Mrs. Johnson: Thank you, Mr. Chair and through you to the deputy minister. As outlined on page 10 of your annual report, I see that in February 2024 the ministry launched the program higher ground, a tourism sector strategy which targets to grow Alberta's visitor economy from \$10 billion annually, as you referenced in your opening speech, in visitor expenditures to a massive \$25 billion by 2035. This is a pretty impressive goal for the Ministry of Tourism and Sport, and I guess it shows how important tourism is across Alberta.

I have a couple of questions here related to that, the first to the deputy minister, through you, Mr. Chair. Over the 2023-2024 reporting period what work has the ministry completed in order to

further this goal of reaching \$25 billion in visitor expenditure by 2035?

Mr. Goldstein: Mr. Chair, I thank the member for a good question and highlighting that this is indeed an important stretch goal for the province. I would say that the plan that we presented on February 14 of last year is actually the overnight success that has been years in the making. In fact, the predecessor to the strategy was what we referred to as the bootstrap plan, which was the COVID recovery plan. Part of that plan was the expanded mandate of Travel Alberta, which was actually a process that began under the previous government of a review and a mandate review of the organization and its efficacy.

What was decided at that point was something groundbreaking, as I sort of mentioned in my opening statement. We are the only provincial organization that has all three levers under one roof. We're not just a traditional marketing organization although we continue to do exceptional digital marketing on behalf of the province and branding, but we also have air access and product development or economic development. Many other provinces have all three pieces but not co-ordinated under one roof, under one strategy.

I think the other pillar to this success has been our investment in Indigenous tourism. Alberta is the largest provincial investor in Indigenous tourism in the country right now. That is not only an important part of our march towards reconciliation, but it's also hugely important to international markets and international customers who are looking for those authentic and truly meaningful experiences as part of their journey.

I guess the short answer or a shorter answer to the question, Mr. Chair, would have been the new organization. We saw the first three years of the bootstrap plan as sort of proof of concept, which led to the second longer term view, which is why we are confident we're going to make those numbers.

I had mentioned the sort of significant increase in the revenues for last year, up to almost \$13 billion. We're still waiting for the StatsCan numbers to come out for 2024, but I guess I could be bold enough to go on the record here and say I think it's in excess of \$14 billion for last year.

8:40

Mrs. Johnson: Well, thank you, Mr. Chair, and through you to the deputy minister.

Following up on that, in a similar vein but maybe we'll expand a bit, when considering visitor expenditures here in Alberta, I do think of all the locally owned businesses across our province who would benefit for sure from increased expenditure from tourists. Could the deputy minister please explain to this committee how we are ensuring Alberta-owned and -operated businesses will benefit most from these visitor expenditure increases?

Mr. Goldstein: Thank you again. Another really good question, Mr. Chair. It may require a bit of background. The first thing, as we were working our way through COVID, was an examination of the then \$10 billion, our pre-COVID \$10 billion, of visitor spend. Most of that was in five parts of the province: Calgary, Edmonton, Banff, Lake Louise, and Jasper. We call them the jewels of the crown. Our weakness was we didn't have a crown around the jewels, so the first thing we set out to do was create 10 tourism development zones in parts of rural Alberta and to work with them to create destination master plans and then to look at what investment holes they were missing, what sort of small and medium-sized businesses could be brought to bear.

As I said in my opening statement, the fund that Travel Alberta had implemented to help create those businesses, sort of either first-in or last-in capital for some of these enterprises – I would remind folks at the committee that aside from, you know, the airlines and major hotel chains this is mostly an SME community. These are mostly small and medium-sized businesses around the province. That support is going directly to them to help them first survive COVID, get through COVID, and now to fill in those important opportunities in different parts of the province, of which about 60 per cent are in rural Alberta.

Mrs. Johnson: Thank you, Mr. Chair, and through you to the deputy minister.

Let's keep going in that same vein, then. You mentioned the prepandemic level. Tying into that previous question, I can see that the Ministry of Tourism and Sport did see continued growth in visitor spending over the last three quarters of 2023 – you just mentioned that – with international expenditures here in Alberta surpassing the prepandemic levels and domestic expenditures experiencing a 9 per cent year-over-year growth.

It is good to hear that our international expenditures on Alberta products and businesses are surpassing the prepandemic levels, and even domestic tourism is booming. My first question to the deputy minister is: what steps did the ministry undertake during the 2023-24 reporting period to ensure international expenditures here in our province could return to the prepandemic heights?

Mr. Goldstein: Thanks, Mr. Chair. I guess the easier answer would be that it was a continuation of the previous work that we were doing, that we were building sort of a flywheel of overachieving expectations. But the heart of the issue is that by creating more product in different parts of the province, by creating additional experiences, we are creating those opportunities for other communities around the province to share in that success, which takes pressure off the major areas, allowing more high-paying international travellers to spend and creating really strong alternatives for Albertans to travel to other parts of the province.

I probably should take a step back, Mr. Chair, just for the information of the committee. If you take that almost \$13 billion that was spent last year in visitor expenditures, about half of that was Albertans travelling around Alberta, and we'd never take those folks for granted. They are the backbone of the visitor economy and were very important, especially as we were coming through COVID, as part of the recovery plan. You'd think that might be a saturated market, but we've seen even growth amongst Albertans travelling around Alberta.

The second 25 per cent are other Canadians who travel to Alberta, and with those Canadians there are challenges. They like to come to Banff in the summertime, and we have to help them find other alternatives to spend either more time or at other points around the province. I came here as a camper at 14 years old and saw a different type of rural Alberta. I don't think most people get that experience.

The last piece, the last 25 per cent, are international travellers, of which about half of those dollars are from Americans and the other half are from the rest of the world. If you're asking what the diversification strategy is, Mr. Chair, if the member is interested, we have spent a lot of time and invested greatly in our international markets to make sure that we are not as not as influenced by the U.S. market as some of our other provincial counterparts. It's still an important market to us, but we're not as reliant on the U.S. market as our friends in B.C. or Ontario or Quebec, who have a great deal of U.S. rubber tire traffic as part of their revenue focus.

Our diversification strategy has also helped to be part of that success.

I hope that answers the question.

Mrs. Johnson: Yeah. Thank you, Mr. Chair, and through you to the deputy minister. It kind of does, and it kind of answers a lot of my next question. Maybe you can expound on it a little bit more if you think there are some holes here. To the deputy minister through you, Mr. Chair: what factors have led to an increase in the domestic expenditures and, by extension, domestic tourism from across Canada during the reporting period? If you could add maybe a little bit to that, if there's something else.

Mr. Goldstein: I just would reiterate that we're working with entrepreneurs, working with Indigenous communities on new product. I mean, I could list off a range of them. We're creating more opportunity for Albertans to have great experiences in different parts of the province.

I look at Métis Crossing as a very good example. You know, Métis Crossing was a community meeting place about five or six years ago. It's now become a world-class resort. Travel Alberta invested \$500,000 out of our development fund to help them build their sky-watching view pods. I don't know if you've seen pictures of them, where you can watch the aurora borealis from your pods. There are a lot of sort of glamping and other instances in different parts of the province where a little bit of our investment has created huge returns and, frankly, gives Albertans an opportunity to travel to different places.

I know that I'm running long, but I think there's an important example here: Drumheller. We all know that the Royal Tyrrell is one of the greatest cultural museums, historic museums on the planet. I think it attracts over half a million visitors a year. Unfortunately, it sort of becomes a day trip from Calgary, and creating other experiences in the Drumheller area that give people a reason to stay one or two nights to be part of other experiences in Drumheller has been really important. Nesting a series of other experiences around that property helps create more of a synergy for the destination for a place like Drumheller.

I could go on, but I'm watching the clock, and I'm sure the member has questions, Mr. Chair.

Mrs. Johnson: Well, I will cede my time to another member. But thank you for mentioning Drumheller. I actually grew up in the area, and there's lots to do there, like the Atlas coal mine and the Bleriot Ferry and the little church and the swinging bridge. Lots to do in Drumheller. Thank you very much, through you, Mr. Chair, to the deputy minister.

I will cede my time to my colleague MLA Lundy.

Mr. Lundy: All right. Well, thank you, Mr. Chair. Thank you to the deputy and his staff for joining us today. I really appreciate hearing about the hard work that you do to support this very, very important industry.

I will be asking about the air access expansion strategy. This is on page 14, and it's key objective 2.3. This is a strategy that's really relevant for my riding in Leduc-Beaumont. Of course, we have the Edmonton International Airport in the riding, and they do amazing work. They really are cutting edge. They're promoting the region. They're promoting the province. They have a huge focus on driving tourism as well as their business expansion and their hydrogen technology. They're great. They're an incredible asset for the region and the province, so this strategy is certainly relevant from that perspective.

Through the chair, as I mentioned, this is on page 14. It's under key objective 2.3. The Ministry of Tourism and Sport through Travel Alberta invested more than \$10 million to support the growth of the air access expansion strategy. The objective of this strategy is to "recover the air routes lost during the pandemic and help increase air service access for international visitors via new routes into Alberta." Again, I think this is some incredible work, and I want to give the deputy a chance to highlight some of the success. Through the chair to the deputy minister: how is this \$10 million allocated during the '23-24 reporting period? And what international tourism markets were focused on the most during this time?

Mr. Goldstein: Thank you, Mr. Chair. I see the clock ticking. This is a very complicated question. Hopefully, I'll get through part of it, and maybe we can circle back if other members want to talk about it.

Simply put, Alberta is a fly-to destination. The 50 per cent of our market that I spoke of earlier, both other Canadians and international travellers, fly to Alberta. We lost 95 per cent of our air access during COVID. We have some natural advantages, including having a major carrier like WestJet and minor carriers like Flair who are headquartered in Alberta, but rebuilding the demand curve to sustain those routes is critical. There's a lot of talk in this province about pipelines; my pipeline has wings. Without the restoring of the air access both to the two major international airports and then to other airports like Fort Mac, Grande Prairie, Medicine Hat, the ecosystem doesn't work.

8:50

The clock's ticking down, so I'm going to try and get to the member's question, Mr. Chair. In the year that we are reviewing we saw over 300,000 incremental increase seats to the province. Those were all international seats. They were either U.S. transborder flights from predominantly California, Texas, and New York and key new flights to the U.K., to France, to Germany; right after this reporting period the new direct flight to Seoul, Korea and Tokyo, which had been huge, important markets for us before COVID and probably even more so now. As I mentioned, Mr. Chair, to the previous member's question, that diversity of markets, that mix of markets that's not just reliant on the U.S. was a huge priority of ours for years but obviously in the current environment increasingly important.

Mr. Lundy: Thank you very much, Deputy. Six seconds to talk about a major initiative, but I'm happy to hear that this has been a successful program.

The Chair: Thank you.

For the second rotation the time blocks are 10 minutes. We will proceed with questions from the Official Opposition members.

Mr. Schmidt: Thank you, Mr. Chair. I want to pick up where Member Lundy left off. I believe his question was about the allocation of the \$10 million. I'm wondering if the deputy minister can provide that information to the committee.

Mr. Goldstein: I can, Mr. Chair. I thank the member for the opportunity to continue the answer.

I should first state that there are a lot of destinations that have aviation access support mechanisms. Quebec has a very robust fund. B.C. has a very robust fund. Usually it's just a subsidy program, where you basically buy service from a carrier. We have

set ourselves up very differently. We have defined through the program the key objective routes that we are interested in that come from those key markets. Some of them I already mentioned. It's kind of an auction process, where Canadian and non-Canadian airlines can sort of bid for support for those routes.

I would say that if you're asking for the allocation, that's a moving target, but roughly it breaks out to about sort of 65-35 between Edmonton and Calgary, Calgary obviously being the biggest focus with the international hub being supported by WestJet, but it does allow for a lot of those connector flights to other parts of the province.

I would say for the portfolio, again, it depends on where the bids are coming from for the various routes, but it started primarily to recover the U.S. transborder flights in the previous year. We're now, I would say, about 50-50 between the U.S. transborder flights and those long-haul international flights. Unlike other programs, it's not just: we write a check to the airline. There is a partnership program. There are obligations. There is a count on the number of incremental, not existing but incremental, inbound seats to Alberta. I don't care about paying for seats for people to go to Las Vegas.

This is an injection to the visitor economy here in Alberta, and that program has a standing KPI. If you refer to the Travel Alberta annual report, there's a standing KPI of 7 to 1, I believe, which is that we, the visitor economy in Alberta, get \$7 for every dollar we invest. Last year, I think, in this reporting year – I might be corrected – it was actually 10 to 1. So the proof is in the pudding.

I was just on a call the other day with my colleagues in Quebec ...

Mr. Schmidt: Thank you, Deputy Minister. I can tell you're excited about this program, and it sounds like it's complicated, but for the purposes of today I'm wondering if you could give us a breakdown of how the money in '23-24 was spent. It sounds like there were a lot of moving parts and, you know, a lot of ins and outs, but you must have some numbers for how it was allocated. If you could just cut to the chase and give us those numbers.

Mr. Goldstein: Cut to the chase. Thank you. I believe I provided those numbers. The split between the two international airports was roughly 65-35, and the split between the U.S. transborder flights and the international flights is about 50-50, of the \$10 million.

Mr. Schmidt: Okay. Thank you very much for that clarification. So when you say that you're spending 65 per cent on flights into Edmonton, who are the carriers, then, that are providing that? And who are the carriers who are providing those flights into Calgary?

Mr. Goldstein: I can say generally, because we're under NDA and these are commercial agreements, so I have to be careful about that. WestJet, Air Canada. We had supported, I think, a couple of flights with Flair. Condor airlines, which is a German carrier. What we do, our practice, Mr. Chair, is to do sort of a ROFR, a right of first refusal, to the Canadian airlines, and if the Canadian airlines will not satiate one of the routes that we find important, like Edmonton-Frankfurt, then we go to the next in line, which are international carriers like Condor.

Mr. Schmidt: Thank you very much. Now, of those 300,000 seats that Travel Alberta estimated were provided, how many were actually sold?

Mr. Goldstein: Sold. Those are sold seats.

Mr. Schmidt: Okay. What's the process that Travel Alberta does to verify that we're getting the seats that we're paying for?

Mr. Goldstein: Mr. Chair, as part of our agreement with those airlines, they have auditable reports that come back, and we can actually monitor that, not just what the airline says but through data from IATA and other data sources, as to the incremental number of seats that are coming into the market. And then if they don't achieve their goals, we will adjust down or ask for a return of that investment or, in some cases – I want to be careful about how I pose this – where an airline has failed or has not met their objectives, they can be disqualified from the program going forward.

Mr. Schmidt: Did we lose any money in '23-24 due to airline failures?

Mr. Goldstein: We did not. It was in the news. Mr. Chair, I don't think this is – we all recall that Lynx airline had to wind down its operations. We were in discussions with them about certain U.S. transborder flights. We actually didn't execute any agreements with them. So, Mr. Chair, to the member: no, there weren't any that failed.

Mr. Schmidt: Okay.

If a seat is supported by Travel Alberta, and the airlines – like, I guess we pay the money for them to open up the seat, and then when the seat sells, the airline keeps all of the money from the sale of that seat. Is any money sent back to Travel Alberta? I mean, you talk about return on investment here. That's broadly speaking. Does Travel Alberta actually earn any money directly back from opening up these seats?

Mr. Goldstein: Mr. Chair, this is a complicated question. We're not a commercial Crown corporation, so we can't earn money. We don't earn revenue.

The way the split works is that about 70 per cent of the contribution that we have with each of the airlines is actually marketing co-op support, so we are the initiator and help them with the marketing campaigns. Some airlines do not have that international reach, and then we have an international reach in those markets. So I would say that not one hundred per cent of the money leaves the door, but a lot of it is reinvested with Travel Alberta as part of the marketing product for those routes. It's not like buying a seat, sir. It's a little more complicated than that.

What we haven't done, which other destinations have done, is just basically give a seat guarantee. In fact, historically – and I can't remember who was the government of the day – there was the deal with Aeromexico here in Alberta to give a million dollars to Aeromexico to create that flight to Mexico City, and once the flight was gone, the money was gone. We're not doing seat guarantees. That is not part of our program. As I was about to finish my last sentence: I was on the phone yesterday with my colleagues in Quebec, and they're trying to replicate what we're doing. They find it fascinating, Mr. Chair.

Mr. Schmidt: Yeah. Lots of people on the opposite side love to hear about what Quebec is doing.

Can you talk to us more about the methodology that Travel Alberta uses to calculate this 10.6 to 1, as that's pretty opaque in the annual report.

9:00

Mr. Goldstein: Mr. Chair, I apologize. It shouldn't be opaque at all. Stats Canada establishes what the international spend is on international travellers, so we know that for one Brit, one German, one Japanese visitor, we have an average of what they're going to spend. If we are taking the number of incremental seats from, let's say, the Tokyo flight, and we know, based on Stats Canada's data

on spend, that we then figure out the – I know you're rushing through time, but I think this is an important thing. It's not just the volume of seats, Mr. Chair, because some seats are worth more than others. A Japanese visitor is worth more than a visitor from Seattle. So you have to stack that in as part – all people are worth the same thing, Mr. Chair, but from a revenue perspective for the province of Alberta, as part of the member's question about the ROI, that's how we factor it in.

Mr. Schmidt: Thank you. I was beginning to worry that you were going to price tourists per pound here.

Of that \$10.60 for every dollar invested, like: how much comes back to the government of Alberta in terms of tax revenue? Does Travel Alberta know?

Mr. Goldstein: Another good question. My colleagues are going to help me with the actual data on this. The first thing is the visitor levy. On hotel room nights, as folks will recall, there's a 4 per cent visitor levy, so there's a direct benefit to lifting up hotel room nights in the province. Of course, the higher the price of the hotel night, like at the Banff Springs, the higher the 4 per cent is as far as revenue to Travel Alberta. I'm trying to not kill your time, Member, but for the sake of my nine seconds, we have robust metrics on this, and we're happy to provide them to the committee.

Mr. Schmidt: Yeah, if you could provide that in writing then as a follow-up, I'd appreciate it.

The Chair: Thank you, Deputy.

We will now move to the government members for a 10-minute block of questions.

Ms de Jonge: Thank you, Chair, and thank you to the deputy minister and your officials for being at PAC this morning. I'll jump right into the annual report on page 12. It talks about the major sport event grant program. That's a really great program. I've been to some events that have utilized that funding, and it's been great to see the number of people that it brings into the province. You know, there's this excitement, there's this buzz around major sporting events, so I'm really glad to see that program and to experience it in action.

Like I said, it provides funding for hosting national and international events. There's a total program budget of \$2.5 million, and that provides a maximum of up to \$250,000 per single event to enhance the capacity of organizations to plan and host these cultural and sport events. That supports sport development, tourism, and it provides important economic benefits to all Albertans. We've been talking already about this this morning. Alberta is a very attractive destination for these events, and we've got a great history of hosting world-renowned cultural and sport events. Through the chair to the deputy minister: can you please explain to the committee what events or entities engaged with the major sport event grant during the 2024-25 reporting period? As well through the chair, Deputy Minister, can you explain how the major sport event grant program, during the reporting period, was able to just bring attention to our province, especially our cultural and our sport sector?

Mr. Goldstein: Thank you, Mr. Chair. I'm going to start, and I'm going to hand over to the assistant deputy minister to fill in some of the particulars. We spent a lot of time talking about tourism; I'm glad we're going to get some time to talk about sport as well.

This is a uniquely important program. I don't know how many of you are parents who have spent time schlepping around to different parts of the province or different parts of the country, sitting in gymnasiums and hockey rinks. My youngest daughter was a

provincially ranked competitive gymnast, so I spent a lot of time on the road. Not only is this important for their own professional development, their own personal development, their own health, but it turns young people into leaders, and sometimes these events, the ones you're describing, the ones that the member is describing, Mr. Chair, are the ones that either young people are involved in or they get to see their heroes participating. While they may compete at the provincial level, when you see a national organization, a national event, or an international event come to town – I mean, I remember my daughter the first time she went to nationals; she was a trampoline gymnast – to see the highest level ranking athletes being able to perform in your backyard was a huge inspiration. The assistant deputy minister will go through the particulars of the program, but I think it has benefits far beyond that.

Mr. Lamoureux: Well, thank you, Deputy Minister, to the chair and to the member. Thank you, Member, for articulating what the annual budget is for MSE, or major sport events. It's \$2.5 million and, yes, the maximum grant allocation for a specific event is \$250,000. There is a matching requirement for that. We do have an open application process; two intakes per year. Our criteria for evaluating all applications is posted publicly and available, and applicants refer to those as they're completing their applications.

I should speak a bit to what a major sport event is. We've characterized it or framed it as a national or an international sport event. To qualify for that classification, if you will, it has to be a single sport event that is recognized by the national sport organization as well as the provincial or Alberta sport organization. We can take, for example, Volleyball Canada being a national sport organization, and we have Volleyball Alberta here as one of our provincial sport organizations. Happy to report that through two intakes in the '23-24 year, we had just about 30 events that we were able to fund. The program is highly oversubscribed, meaning that we can't fund all of the applications for any given intake.

Recognizing the time for the members, I won't go through the 30-ish events. That is to say, however, that the applications vary. Therefore, from one intake to the next, from one year to the next, we see a variety of different events that are funded based on the applications. In '23-24 we saw a number of events in rural Alberta such as the 2024 National Aboriginal Hockey Championships up north in Grande Prairie. We also had the 2024 Snowboard World Cup slopestyle in Calgary, and also saw some FIBA 3x3 basketball events in our province's capital of Edmonton.

Mr. Goldstein: He could go on, Mr. Chair. I wish we could spend all of our time on the many organizations and events. But just to punctuate the point, the Volleyball Canada event in Calgary took up almost 23,000 hotel room nights. So it's not only important from a competition perspective, but when you look at even smaller venues and smaller events around the province – I think three years ago the Brier came to Lethbridge; it was a huge economic lift for that part of the province – there's a lot of activity that flows from that program.

Ms de Jonge: I'm sure all 30 of them were incredible and highly impactful. I've had the opportunity to speak with a lot of young Albertan athletes that live in my constituency, and I know they've travelled and participated in some of these events. I know it had a deep impact on them as young athletes.

Following on with this topic, I just want to understand a bit better some of Tourism and Sports' expenses in '23-24. On page 25 of the annual report I see that the ministry's expenditures were \$112.5 million in '23-24, which is \$7.6 million higher than Budget '23 and \$20.5 million higher than the '22-23 actuals. I read that the increase

from Budget '23 is mainly attributed to higher spending, \$5.5 million, in support for sport, physical activity, and recreation. We already talked about this, you know, that this additional funding was approved for Alberta to host these major international sporting events, and you've mentioned some of them already. They also include the Canadian Finals Rodeo, which is one of my favourites. I represent Strathmore. It's big rodeo community. We have a fantastic stampede. You should come sometime. All members of the committee: it's an open invitation to the Strathmore Stampede. We do running with the bulls. I'm pretty sure it's the only place in the province that runs with bulls. It's exactly what it sounds like. It's exciting stuff.

9:10

Anyways, back to the question. I read that the spending is further supplemented by increases in tourism for destination promotion expenses. I'm wondering, through the chair: can the deputy minister outline how this additional spending is supporting the ministry's objectives in '23-24? As well, I'd like some clarity on how destination promotion spending is benefiting the objectives of your ministry.

Mr. Goldstein: Mr. Chair, I have a very short amount of time. I'm going to try to do this quickly, because the member kind of answered some of her own questions within the question. On the sports side – you are correct – there was in-year funding from Treasury Board to support Hockey Canada and the Canadian Finals Rodeo and a couple of other smaller events. We have to go individually for those bids to Treasury Board to have them approved.

On the tourism side there are two issues. One was a grant contribution or co-investment with the federal government from PrairiesCan – I think it was about \$900,000 – which allowed us to do the work of the destination plans for each of the 10 tourism development zones. I can go into that later. Also, from a destination promotion perspective, Mr. Chair to the member, we oversucceeded in our co-investment from our partners like Tourism Calgary and tourism Banff, who coinvest in our marketing campaigns. We had a higher percentage than normal, which speaks to the success of the campaigns.

The Chair: Thank you.

We will now move back to the Official Opposition for 10 minutes.

Ms Renaud: Thank you, Mr. Chair. I would like to ask a couple of questions about Podium Alberta. I'm going to refer to outcome 1, key objective 2.1 on page 13. The ministry discusses that the Podium Alberta program invested a total of \$700,000 to assist 232 athletes compete on the world stage in 38 sports. My first question is: does the department have a breakdown of male, female athletes or under 18, over 18, any sort of metrics like that?

Mr. Goldstein: I'm going to kick that off. It's a good question. It was a significant topic when I was with the minister at Committee of Supply a couple of weeks ago. I think I've already told you my personal story about women in sport being the driver. Since that line of questioning two weeks ago I think we've done a lot of introspection and a lot of looking into numbers that maybe – I'll be honest. Mr. Chair, I think we have more to do in this area. In the last two weeks – and the ADM will provide what we've been able to bring together in the . . .

Ms Renaud: In the last two weeks? Actually, that's not relevant for this committee because we're looking backwards.

Mr. Goldstein: Correct. Sorry. Thank you, Mr. Chair.

Ms Renaud: Here I'm calling a point of order for you.

Mr. Goldstein: I'm getting help from unlikely places.

But, yes, we have done some initial analysis. The ADM will fill you in on that, but to say that there's more work to be done.

Mr. Lamoureux: Mr. Chair to the member: for the fiscal year '23-24 51 per cent of the Podium Alberta recipients were female, women.

Ms Renaud: Do you have any metrics on under 18, over 18?

Mr. Lamoureux: I don't have those handy at the moment.

Ms Renaud: Is that something that maybe the department is looking at?

Mr. Goldstein: Mr. Chair, we will.

Ms Renaud: Okay. One of the reasons that I wanted to – anyway, I'll get to that a little bit later.

Can you tell me how many of the 232 high-performance athletes are actually eligible to participate in, like, Paralympic-type sport?

Mr. Lamoureux: We'll get that data as well.

Mr. Goldstein: We will undertake to get that data as well.

Ms Renaud: Okay. Perfect. Thank you.

Now, the ministry notes \$700,000 in funding for high-performance athletes to encourage athletes to stay home, live, and train in Alberta, which is perfect, and Podium Alberta has funded high-performance athletes for 17 years for a total of \$14 million, as listed in the annual report. That's an average of \$824,000 a year. Why is the UCP government funding below the average when we know population, inflation, all of these pressures? We're funding less than the average for the last 17 years.

Mr. Goldstein: Well, that's a hard question, Mr. Chair. I think all of our programs are oversubscribed. You know, just as we had created a comprehensive tourism strategy, the department is working on a comprehensive sports strategy to try and address some of the underfunding in some of these areas.

Ms Renaud: Okay. So the department is looking at why you're underfunding Podium Alberta?

Mr. Goldstein: Well, I think in general we have far greater focus on health, which is an important thing, and maybe not enough on preventative health. You know, I'm not going to skirt around the numbers. Other jurisdictions have made a stronger investment in this area, and we need to make the case to the government and Treasury Board that this is an important investment in the future of Albertans.

Ms Renaud: Okay. Now, I don't think this is a metric of the value of the program, but what is the total podium finishes by year for the last few? You know, if you don't have that, what is the expected return of this particular fiscal year's report? Again, understanding that being on top of the podium isn't the only goal here.

Mr. Goldstein: No. We'll undertake to find those numbers.

Ms Renaud: Okay. Seven hundred thousand dollars in funding for the 232 athletes translates to \$3,017 per year per athlete. Can you tell me how that \$3,017 helps?

Mr. Goldstein: I'm going to ask my assistant deputy minister to cover that.

Mr. Lamoureux: Among other things, it covers cost of training and living costs.

Ms Renaud: Three thousand dollars?

Mr. Lamoureux: Yes. And that is in addition to the funding that these same athletes receive from Sport Canada, from the federal government. They have to actually be recognized at the national level to be eligible for Podium Alberta supports.

Ms Renaud: So then it's like a match?

Mr. Lamoureux: It's not quite a match; it complements it.

Ms Renaud: Okay. So . . .

Mr. Goldstein: Sorry. I just want to add . . .

Ms Renaud: Sure.

Mr. Goldstein: Mr. Chair, I just want to circle back to the member's other part of the question. I believe we do have on the website the Podium Alberta recipients and which ones are designated as Paralympians or para athletes.

Ms Renaud: Okay. Part of the reason I ask, like, "how many of these athletes, world-stage athletes, are under 18?" is that we've got, you know, I'm assuming with \$3,000 from the province, maybe \$3,000 from the federal government, \$6,000. It's expensive to live and work in Alberta. People under 18 are getting a lower minimum wage. They're not even making \$15 an hour. I'm just wondering if the department has done sort of any investigating on how these youth or these athletes are actually doing when it's pretty tough to live and work here if you don't have a good-paying job to support the athletic work that you're doing.

Mr. Goldstein: Mr. Chair, to add: parents who are prepared to help.

Ms Renaud: Parents is the answer?

Mr. Goldstein: No. Parents is not the answer. The answer is that we have a certain number of dollars. We could divide it more slimly among fewer athletes, which would impede outcomes, but we have made a choice to try and include as many athletes in the program as we can given the fiscal restraints of the program.

Ms Renaud: Okay. I'm going to move on a little bit. I'm going to talk about the percentage of Albertans participating in active recreation activities. On page 19, the performance metrics, I note multiple explanations for why the data is essentially useless and, I quote, should be used with caution. Useless data created by constant reshuffling of files, departments doesn't really allow for good planning or evaluation or, most definitely, oversight. Can you tell the committee: why was the format and the definition of physical activity changed? What was the purpose?

Mr. Goldstein: Yes. I'll refer that to my assistant deputy minister.

Mr. Lamoureux: Yes. For many years we had been using an instrument that had become dated. With feedback that we received on the definitions and categories, we responded and created a new or revamped tool. As folks who are familiar with data, introducing a new instrument terminates the previous trend line of the data, and it usually takes a number of years, arguably, depending on which

statistician we're speaking to. It takes a few years of data to establish a trend.

Ms Renaud: Can you tell me where specifically the direction came from to change the definition of physical activity?

Mr. Lamoureux: That was based on research that we did and conversations that we had with the system.

Ms Renaud: With the – I'm sorry.

Mr. Lamoureux: With Albertans, with the broader sport and recreation system.

Ms Renaud: Okay. So there was a consultation done with Albertans in the broader recreation community?

9:20

Mr. Lamoureux: We did not do a specific consultation on modifying the tools, the survey instrument, but we have ongoing conversations with our partner . . .

Ms Renaud: Who were the ongoing conversations with, when you changed this tool?

Mr. Lamoureux: I do not have that list.

Ms Renaud: Would you be able to table that for the committee?

Mr. Lamoureux: Certainly.

Ms Renaud: Okay. Now, why measure activities, like, at home that are not funded? This department doesn't fund these activities, yet the tool is changed to include activities that have nothing to do with the department's funding. Can you explain that?

Mr. Lamoureux: To the chair and the member, in looking at the department's mandate, which is sport, physical activity, and recreation, we do not limit our view with respect to Albertans' activities to what we fund. We try to take a bit more of a holistic view of sport activity, physical activity, and recreation. We're not excluding any of those activities, whereas we recognize . . .

Ms Renaud: I'll just interrupt for a sec. Sorry. I'm running out of time. This government, this department have absolutely nothing to do with the activities that happen at home, and this is a committee looking at the annual report to see, you know, what was invested, what are the metrics. What activities people are engaged in at home have absolutely nothing to do with the department let alone the government of Alberta, so I'm wondering why the metrics were changed to include that. It seems like it's going to sort of muddy up the waters a little bit, so we're not really going to be able to see the impact of the actual investment.

Mr. Goldstein: To you, Mr. Chair, with a limited amount of time, I think we are actually trying to gauge the whole ecosystem and not just the areas that we provide service or support to. I think that's an important question. Should there be data on the drill down, on the actual outcomes of the programs themselves? Yes, and I believe we have covered some of that. But, frankly, we are not the whole system. We are like a stimulant, or if that's a bad example, we are the espresso of the system that stimulates other parts of activity across the province.

The Chair: Thank you, Deputy.

We will move back to the government for 10 minutes of questions.

Mr. McDougall: Thank you very much. I'd like to follow up a little bit on the line of questioning that the member opposite was just doing. Looking at performance measure 1(a) on page 16, the annual report indicates the "percentage of Albertans attending and participating in events and organized sport activities." As a parent and somebody who was involved both as an amateur volunteer coach and running a program for hockey and soccer in my community, I recognize, I think, the benefits, a wide range of benefits. It's physical, mental health, social growth, and personal pride that come from participating in sports activities.

I'm particularly concerned, as you may know, about the increase in obesity among youth today. My understanding is that, at least in 2023, about 1 in 3 Canadian youths are considered obese today, which is about three times the level of about 30 years ago. Only about 39 per cent of youth between the ages of five and 17 are meeting what they expect, the requirement from Participation for physical activity. This is something that, I think, is a big societal problem, certainly a problem here in Canada.

Looking at the statistics on the performance measures I was talking about, I see a decrease of 5.3 per cent from '22-23 to the child sport participation rate. Now, it still exceeded its target for that year, but can you provide, I guess, any insight into how this target was exceeded, but why was the target decreased?

Mr. Goldstein: Mr. Chair, the simple answer – and I'll turn to the assistant deputy minister for more substantive additions – is that there were adjustments through COVID. There are sort of two prevailing issues that we had to deal with. While I understand that, you know, COVID isn't the Etch A Sketch that clears all problems, for some departments, obviously Health and Education but for our department particularly, COVID was a tsunami. When you think of both travel and tourism and organized sports, they were all pretty much obliterated for two, two and a half years. So some of the longitudinal data got disrupted because of that.

Then the other part of your question, you know, on the inactivity of particularly kids: we're fighting this, and it's a hard fight. We're not just talking about competing on the podium; we're talking about competing against screens and competing against the couch. There's probably more work that needs to happen with our friends in the Department of Education and how we work to develop young athletes and get them engaged and involved. As for the particulars, I'm going to turn to the assistant deputy minister, who will help you out.

Mr. Lamoureux: Mr. Chair and to the member, with respect to the trend that we had, again, you know, the lingering effects of COVID in setting a new target, noticing the downward trend, we had to establish a lower target that is still achievable, if you will. Obviously, we want to grow that and get back and surpass previous levels of participation. That's why we have a number of programs, including the every kid can play program, that we've established to get kids active.

Mr. McDougall: Thank you very much. You know, it's certainly clear to me that, obviously, we're talking about the past. But, gosh, what's going on in our society today? We have a lot of work to do across a lot of departments and within our society to change what I think is a disastrous trend overall.

It's not just, you know, from what I can ascertain, the children, obviously. Performance measure 1(a), looking at adult sports participation. I see that there's been a decrease of about 1.7 per cent in adult participation in organized sports activities. Although I see that the margin of error is applied, adult participation in organized sports remains about the same as it is in '22-23, immediately post-

COVID. Again, just looking at some of the activities, we have – what? – 30 per cent of adults now considered obese and 35 per cent overweight, so that's 65 per cent right there, and only 49 per cent of adults getting the minimal suggested amount of physical activity. To the deputy minister. I see on page 17 there's some information on the margin of error. Could the minister provide detail on how that margin of error is calculated? We'll leave it at that there.

Mr. Goldstein: Thank you, Mr. Chair. I'm worried that the member's question seems to resemble the people on this panel, but I will defer to the assistant deputy minister to speak to the measures.

Mr. Lamoureux: Thank you, Deputy Minister.

To the chair and to the member, we commissioned these surveys through an open procurement process, and part of the expertise we're looking for and that is required when we select the vendor is to tap into their expertise to look at available data across the country and across the province. They provide recommendations to us on the targets, which we take to the department, and the department team establishes the targets.

In the case of the results that we see, they are disappointing, as I said earlier, for youth. Certainly hoping that we're able to see those numbers grow. To a previous question that was asked by another member and to the deputy minister's comment, we do take a holistic view. Families tend to be active together. When we've got a young Albertan, a child under 18, who comes home, they might be coming home from a practice from an organized sport. Their parents take them, as the deputy minister said, to their practices, to their competitions. Who better a great model for that child to be active than their parent? The activities of children and youth and adults are not independent in a lot of cases, and we're certainly looking to promote physical activity writ broad.

Mr. McDougall: Thank you very much.

I could change direction a little bit on this and talk about indicator 2(b) on page 17, which covers expenditures generated from the tourism sector. There's been a great recovery, as you have mentioned, from the time of the pandemic. It's a positive trend for the future, which is nice to see. I see that results for '23-24 are not yet available, but the target for this year was \$10.1 billion, similar to the '22 reporting year. To the deputy minister: since '23-24 results have not been made available from Stats Canada, can you expand on some of the factors that might contribute to meeting this target?

9:30

Mr. Goldstein: Mr. Chair, with your permission I'm going to try and take two strokes on this. The first is that since the annual report came out, we do have the Stats Canada. It's now at \$12.7 billion dollars for the reporting year.

And then if I could, Mr. Chair, I would like to circle back to the question that the other member placed about: what is the return on investment for the province? I believe that was the member's question. On \$12.7 billion worth of tourism revenue there was \$1.7 billion in provincial tax revenue to the province and, in addition, \$116 million in the visitor levy that was accrued. Now, maybe this is a shameless plug, but that's far more than the investment that the province is making in Travel Alberta, so even Travel Alberta's stimulus is creating net positive revenue to the province.

I hope that answers your question.

Mr. McDougall: Well, it's sufficient for myself. Yes.

Based on your internal economic impact modelling and that projected revenue is evaluated on a variety of others, can you provide further details on these factors?

Mr. Goldstein: We are guided by three or four different data points. I'm proud to say that within Travel Alberta we have the best econometric data group in the country right now, and they use about 16 or 17 data points from different national and international sources, including Stats Canada, which end up being part of our modelling. There are certain set standards for data, specifically on earned tax revenue, both at the federal and provincial level that are set by Stats Canada.

The Chair: Thank you.

For the fourth rotation we will move back to the Official Opposition for 10 minutes of questions.

Ms Renaud: Okay. Thank you, Mr. Chair. Following up, just out of pure curiosity, are you able to share those 16 or 17 data points that the department uses?

Mr. Goldstein: Sure.

Ms Renaud: Okay. Thank you.

On page 15 I note the ministry attracted \$63.3 million in private investment following a \$7.1 million government of Alberta growth stream investment. Could you tell the committee where the \$7.1 million was invested and what specifically that was for?

Mr. Goldstein: Sorry. Can you repeat the question, Mr. Chair?

Ms Renaud: Sorry. Yeah. Where was the \$7.1 million invested? It was growth stream that it was labelled. Page 15: \$63.3 million in private investment followed a \$7.1 million GOA growth stream investment.

Mr. Goldstein: That's the Travel Alberta tourism investment fund. I believe in the opening statement I stated the number of projects. They are throughout the province, predominantly in rural areas of the province. About \$1.2 million of that is to Indigenous operators, so on top of the investment that we're making through Indigenous Tourism Alberta, at least \$1.2 million or up to \$1.5 million is part of those initial investments. I could list several of them.

Ms Renaud: If you could table that for the committee, that would be great. I don't have a lot of time.

Mr. Goldstein: I'll have to look at that. I think there's commercially sensitive data as part of that, but I'll have to look at that.

Ms Renaud: Then the second piece, if you're able to share that, was where the \$63.8 million that followed that investment came from. If you're able to share that with the committee, that would be great.

Mr. Goldstein: It would be a result of those projects. A specific project would have – we are not the majority investor in those projects. We, as I said during my opening statement, are – it's sort of a first-in or last-in capital, and for a lot of small and medium-sized businesses that allows them to get to the ratios with other private investors.

Ms Renaud: Okay. Switch gears a little bit. I note that on page 14 the ministry discusses the launch of a plan to grow the tourism economy, as we've talked about, by \$15 billion in 10 years by expanding access to the province and promotion of destinations. Makes sense. Could you tell the committee why there are no metrics for such an ambitious plan?

Mr. Goldstein: There is a big metric, which is the actual revenue number. Mr. Chair, I think to gauge this or to properly set this, there are a lot of destinations that have visitation numbers and revenue numbers. That's not a sustainable – getting more travellers, just more travellers, is not the end goal; getting better, higher spending travellers. Since the subset of Travel Alberta you will find in their annual report a placemat of key performance indicators that flow for the next three years. Our business plan for the next fiscal year is awaiting approval from the minister, but on the previous year you can find those key performance metrics within the annual report.

Ms Renaud: Okay. When will Albertans get that plan and the cost to deliver this? I mean, this is an ambitious plan. Makes sense. It's a good investment. But when can Albertans expect to see more information about: how much will it cost to get to this goal? Yeah.

Mr. Goldstein: We are currently forecasting that the major investment in the tourism development plan is actually through Travel Alberta. As we discussed with the minister at recent Committee of Supply, Treasury Board has always tracked those out for the next three years, so those are available in the previous provincial budget. At this time there are no significant additional investments required to get to that target.

Ms Renaud: Let me see if I've got this straight. You're saying that this plan, this ambitious plan to grow the tourism economy by \$15 billion, that we will likely not see, let's say, next year when we see the annual report – we're not going to see any more detail than we're seeing right now.

Mr. Goldstein: Well, there's detail in the Travel Alberta business plan, which you can ...

Ms Renaud: No. I'm talking about the ministry annual report.

Mr. Goldstein: I'm sorry, Mr. Chair. Just to clarify, the ministry's major investment in tourism is through Travel Alberta. There's a small group within the department that does policy and regulatory analysis, but the delivery mechanism is this.

Ms Renaud: Right. But the outcomes live with the ministry, correct?

Mr. Goldstein: Correct.

Ms Renaud: So I would expect that the annual report would comment on those outcomes, whether or not they're done through Travel Alberta.

Mr. Goldstein: The Travel Alberta annual report, Mr. Chair, rolls up into the ministry's annual report.

Ms Renaud: Maybe we should move the outcomes to Travel Alberta.

Mr. Goldstein: Sorry, Mr. Chair. I'm not sure I understand.

Ms Renaud: It's okay. That's okay. I'll pull that back.

Okay. Can the department outline the work being undertaken to attract disabled visitors, to promote accessibility? These are huge markets, huge untapped markets in many countries. Sadly, Alberta doesn't have accessibility legislation, so people travelling here aren't assured some basic standards to visit. I'm wondering. You know, this is a massive group of people that live all around the world. Is there anything that Travel Alberta or the ministry is doing to try to tap into that market?

Mr. Goldstein: It's an excellent question. Especially as a population ages, it's a growing demographic. I'll make one remark. While that may be correct about the provincial level, municipalities need to take a role in increasing accessibility when they're looking at planning, and that includes resort communities. But we have done a series, and I'll provide an example to the committee, of promotional materials that we've done with disabled – his name escapes me right now, but one of the Humboldt bus crash victims, who's now . . .

Ms Renaud: The Humboldt survivor?

Mr. Goldstein: Yeah.

. . . aspiring to be a Paralympian. We did a very cool series with him, including in Jasper skiing. So the member is correct, Mr. Chair. It's an important demographic, and it is something that weaves itself into the marketing plan at Travel Alberta.

Ms Renaud: Well, thank you. I just want to clarify something. You know, municipalities dealing with safety standards or basic building codes or even guidelines: those are suggestions and guidelines at a federal and provincial level. I'm talking about accessibility legislation that looks at more than just the built environment to make sure that people can get into hotels. I'm talking about knowing that they'll have screen readers when they check the Travel Alberta website and know that their screen reader will work. It's all of those things.

You know, going back to my question, Alberta remains the only province without accessibility legislation. Now, I know that this tool opens pathways because disabled people in, say, Germany or Japan, whether they're aging or disabled, are going to look and see: what is accessibility like? Other provinces in the country have those tools that visitors can go look and see, get ratings on things. We do not. I'm wondering. Does the ministry have – I know that you recognize this group as a potential market to tap into – any plans to work with the Ministry of Seniors, Community and Social Services, where that legislation should live, to make those changes?

9:40

Mr. Goldstein: It's an excellent point. Mr. Chair, just a point of information. Travel Alberta just won an international award for the accessibility of its website.

I would also say that I'm not sure I want to get involved in potential legislation with another colleague or another ministry. I will say that the industry itself takes this whole issue very seriously and that a lot of especially major organizations in the accommodation space, for example, go above and beyond municipal standards because they know the importance of this sector. When you're looking at Fairmont or Marriott and their various brands, they will ask the owners and developers to make sure that there is able accessibility for all types of folks.

Ms Renaud: Well, just for clarity, I'm not asking you to advocate to the ministry. What I am is – I think that whether it's Travel Alberta or the ministry, they can talk about the potential markets that open up when we start to remove barriers for people with disabilities or people that are aging all around the world. Alberta is already a beautiful destination, a very popular one. I have no doubt that that would increase with additional accessibility.

Mr. Goldstein: Well, and just to that point, Mr. Chair, one of the elements of the tourism plan is access. The member makes a good suggestion, and I'll be happy to talk to my other colleagues offline.

Ms Renaud: Okay. Well, thank you.

I'm not going to start another question, so I'll just turn over my time.

The Chair: Thank you.

For the final 10-minute block, government members. Member.

Ms Armstrong-Homeniuk: Thank you, Chair. Through you to the deputy minister, first of all, I would like to thank you for all the hard work that you folks do and making Alberta a number one tourist destination of many people around the world. I appreciate all that you do and your staff.

Chair, through you, the tourism sector is becoming an increasingly vital aspect of our province's identity as it continues to flourish, creating employment opportunities, supporting local businesses, and showing that Alberta is a globally recognized destination. On page 20 of the annual report under additional performance metrics there is a performance indicator which shows that we are back to the pre-COVID tourism sector employment numbers. It is very satisfying to see the tourism sector continue to rise every year. Chair, through you to the deputy minister: could you explain the factors that contributed to the steady increase in tourism sector employment?

Mr. Goldstein: Mr. Chair, I thank the member for the question. There is a bit of a chicken-and-egg situation with regard to employment and opportunity. As I had mentioned earlier, people and careers are an important tenet of the tourism strategy. One of the first pieces that came out of the tourism strategy was the provincial nominee program for tourism for temporary foreign workers. We've known for a long time that there's been an overreliance in the sector on temporary foreign workers and have been in discussions with postsecondary institutions to work on the next generation of tourism professionals. I love to tell this story, that the hospitality program at SAIT was rated the best in the world, not just the best in Canada or the best in the province. Mount Royal University now has an aviation management program which didn't exist two years ago or three years ago. There's a lot of progress to continue to be made on the postsecondary front.

We have also benefited from an influx of particularly young people from around the country but also from places where we have the working visa program. I'm sure anybody who's been to Banff recently has met Aussies and Kiwis. Those are great gap fillers, but we actually have to do a better job at preparing the pipeline of young people who see this as an important profession and don't just see the front-line jobs but see the marketing jobs, the engineering jobs, the finance jobs, the HR jobs. We're working on that and in co-operation with operators.

There is an issue that sort of flows from this, which I don't think is spoken about enough, and that's the issue, especially in resort communities, about staff accommodation.

When we talk more broadly about affordable housing, the issue of staff accommodation is an important function of being able to attract and retain some of the key people, particularly young people, in the sector. There's a multipronged approach to this, and we are blessed in a way as a reputation, especially for young people to come and start their careers here in Alberta. The question is: how do we keep them here? That is our challenge.

Ms Armstrong-Homeniuk: Thank you. Those are great strategic decisions that you are doing, Chair, through you to the deputy minister. I see on page 15 that Travel Alberta produced tourism development discovery reports "for 10 zones across the province, detailing each zone's potential for future tourism development and investment. Over 1,400 stakeholders were engaged in the development of these reports." Chair, through you to the deputy minister: among these very large lists of stakeholders, could you provide the key takeaways that were gathered during the 2023-24

reporting period? And is it possible to provide a percentage breakdown for the stakeholders by nonprofit, business, or community groups?

Mr. Goldstein: Mr. Chair, this is a humongous project. I don't think I can do justice to it in five minutes and 38 seconds, but I'm going to try and deal with certain parts of the member's question. It's hard to break it down because some communities were very small, and some of them are large. This was the first time that Alberta has undertaken a project of this size all at the same time. Our colleagues in British Columbia took eight years to put together their regional development zones and their plans. We did it in 18 months. And, as I've said earlier, with a co-investment from the federal government through PrairiesCan, but the majority of the investment was the Travel Alberta team.

We have eight regional development employees, so we have boots on the ground. Actually, when I arrived, there was only one person that covered all of northern Alberta. We now have three. They went into those communities and spoke with ec dev and tourism folks and community folks, so there was some qualitative and quantitative data. It's hard to get – like, in some of those places there was a huge turnout, right? There was a lot of consultation particularly in the south. When you go further north, I led a session up in – I'm sorry – way north of Fort Mac, further north, where there were five people.

The first part is to work with communities, to say: do they want to be a tourism destination? Because there's a real discussion, especially in smaller rural communities, like: what is the benefit to my community of other people coming here? So that's part of the process, working with reeves and local councils, and in that 1,400 people, it's hard to break them down. It was the biggest – there was this consultation, and then I have to give credit to my predecessors. There was an even bigger consultation that took place about the mandate of Travel Alberta, which became the changes in the legislation and the expanded mandate.

I know I'm running out of time, Mr. Chair.

The folks in the tourism business are not known for not being vocal. In some ways they're an easy group to canvass because they'll put their hands up. But this was really an effort to sit down with regional leaders as well to discuss what the needs and wants of those communities would be.

Ms Armstrong-Homeniuk: Thank you. Chair, through you again to the deputy minister, I would like to reference page 25 of the Tourism and Sport 2023-2024 annual report. In particular, I'd like to highlight the top of the page concerning revenues. I read that the "ministry revenues totaled \$6.6 million in 2023-24 [which is] \$3.3 million higher than Budget 2023 and \$0.4 million lower than 2022-23 actual." I read that the change from the 2022-23 actual "can be attributed mainly to decreases in federal grant funding of \$1.4 million for Tourism and a decrease in Sport, Physical Activity and Recreation's donations of \$0.3 million." I see this was "offset by increases in other revenue from marketing partners, interest income and premium, fees and licenses." Deputy Minister, could you please provide a detailed explanation to this committee of the various factors behind the \$3.3 million increase over Budget 2023?

Also, I read that the "revenue from Government of Canada was \$0.9 million higher than budgeted mostly due to the continuation of federal funding for destination management plans development in emerging and rural destinations across Alberta." How is this investment spent in 2023-2024? And my last question to you is – I'd like to learn more about increases in other revenue for marketing partners, interest income, premium, fees and licences. Which proportion of revenue is earned through each of these sources, and

what was the overall return from these sources? All of that in a minute and 30 seconds.

9:50

Mr. Goldstein: Okay, Mr. Chair. Let's see how we do. I think part of this was already answered in a previous question, so I hope I don't muddle it up again. One, the \$0.9, the \$900,000, was from PrairiesCan for the development of the tourism development zone master plans, which we discussed in the previous question. Two, the increase in co-op funding from our marketing partners was based on two issues that happened at the same time: a decrease from Destination Canada, which is the national body, of about \$500,000 and a backfill or an over backfill from partners like Tourism Calgary, Explore Edmonton, and others who co-invested. Those mostly went into our U.S. marketing campaign and media campaign, and I believe the ROI on that is 6 or 7 to 1, but we can reconfirm that with the committee.

On the sport side I think we mentioned earlier – 32 seconds – the in-year funding that we got from Treasury Board for certain key events, which makes up the rest of the gulf. So, let's say, the tourism side was those two main items and the sport side was things like CFR and Hockey Canada.

Nine seconds to spare.

The Chair: Thank you.

Member, you still have 10 seconds should you want to use that.

Ms Armstrong-Homeniuk: You know what? I'll give you my one second back.

The Chair: Okay. Thank you.

For this final round members will read questions into the record for a written response, starting with the Official Opposition members. You have three minutes.

Mr. Ellingson: The list of maintenance needs for world-class facilities to keep attracting those events that we talked about is considerable. I don't know that I saw in the report a list of those maintenance needs, and I'm wondering if that could be provided. I'll throw in there the Olympic Oval, which is kind of on its last legs.

We talked about this a little bit earlier, you know, that visitors are not equal. We used to see a summary of visitor number expenditures and characteristics. The last time I saw that report was in 2019, and I'm wondering if we can share the number, like, the data of visitors by country, the average spend of, like, Alberta versus Canada versus the United States versus international. In 2019 an international visitor was worth five times an Alberta visitor. I'm wondering if that kind of breakdown can still be provided. Oh, this is a read-in.

The Chair: For written response. So each side will just read in for three minutes.

Ms Renaud: Okay. Performance metric 1(a), percentage of Albertans attending and participating in events and organized sport activities. My question is: why is the word "event" in the title, and how is it different from organized sport activities? My second question is: why is the word "attending" in the title? Does this performance measure count people who went to an event? If yes, why is attendance grouped with participation? That's it.

The Chair: That's all?

Ms Renaud: Yeah.

The Chair: Okay. We will move to the government side for three minutes to read in questions.

Mr. Rowswell: All right. We have been discussing numbers and performance metrics today, so I thought it would be good for the committee to get a better, broad-scope perspective of recent changes to the ministry. On page 62 of the annual report I note mention of new ministry structures announced on June 6, 2023. In particular, certain responsibilities of the former ministry of culture and ministry of arts and tourism were transferred to the Ministry of Tourism and Sport. Would the deputy minister please explain what responsibilities were transferred into the Ministry of Tourism and Sport? What was the process of incorporating these changes into the ministry, and how effectively is the ministry measuring the successful execution of these transferred responsibilities?

A question I'd like to bring to the Auditor General is in the conversation today. Looking on page 37, I see the outline of the auditor's responsibility for the audit of the financial statements. As I read, the auditor's

objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes [the auditor's] opinion.

For the benefit of this committee and those Albertans who might read this in the future, would the Auditor General please outline his role, responsibility, and the process for audit of financial statements as it relates to the Ministry of Tourism and Sport? Again for the benefit of all that read this report and those who are making

observations today, how does the office of the Auditor General work to improve transparency and public trust in the government overall?

I will stop there. Thank you.

The Chair: Thank you.

I would like to thank the deputy minister and the officials from the Ministry of Tourism and Sport and the office of the Auditor General for their participation in responding to committee members' questions. We ask that any questions to be responded to in writing be forwarded to the clerk within 30 days.

Other business. A written response to questions asked at committee meetings during the fall 2024 sitting were received from the ministries of Service Alberta and Red Tape Reduction, and Agriculture and Irrigation. These responses were made available to members on the committee's internal site. Following our usual practice, they will be posted on the assembly's website.

Are there any other items for discussion under other business? Seeing none. Thank you.

Our next scheduled meeting will be on April 8, 2025, with the Ministry of Infrastructure.

I will call for a motion to adjourn. Would a member move that the Tuesday March 25, 2025, meeting of the Standing Committee on Public Accounts be adjourned? Moved by Member Jackie Armstrong-Homeniuk. All in favour? Any opposed? Thank you. The meeting is now adjourned.

[The committee adjourned at 9:57 a.m.]

