



TABLE OF CONTENTS

Letters of Transmittal	3
Tourism Saskatchewan Overview	4
Tourism Saskatchewan COVID-19 Response Highlights	6
Progress in 2020-21: Market Saskatchewan's Tourism Experiences and Stories	7
Progress in 2020-21: Strengthen Saskatchewan's Tourism Experiences	11
Progress in 2020-21: Improve Destination Competitiveness	15
Financial Summary	18

Cover photo: Cypress Hills Interprovincial Park

LETTERS OF TRANSMITTAL



Lieutenant Governor of Saskatchewan

May It Please Your Honour:

With respect, I submit Tourism Saskatchewan's Annual Report for the fiscal year ending March 31, 2021. In compliance with *The Tourism Saskatchewan Act*, this document outlines the corporation's business activities and includes audited financial statements.

The information in this annual report demonstrates a commitment to increased accountability, to delivering on goals and strategies identified in Tourism Saskatchewan's 2020-21 Plan, and to responsibly managing expenditures.

Jeremy Harrison

Minister Responsible for Tourism Saskatchewan



The Honourable Jeremy Harrison Minister Responsible for Tourism Saskatchewan

Dear Minister Harrison:

It is my distinct pleasure to submit Tourism Saskatchewan's Annual Report for the fiscal year ending March 31, 2021.

On behalf of Tourism Saskatchewan, I acknowledge responsibility for this report and affirm that it is an accurate, complete and reliable summary of the fiscal year. I also acknowledge responsibility for the financial administration and management of Tourism Saskatchewan.

This report highlights work completed in 2020-21, a year in which tourism endured unprecedented challenges. The following pages outline Tourism Saskatchewan's actions and work that focused on services and support for industry, planning for recovery and rebuilding a strong, resilient tourism sector.

Jonathan Potts

CEO, Tourism Saskatchewan

TOURISM SASKATCHEWAN OVERVIEW

Tourism Saskatchewan was established in accordance with *The Tourism Saskatchewan Act*, proclaimed on July 1, 2012. A Treasury Board Crown Corporation within the meaning of *The Crown Corporations Act*, 1993, Tourism Saskatchewan is a continuation of the Saskatchewan Tourism Authority, created under *The Tourism Authority Act*, 1994.

The corporation's mandated purposes are:

- a) To market Saskatchewan as a tourism destination in domestic, national and international markets
- b) To assist Saskatchewan's tourism industry operators to market their products
- c) To develop and promote the quality of tourism products and services in Saskatchewan
- d) To provide visitor information services
- e) To undertake any other activities or functions assigned by the Lieutenant Governor in Council

Responsibility for Tourism Saskatchewan is assigned to the Minister Responsible for Tourism Saskatchewan. An appointed, skills-based Board of Directors provides policy direction to the Chief Executive Officer (CEO).

Under the leadership of CEO Mary Taylor-Ash, staff in Regina, Saskatoon and field offices (68.6 full-time equivalents) drive the work that builds on the organization's solid foundation and steers Tourism Saskatchewan toward fulfilling its goals. Activities and projects align with the Vision, Mission, Corporate Values and Guiding Principles.

Mandate: Tourism Saskatchewan promotes the province as a tourism destination by providing in-province and out-of-province marketing and visitor services. Tourism Saskatchewan assists industry to market and develop quality tourism products through co-operative marketing, education and training and event funding programs.

Vision: A vibrant entrepreneurial tourism industry offering year-round compelling and memorable Saskatchewan experiences

Mission: Connect people with quality Saskatchewan experiences and advance the development of successful tourism operations

Corporate Values:

- Nurture a vibrant and creative organization dedicated to serving the industry and the visitor
- Empower each other and our stakeholders to be innovative and to take risks
- Work collaboratively to build effective, respectful relationships and an inclusive approach for the purpose of delivering excellent results

Guiding Principles

- Alignment align our activities, internally and with stakeholders
- Collaboration collaborate for the mutual benefit of the organization and our stakeholders
- Market-driven ensure initiatives are market-driven
- Accountable to industry, public taxpayers and Government

Tourism Saskatchewan's Strategic Plan 2020-21 to 2023-24 and Operational Plan 2020-21 identify the following strategic priorities:

- Market Saskatchewan's tourism experiences and stories
- Strengthen Saskatchewan's tourism experiences
- Improve destination competitiveness

With this solid framework in place, focus and attention are directed at key markets supported by research, and on projects and activities that will advance the province's tourism sector and grow the visitor economy.

Executive Office

- Responsible for the framework and day-to-day oversight of all operational activities
- Serves as the main interface between the corporation, its Board of Directors and Government
- Provides administrative support to the Board of Directors
- Through the Chief Executive Officer (CEO):
 - leads the delivery of Tourism Saskatchewan's mandate and vision
 - manages government and community relations
 - nurtures stakeholder and industry partnerships
 - oversees the strategic plan and tactical operations

Marketing and Communications

- Responsible for strategies and tactics that promote Saskatchewan tourism experiences and generate visitation to and within the province
- Works with industry to market Saskatchewan as a destination
- · Collects and creates content to promote Saskatchewan's tourism experiences and stories
- Manages industry and corporate communications
- Participates in research to determine high-impact target markets
- Delivers professional travel counselling through Tourism Saskatchewan's Regina headquarters
- Manages funding programs that support a range of local, national and international events and assist in the promotion of tourism products, events and services
- Departments: Marketing; Communications; Events and Partnership Programs; Field Operations; Visitor Services

Destination and Workforce Development

- Responsible for tourism education and training to address the challenges of a competitive labour market
- Assists destination areas, communities and operators in developing and co-ordinating tourism assets to enrich the quality of experiences
- Initiates and supports tourism planning and development activities to grow tourism in Saskatchewan
- Departments: Saskatchewan Tourism Education Council (STEC); Industry Development

Corporate Services

- Provides leadership and co-ordination in the areas of strategic planning and monitoring, financial services, enterprise risk management, legislative compliance and contract management
- Develops and implements internal human resource strategies
- Supplies information technology services
- Responsible for research, information collection, information management, privacy protection and records management
- Departments: Finance and Administration; eBusiness and Technology; Human Resources; Planning and Research

Additional corporate information is available at **Business.TourismSaskatchewan.com**. Contact Tourism Saskatchewan at 306-787-9600, or email **feedback@tourismsask.com**.

TOURISM SASKATCHEWAN COVID-19 RESPONSE HIGHLIGHTS

The COVID-19 pandemic has challenged government operations during the 2020-21 fiscal year. The expected operations of programs and services may have significantly changed as the Government of Saskatchewan worked quickly to support citizens and businesses. Annual Reports for the 2020-21 fiscal year provide information on the impacts of COVID-19 and recognize the work of the Government of Saskatchewan in responding to the pandemic.

COVID-19 hit hard and fast in 2020. It brought tourism, in Saskatchewan and worldwide, to a standstill and signalled unprecedented challenges for the industry.

No area was untouched. Border closures, travel restrictions, temporary business lockdowns and necessary public health measures to contain the virus affected tourism destinations and operators throughout Canada. Operators across Saskatchewan bore serious losses due to the fallout.

Prior to the outbreak, Saskatchewan's visitor economy was maintaining steady growth numbers. Travel expenditures in Saskatchewan exceeded \$2 billion annually. Figures for 2020 show a decline of over \$1 billion. The province's two major airports saw a drop of 85 per cent in air traffic. The total number of Saskatchewan residents employed in tourism careers was 30 per cent lower in 2020 than in 2019. The industry may take until 2024 to fully rebound.

In March 2020, Tourism Saskatchewan put long-term visioning and long-haul campaigns on hold to focus on efforts that could bring some immediate relief to operators and heal the visitor economy. Communication with operators was amplified. Industry surveys were conducted to identify where help was desperately needed and understand the shortfalls in some of the government support measures.

Working with Destination Canada and tourism partners across the nation, Tourism Saskatchewan adapted its marketing approach to focus on local businesses and experiences. As some restrictions were lifted, Saskatchewan residents were encouraged to support local businesses and discover nearby experiences – practicing safe social distancing and respecting health guidelines.

New resources were created, like a comprehensive social media content playbook, to assist industry with appropriate messaging on social media channels. Training programs switched to online delivery and new webinars were offered to address timely issues and concerns. A free Clean It Right program was introduced to help businesses remain open and keep customers and staff safe.

Industry development programs were introduced to support diversification of tourism products and experiences and appeal to the changes in travel markets and consumer expectations. Work on an online Business Hub was expedited to provide industry with enhanced service and resources. A lifeline to events, cancelled due to the pandemic, supported online enhancements, social media presence and content development – all necessary to connect with consumers and plan for the return of audiences.

A sweeping Restart Marketing Strategy was developed, outlining possible scenarios to guide tactics and to speed recovery. The two-year strategy has an ultimate goal to lead industry to a position stronger and better than before the pandemic.

The pages of this annual report include actions undertaken by Tourism Saskatchewan to mitigate the challenges of the COVID-19 pandemic, while working to meet its strategic and operational mandates.

PROGRESS IN 2020-21

Market Saskatchewan's Tourism Experiences and Stories

Government Goals

A Strong
Economy
Strong
Communities
Families

Organization Goal

Increase economic benefit to the province through compelling, branded marketing initiatives

Strategy

Strengthen the province's reputation as a destination through compelling, branded marketing initiatives

- Strengthen industry's alignment with the tourism brand and market segments through customer segmentation analysis
 - Tourism Saskatchewan uses the PRIZM segmentation system, which categorizes Canadian households into 68 consumer segments. PRIZM defines consumers based on their neighbourhood (using postal codes) and helps marketers understand, appeal to and reach customers. In 2020-21, Tourism Saskatchewan's Planning and Research branch worked with 14 tourism industry operators throughout the province to identify the demographic and travel characteristics of their consumer segments.
- Undertake long-range planning for marketing strategies, tactics and initiatives
 - Tourism Saskatchewan worked with tourism strategists Destination Think! to develop a
 two-year Restart Marketing Strategy to lead the province's tourism industry through recovery.
 Stakeholder consultations and a comprehensive review of markets, product availability/inventory,
 transportation challenges, perceptions and positioning shaped strategic objectives to defend
 struggling sectors and existing markets, while building market demand and planning for
 long-term growth.
- Strategically invest resources in export-ready operators/experiences that will deliver the highest return
 on investment
 - Due to border closures and travel restrictions, activities in export markets focused on awareness-building and education.
 - Over 8,114,000 consumers in German-speaking Europe and the U.K. were reached through webinars, virtual travel trade and consumer events, mailings, publications and tour operator partnerships.
 - Over 490,000 travel trade representatives were reached through business-to-business sales activities in Germany, U.K., the Netherlands, Australia and Canada.



- Incentivize and support the creation of shoulder season and winter travel offers
 - In January 2021, Tourism Saskatchewan worked with Environics Research to gather winter travel insights from Saskatchewan and Alberta residents through an online survey and discussion board. Four different winter experience package themes were tested with participants winter getaways; cross-country skiing; wilderness and hiking; and ice fishing. The study provided helpful advice for designing appealing winter packages and offerings.
 - A partnership with Hospitality Saskatchewan supported a campaign that encouraged Saskatchewan
 residents to book a two-day getaway, and featured accommodation and experience packages in the
 fall and winter. The successful first phase of the campaign saw 224 shoulder season travel offers
 generated 60 per cent above the set target. The second flight of the campaign, promoting winter
 travel, was paused due to COVID-19 restrictions and resident sentiment towards travel.
- Assist industry operators in managing their online travel ratings through the delivery of a reputation management program
 - Tourism Saskatchewan offers an Online Reputation Management Program. Participating operators benefit from higher ratings, improved search term results, and greater social media engagement.
 Pre-COVID-19, participants were achieving growth in the number of positive online reviews. Necessary travel restrictions caused a significant drop in customers and the volume of customer reviews required for baseline measurements. The current program and delivery model are under review to assess its role in helping operators strengthen skills and capacity for effective online marketing.



Create and deliver consumer-focused content that inspires and informs travellers from key markets to visit Saskatchewan

- Upgrade the consumer website to allow for automated, customized content delivery
 - The digital agency Fishtank was hired to refresh and redesign Tourism Saskatchewan's consumer website, which is currently in the design phase. The project supports the organization's always-on, influence-driven content marketing strategy. The website will feature rich and engaging content, travel offers and planning information that moves travellers down the path to purchase.
 - The design and development of a new stand-alone outdoor website began in late 2020 and is expected to be completed by mid-2021. Its focus is the outfitted angling and hunting industry a high-yield market for Saskatchewan. The specialized site requires a more customized content experience with relevant and engaging stories, third-party media endorsements and travel planning information.
- Grow U.S. visitation through targeted marketing of hunting and angling experiences
 - A digital-first campaign promoting awareness of angling and hunting experiences to the U.S. market ran in early 2021. Despite travel restrictions, it was important to build awareness of Saskatchewan as a premier North American hunting and fishing destination and ensure that the province is top-of-mind when travel resumes. The campaign was led by Phoenix Group and delivered 43,219,979 impressions, 63,058 clicks, 349,749 page views, print circulation of 516,931 and a television audience of 2.2 million viewers. In-house search and social media advertising generated 37,774,642 impressions and 167,138 link clicks to campaign landing pages.
- Create, curate and evaluate consumer-focused, digital-first, always-on, influence-driven content marketing
 - The COVID-19 pandemic and election restrictions curtailed Tourism Saskatchewan's ability to engage in a paid summer campaign. In its absence, Tourism Saskatchewan undertook a robust content marketing push to promote the "Stay Open" provincial tourism recovery strategy and the "Canada Nice" theme initiated by Destination Canada.
 - At the onset of the pandemic, the editorial team pivoted to create timely, safety-based messaging and content. Internal content creation efforts resulted in the development of 30 video assets and the production of a significant amount of content for consumer social media channels.
 - An ambitious ambassador project drove the creation of third-party blogs, videos and photographic essays. Twenty-one local ambassadors created 16 original pieces of content documenting local travel experiences and reinforcing safety messaging and public health guidelines.
 - Partnerships with Destination Canada and the Saskatchewan Tourism Sector Support Program enabled
 Tourism Saskatchewan to provide marketing assistance to destination marketing organizations (DMOs)
 and industry associations, including the Saskatchewan Commission of Professional Outfitters and
 Hospitality Saskatchewan, to aid the short-term recovery of the visitor economy. Destination-specific
 DMO campaigns, a Saskatchewan resident angling campaign and an ambitious Hospitality
 Saskatchewan campaign were launched. Messages focused on safety, supporting local and creating
 awareness about experiences in Saskatchewan. The Hospitality Saskatchewan campaign showcased
 the commitment of the industry to keeping staff and patrons safe.
 - A Saskatchewan resident winter campaign encouraged travellers to explore winter adventures close to home with their families, abide by public health guidelines and support local businesses.
 A combination of search and social media advertising generated 26,857,494 impressions.

Apply research and evaluation tools to refine and adapt marketing tactics to better target potential visitors and increase visitor spending

Key Actions

- Undertake research to develop new market segments and personas
 - With funding from Western Economic Diversification, Tourism Saskatchewan initiated a research study to gain deeper knowledge of Saskatchewan's hunting market segments, assess new potential markets and gather insights into current U.S. hunter sentiments. The final report was delivered in March 2021 and will guide marketing activities and product development efforts.
- Explore new markets based on existing research
 - Tourism Saskatchewan is a partner province in Destination Canada's Integrated Research Program, which provides access to international market data, market segmentation tools, and detailed visitor spending data. In 2020, Destination Canada shifted its research to focus on the impact of COVID-19 on domestic tourism. The research provides an understanding of the level of "welcome" that residents are feeling toward visitors, as well as level of comfort with travelling. This data helps Tourism Saskatchewan gauge a timeline for industry recovery and for marketing the province.
- Evaluate and refine Tourism Saskatchewan's brand for export markets
 - Place DNA, a placemaking project led by strategists at Destination Think!, was completed in March 2021.
 The results will inform the Restart Marketing Strategy, which includes a refreshed tourism brand for
 the province and regional brand differentiation. Both are critical to long-term growth and success
 in attracting new and retaining existing markets. Place DNA will help Tourism Saskatchewan understand
 the province from a resident's perspective and dig deeper into the regional nuances of the
 Saskatchewan identity. It will identify unique selling points to assist marketing and product
 development efforts and distinguish the province from our competitors.

Performance Measure Results

Measure Title	Measure Description	Baseline	Target 2020-21	Actual (2020-21) Measure Update
Visitation growth	Total annual visitor expenditure in Saskatchewan	\$2.37B (2017)	\$2.60B	\$1.2B
Social media growth	Number of social media followers	243,228 (2017-18)	329,614	331,737
Online engagement	Online engagement value index score (in development)	TBD	Set baseline	TBD in 2021-22
Use of target markets by industry	Number of events and attractions participating in customer segmentation analysis	7 (2018-19)	15	14
Travel offers	Number of winter and shoulder season travel offers	118 (2018-19)	140	224
Growth in U.S. outdoor markets	Number of angling and hunting licences sold to U.S. visitors	25,552 (2017)	29,580	170
Industry participation in content creation	Number of co-operative content partnerships	56 (2017-18)	Maintain	117
Industry online reputation	Number of positive reviews received by operators participating in the Online Reputation Management Program	59 (2016-17)	120	55

Due to COVID-19, not all targets were met or baselines set as projected in the 2020-21 Operational Plan.

PROGRESS IN 2020-21

Strengthen Saskatchewan's Tourism Experiences

Government Goals



Organization Goal

Increase the number and quality of Saskatchewan tourism experiences and products to meet traveller expectations

Strategy

Provide leadership to industry operators to advance their marketing strategies by leveraging Saskatchewan's tourism brand, marketing strategy, services and programs

- Communicate Tourism Saskatchewan's product development programs and services to industry
 - Tourism Saskatchewan maintains a dedicated page on its industry website that houses all COVID-19 related information, including program and funding announcements, business and recovery support, and training and education resources. The web page has steady visitation, with higher visitation when funding program information or federal/provincial announcements are posted.
 - A COVID-19 support program summary document was assembled in January 2021. The PDF document provides a comprehensive listing of federal, provincial and Tourism Saskatchewan funding programs and resources for the tourism industry. The resource is continuously updated.
 - Tourism Saskatchewan increased the frequency of its *Industry Update* e-newsletter in 2020 to provide industry with timely information about COVID-19 support programs, funding opportunities, federal/provincial government announcements and other relevant news. Between March 16, 2020 and March 31, 2021, 93 *Industry Updates* were sent -- four times the frequency in previous years. The e-newsletter maintains impressive open rates, ranging from 23 to 37 per cent with an overall average of 27 per cent.
- Develop an integrated action plan for Indigenous tourism development, aligned with the Indigenous Tourism Association of Canada's (ITAC) strategy for Saskatchewan
 - Tourism Saskatchewan and ITAC signed a memorandum of understanding in February 2020. The MOU signalled movement on a comprehensive Indigenous tourism strategy for Saskatchewan that ITAC delivered in April 2020. The ITAC Saskatchewan Tourism Strategy addresses the growing demand for authentic, transformational travel experiences. Creating and promoting engaging, meaningful and memorable Indigenous experiences is key to attracting markets of interest. The strategy's priorities are to support the growth of domestic tourism, develop market-ready Indigenous experiences, and advance skills, knowledge and tourism content.
 - Twenty Saskatchewan Indigenous tourism businesses received COVID-19 stimulus development funding from ITAC in 2020.



Assist operators and stakeholder in market-readiness

- Develop and implement a market- and export-readiness industry training program
 - Tourism Saskatchewan concluded the two-year Export Market Readiness Program, funded by Western Economic Diversification. There were 24 industry participants in two virtual "Selling to International Markets" workshops led by STEM Consulting. The workshops focused on building industry knowledge of export-ready requirements and selling experiences through travel trade channels. Six additional businesses will be selling to the international travel trade market in 2021 and attending the Rendez-vous Canada international travel trade marketplace as part of the Saskatchewan delegation.
- Review and assess recommendations of the Destination Development Strategy to identify growth opportunities and most effective use of Tourism Saskatchewan resources in assisting industry development
 - The Awesome Design Studio training, a framework for developing immersive tourist experiences, was launched in December 2020. The program is the online version of the Left Field Design Studio course that was previously a two-day, in-person workshop. The aim is to inspire the creation of distinct, authentic tourism product offerings that deliver memorable guest experiences. The multi-media course guides participants through the process of creating their own visitor experiences at their own pace. A total of 15 people completed the course in three months, while 65 people are in progress.
 - A Tourism Champions course has been developed to build knowledge and skills among community stakeholders. The launch date is May 2021. The online course, workbook and additional resources provide valuable information needed to develop tourism in the community or region.



Build a strong tourism workforce

- Increase awareness of the benefits of working in the tourism sector
 - Tourism Saskatchewan continues to actively work with high schools in the province, offering tourism and/or food studies programming. The Career Awareness video was updated to ensure ongoing relevancy to audiences.
- Work with the tourism industry to implement good human resource practices
 - In response to training interests and skill gaps identified through research, a series of online webinars was offered to industry. Topics included diversity and inclusion, stress management, digital marketing and financial literacy. The webinars had more than 350 participants.
 - In partnership with the Saskatchewan Apprenticeship and Trade Certification Commission (SATCC), the annual Tourism Apprenticeship Program supported enrolment in the Food and Beverage Person and Guest Services Representative trades.
 - Training opportunities were promoted with employers through presentations, email, social media posts and virtual check-in meetings.
 - A new tourism Employer of Choice program has been developed, although industry validation and a program launch have been delayed due to the COVID-19 pandemic. The 30 currently designated Employer of Choice properties will retain their designation until the new program launches.
- Increase participation and advancement of under-represented groups in the tourism workforce
 - In 2020-21, 130 participants successfully completed the Ready to Work program, which equips participants with the skills, knowledge, attitudes and experience required for long-term, stable employment in the tourism sector. Programs involved 14 Saskatchewan communities and First Nations, with 98 per cent of participants identifying as Indigenous.
 - The Destination Employment Program helps newcomers to Canada gain meaningful employment in Canada's tourism industry. This final year of the three-year program, offered in partnership with Tourism HR Canada and the Hotel Association of Canada, had 80 participants.

Enhance Saskatchewan's reputation as an event-hosting destination

Key Actions

- Strengthen community capacity in organizing and delivering successful, high quality events through the event training program
 - The application-based Marketing and Event Partnership Program (MEPP) was adjusted to help industry navigate the challenges of the COVID-19 pandemic. Funding was provided to enhance digital readiness, develop websites, improve social media presence and create engaging content. As part of its commitment to the Canadian Curling Association, Tourism Saskatchewan provided \$374,000 from MEPP to support hosting the 2021 Roar of the Rings in Saskatoon. No event training programs were offered in 2020-21, due to the pandemic.

Performance Measure Results

Measure Title	Measure Description	Baseline	Target 2020-21	Actual (2020-21) Measure Update
Return on investment (ROI)	Event hosting return on investment	25:1 (2016-17)	35:1	*0 events held
Event evaluation reports	Percentage of supported events that meet post-event evaluation metrics	55% (2016-17)	80%	*0 events held
Market readiness	Number of market-ready tourism operators	TBD	Set baseline	TBD
Export readiness	Number of export-ready tourism operators	TBD	Set baseline	TBD
Workforce diversity	Number of people from under- represented groups trained in tourism sector	213 (2017-18)	225	210
Employment outcomes	Percentage of people employed after completing Ready to Work training program	79% (2017-18)	80%	75%
Training participation	Number of people trained through Tourism Saskatchewan education and training programs annually	16,474 (2018-19)	17,000	10,541

^{*}One event was financially supported in 2020-21, but will not be held until 2021-22.

Due to COVID-19, not all targets were met or baselines set as projected in the 2020-21 Operational Plan.

PROGRESS IN 2020-21

Improve Destination Competitiveness

Government Goals



Organization Goal

Engage Stakeholders

Strategy

Cultivate effective partnerships with key tourism industry stakeholders

- Develop and integrate a user-friendly portal on the industry website to access programs and services
 - Tourism Saskatchewan's Business Hub was launched in March 2021 to provide more operator-focused information. Western Economic Diversification provided funding support of \$750,000 to the project through the Regional Relief and Recovery Fund. The hub is a comprehensive, easy to use, one-stop digital resource to help rebuild the Saskatchewan tourism industry following the COVID-19 pandemic. It also provides personalized services to match individual operator needs, including self-assessment and guidance tools, access to experts, and education and training resources.
 - The Business Hub's focused content includes easily accessible information for entrepreneurs interested in starting new tourism businesses and communities looking to develop tourism experiences.
 The content helps with thoughtful planning and serves as a valuable reference using a "from concept to completion" approach.
 - New content and case studies were added to the Business Hub. This includes a case study based on Cypress Hills Eco-Adventures Ltd. that highlights how a small to medium-sized tourism business can leverage Tourism Saskatchewan's funding to diversify its product offering and attract a new market. The case study reflected a successful launch in May 2020 that generated \$18,790 in revenue for the business, despite a challenging season due to the pandemic.
- Create an inventory of partnerships to map out stakeholder priorities, responsibilities and roles in destination and workforce development
 - An inventory of stakeholder partnerships pertaining to the Destination Development Strategy was created on Monday.com for tracking progress. Partner organizations are in six different categories. The goal is to update the list twice a year to effectively track and measure projects in progress and ensure alignment with the actions of the Destination Development Strategy.



Deliver relevant information, programs and services based on research, trends and tourism industry needs

- Conduct survey research with industry to discover information most useful to support business development
 - Tourism Saskatchewan ran a series of industry surveys from March to July 2020. The surveys were conducted to monitor the impact of the COVID-19 pandemic on Saskatchewan's tourism sector and gather feedback on how to best support and respond to industry concerns. Results of the surveys led to concentrated efforts to improve access to provincial and federal business programs, such as expanding financial assistance to seasonal businesses and creating tourism-specific support programs.

Work with stakeholders and government partners to ensure an environment conducive to tourism growth

Key Actions

- Establish cross-ministerial working committees to address shared issues
 - Tourism Saskatchewan, along with the Ministry of Finance and the Ministry of Trade and Export Development, was part of a policy committee that oversaw the administration of the Saskatchewan Tourism Sector Support Program. The program was launched in August 2020 to assist tourism operators that experienced a serious drop in revenue due to the COVID-19 pandemic. Approximately 750 attractions, businesses and events across the province received nearly \$15 million in support through the program. A second round of funding was launched in February, with a closing date of April 30, 2021.
- Engage with stakeholders to execute recommendations of the Destination Development strategy
 - The Industry Development team responded to the COVID-19 pandemic by adopting an online stakeholder engagement model. A bi-weekly engagement session with focused topics and speakers was established and held with Destination Marketing Organizations (DMOs) and City Marketing Organizations (CMOs). Twenty sessions were held virtually. Topics addressed increasing collaboration, dealing with resource challenges, and top tech trends. Each session was attended by eight organizations, on average.
 - In December 2020, Tourism Saskatchewan hosted a virtual DMO/CMO forum with a facilitated session to empower industry partners. The forum aimed to strengthen connections with industry, expand opportunities for dialogue and networking, and provide solutions and strategies to thrive as destination marketing/management organizations that bring value to stakeholders. Sixteen participants from 15 different organizations attended the forum. The findings from the session were published in a report titled *Destination Sustainability: Planning for the Unknown in 2021 and Beyond*.

Performance Measure Results

Measure Title	Measure Description	Baseline	Target 2020-21	Actual (2020-21) Measure Update
Industry portal engagement	Percentage of industry portal profile updates performed by operators	0 (2019-20)	10%	0
Marketplace participation	Number of marketplaces attended by industry receiving funding	61 (2018-19)	Maintain	0
Travel trade and travel media funding	Number of travel trade marketing and travel media activities receiving funding support	7 (2017-18)	Maintain	5 (under target due to cancellation of Rendez-vous Canada)
Cross-ministerial collaboration	Number of active cross-ministerial working committees	3 (2018-19)	4	13
Industry engagement	Number of HOST Saskatchewan Conference, Tourism Talks and Workplace Leadership Conference attendees	201 (2018-19)	221	Approximately 160 participants in 20 virtual workshops
Industry workshop attendance	Percentage of city marketing and destination marketing organizations attending workshops	60% (2017-18)	65-70%	71%

Due to COVID-19, not all targets were met or baselines set as projected in the 2020-21 Operational Plan.

FINANCIAL STATEMENTS

Tourism Saskatchewan March 31, 2021

Management's Responsibility

To the Members of the Legislative Assembly of Saskatchewan:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian Public Sector Accounting standards and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting policies and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors and Audit Committee are composed entirely of Directors who are neither management nor employees of Tourism Saskatchewan. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for the approval of the financial information included in the annual report. The Audit Committee has the responsibility of meeting with management and external auditors to discuss the internal controls over the financial reporting process, auditing matters and financial reporting issues. The Audit Committee is also responsible for recommending the appointment of Tourism Saskatchewan's external auditors.

Deloitte LLP, an independent firm of Chartered Professional Accountants, is appointed by the Lieutenant Governor in Council to audit the financial statements; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Audit Committee and management to discuss their audit findings.

May 20, 2021

Chief Executive Officer

Chief Financial Officer



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Independent Auditor's Report

To the Members of the Legislative Assembly of Saskatchewan:

Opinion

We have audited the financial statements of Tourism Saskatchewan (the "Organization"), which comprise the statement of financial position as at March 31, 2021, and the statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2021, and the results of its operations, changes in its net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards ("PSAS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The financial statements for the year ended March 31, 2020 were audited by another auditor who expressed an unmodified opinion on those financial statements on May 21, 2020.

Other Information

Management is responsible for the other information. The other information comprises the information, other than the financial statements and our auditor's report thereon, in the Annual Report.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the other information prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PSAS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are
 appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the
 Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants Regina, Saskatchewan

Deloitte LLP

May 20, 2021

STATEMENT OF FINANCIAL POSITION As at March 31

	2021	2020
Financial Assets		
Cash (Note 5)	\$6,857,260	\$3,713,311
Accounts receivable (Note 11)	955,917	516,325
	7,813,177	4,229,636
Liabilities		
Accounts payable and accrued liabilities (Note 6 and 11)	2,857,040	1,053,323
Unearned revenue	511,379	313,926
	3,368,419	1,367,249
Net Financial Assets	4,444,758	2,862,387
Non Financial Assets		
Tangible capital assets (Note 7)	331,616	439,111
Prepaid expenses	278,886	227,410
	610,502	666,521
Accumulated Surplus	\$5,055,260	\$3,528,908

Contractual Rights (Note 8) Contractual Obligations (Note 9)

See accompanying notes to financial statements.

APROVED BY THE BOARD

Director

Director

STATEMENT OF OPERATIONS For the Year Ended March 31

Budget 2021	2021	2020
(Note 3)		
\$14,456,000	\$19,456,000	\$15,491,000
1,557,000	1,450,377	1,688,622
930,140	297,988	700,076
222,700	1,527,087	277,302
120,825	91,460	135,735
17,286,665	22,822,912	18,292,735
4,858,452 8,961,433 1,044,403 2,872,377	4,717,552 12,733,521 1,354,419 2,491,068	4,482,108 6,036,354 4,671,380 2,661,375
17,736,665	21,296,560	17,851,217
(450,000)	1,526,352	441,518
3,528,908	3,528,908	3,087,390
\$3,078,908	\$5,055,260	\$3,528,908
	2021 (Note 3) \$14,456,000 1,557,000 930,140 222,700 120,825 17,286,665 4,858,452 8,961,433 1,044,403 2,872,377 17,736,665 (450,000) 3,528,908	2021 2021 (Note 3) \$14,456,000 \$19,456,000 1,557,000 1,450,377 930,140 297,988 222,700 1,527,087 120,825 91,460 17,286,665 22,822,912 4,858,452 4,717,552 8,961,433 12,733,521 1,044,403 1,354,419 2,872,377 2,491,068 17,736,665 21,296,560 (450,000) 1,526,352 3,528,908 3,528,908

See accompanying notes to financial statements.

STATEMENT OF CHANGES IN NET FINANCIAL ASSETS For the Year Ended March 31

	Budget 2021	2021	2020
	(Note 3)		
Surplus (Deficit) for the Year	(\$450,000)	\$1,526,352	\$441,518
Disposal (Acquisition) of tangible capital assets	(75,000)	(43,035)	(158,159)
Amortization of tangible capital assets	107,770	80,568	152,295
Write-down of tangible capital assets	(-)	69,962	Ξ.
(Purchase) use of prepaid expenses	H.:	(51,476)	9,224
Increase (Decrease) in Net Financial Assets	(417,230)	1,582,371	444,878
Net Financial Assets - Beginning of Year	2,862,387	2,862,387	2,417,508
Net Financial Assets - End of Year	\$2,445,157	\$4,444,758	\$2,862,387

See accompanying notes to financial statements.

STATEMENT OF CASH FLOWS For the Year Ended March 31

	2021	2020
Operating Activities		
Surplus for the year	\$1,526,352	\$441,518
Items not requiring cash:		
Amortization of tangible capital assets	80,568	152,295
Write-down of tangible capital assets	69,962	-
Net change in non-cash balances relating to operations:		
Accounts receivable	(439,592)	(214,917)
Prepaid expenses	(51,476)	9,224
Accounts payable and accrued liabilities	1,803,717	(420,537)
Unearned revenue	197,453	151,088
	3,186,984	118,671
Capital Activities		
Acquisition of tangible capital assets	(43,035)	(192,987)
Disposal of tangible capital assets	• • •	34,828
	(43,035)	(158,159)
Increase (Decrease) in Cash	3,143,949	(39,488)
merease (see case) in easi	3,1 13,5 13	(32,100)
Cash - Beginning of Year	3,713,311	3,752,799
Cash - End of Year	\$6,857,260	\$3,713,311

See accompanying notes to financial statements.

1. STATUS OF TOURISM SASKATCHEWAN

Tourism Saskatchewan was established pursuant to *The Tourism Saskatchewan Act* proclaimed on July 1, 2012. Tourism Saskatchewan is a Treasury Board Crown Corporation within the meaning of *The Crown Corporations Act, 1993*. Tourism Saskatchewan is a continuing corporation of Saskatchewan Tourism Authority, established under *The Tourism Authority Act* on October 1, 1994. Tourism Saskatchewan promotes the province as a tourism destination by providing in-province and out-of-province marketing and visitor services. Tourism Saskatchewan assists industry to market and develop quality tourism products through co-operative marketing, education and training and event funding programs.

Tourism Saskatchewan is exempt from income taxes under the *Income Tax Act*.

2. SIGNIFICANT ACCOUNTING POLICIES

The Statement of Remeasurement Gains and Losses has been omitted as there were no relevant transactions to report.

a. Basis of Accounting

These financial statements are prepared by management in accordance with Canadian public sector accounting standards for provincial reporting entities established by the Canadian Public Sector Accounting Board.

b. Measurement Uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reporting amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of the revenues and expenses during the period. Items requiring the use of significant estimates include accounts receivable, accrued liabilities and amortization.

Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these financial statements. Actual results could differ from these estimates.

The global pandemic declared by the World Health Organization on March 11, 2020 due to the outbreak of COVID-19 has cast uncertainty on the estimates, assumptions, and critical judgements exercised by management. Although the development of successful vaccine candidates towards the end of 2020 signals a turning point in the pandemic, ongoing delays in the deployment of these vaccine and continuing public health restrictions indicate that the pandemic will continue to negatively impact the Canadian economy for the foreseeable future.

c. Cash

Cash is comprised of monies on deposit and is recognized at their fair value. Fair value is approximated by the instrument's initial cost in a transaction between unrelated parties.

d. Non-financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

e. Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset. Tangible capital assets are amortized over their estimated useful lives. Amortization expense is calculated using the straight-line method at the following annual rates:

Furniture and equipment 10% Computer equipment 20%

Leasehold improvements 10% or lease term

Signs and displays 10%
System Development 10%

When tangible capital assets no longer contribute to Tourism Saskatchewan's ability to provide goods and services, they are written down to residual value.

f. Revenue

Grants and contributions are recognized as revenues when the grant or contribution is authorized, any eligibility criteria are met, and reasonable estimates of the amounts can be made, unless the transfer stipulations establish a liability, in which case revenue is recognized as the stipulations are met.

Other revenue, which includes partnership revenue, sales of products and services and interest revenue, is recognized in the period in which the transactions or events occurred that give rise to the revenue.

g. Grants to Clients

Grants provided to clients for a variety of programs are recorded as an expense by Tourism Saskatchewan when it approves the transfer and the recipient meets the eligibility criteria.

3. BUDGET

The budget figures are presented for comparison purposes. The 2020-21 budget was accepted (subject to provincial government finalization of the operating grant), by Tourism Saskatchewan's Board of Directors on February 12, 2020, and includes a subsequent March 2020 update respecting the operating grant.

4. FINANCIAL INSTRUMENTS

Tourism Saskatchewan's financial instruments include cash, accounts receivable, accounts payable, and accrued liabilities. The carrying amount of these instruments approximate fair value due to their immediate or short-term maturity. These instruments do not have significant interest rate or credit risk.

5. CASH

Tourism Saskatchewan has access to a \$500,000 operating line of credit which is available by way of overdraft, repayable on demand with interest paid monthly, at the Scotiabank prime rate less 0.5% (1.95%) (2020 – 1.95%). As of March 31, 2021, Tourism Saskatchewan has not drawn on the operating line. In 2020, there were no draws on the operating line.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2020-21	2019-20
Accounts Payable	\$2,252,614	\$884,125
Accrued vacation	170,402	125,762
Other accruals	434,024	43,436
	\$2,857,040	\$1,053,323

7. TANGIBLE CAPITAL ASSETS

	Furniture and equipment	Computer equipment and systems	Leasehold improvements	Signs and displays	2021	2020
Cost						
Opening Balance	\$283,844	\$1,444,295	\$1,388,832	\$75,596	\$3,192,567	\$3,093,696
Additions	-	43,035	-	14	43,035	192,986
Disposals	_	-	-	2	-	(94,115)
Write-downs	(=)	(144,589)	-	-	(144,589)	-
Closing Balance	283,844	1,342,741	1,388,832	75,596	3,091,013	3,192,567
Accumulated Amortization						
Opening Balance	182,799	1,218,580	1,309,385	42,692	2,753,456	2,660,447
Amortization	12,859	46,050	16,222	5,438	80,569	152,295
Disposals	-		-		-	(59,286)
Write-downs	-	(74,628)	-	-	(74,628)	-
Closing Balance	195,658	1,190,002	1,325,607	48,130	2,759,397	2,753,456
Net Book Value	\$88,186	\$152,739	\$63,225	\$27,466	\$331,616	\$439,111

8. CONTRACTUAL RIGHTS

Tourism Saskatchewan has contractual agreements in place at March 31, 2021, which outline funding to be received over the next two years for the delivery of training and other services.

Revenues in each of the next two years are estimated as follows:

2021-22 \$1,579,398 2022-23 663,800 \$2,243,198

9. CONTRACTUAL OBLIGATIONS

Contractual obligations include:

Leases

Tourism Saskatchewan has entered into leases for office premises and storage space at various locations in the province.

Operational

Tourism Saskatchewan has operating agreements that enable day-to-day operations of the corporation.

Program

Tourism Saskatchewan has program related obligations to assist Saskatchewan's tourism industry operators to market and develop quality tourism products through co-operative marketing, education and training, experienced development and event funding programs.

	Leases	Operational	Program	Total
2021-22	\$812,279	\$95,719	\$1,935,764	\$ 2,843,762
2022-23	809,226	81,681	44,650	935,557
2023-24	694,935	18,420	-	713,355
2024-25	612,783	18,420	-	631,203
2025-26	51,065	-		51,065
	\$2,980,288	\$214,240	\$1,980,414	\$5,174,942

Contractual obligations do not include those contracts which are paid on a usage basis.

10. PROVINCIAL OPERATING GRANT

Tourism Saskatchewan receives grants from the General Revenue Fund out of monies appropriated by the legislature or authorized by Order in Council. In 2021 Tourism Saskatchewan received \$19,456,000 (2020 - \$15,491,000).

11. RELATED PARTY TRANSACTIONS

Included in these financial statements are transactions with various Saskatchewan Crown corporations, ministries, agencies, boards and commissions related to Tourism Saskatchewan by virtue of common control by the Government of Saskatchewan and non-Crown corporations and enterprises subject to shared control by the Government of Saskatchewan (collectively referred to as "related parties").

Routine operating transactions with related parties are settled at prevailing market prices under normal trade terms. These transactions and amounts outstanding at year end are as follows:

	2020-21	2019-20
Accounts Receivable	\$31,584	\$69,229
Accounts Payable and Accrued Liabilities	133,426	63,686
Other Revenue	298,411	323,165
Expenses	1,326,989	1,197,631

Other related party transactions are disclosed elsewhere in these financial statements.

12. DEFINED CONTRIBUTION PENSION PLAN

Tourism Saskatchewan participates in the Public Employees' Pension Plan (PEPP), a defined contribution plan. Tourism Saskatchewan's obligations are limited to matching contributions made by the employees, at a rate of 7.5%, for current services. In 2021, Tourism Saskatchewan contributed \$432,773 (2020 - \$420,383).

SCHEDULE OF EXPENSES Schedule 1 - Expenses by Program For the Year Ended March 31

EXPENSES	Administration	Marketing and Communications	Destination and Workforce Development	Education and Training	2021	2020
Salaries	\$1,887,061	\$2,287,122	\$631,170	\$822,252	\$5,627,605	\$5,541,790
Benefits	355,827	400,437	102,402	132,216	990,882	961,822
Professional Services	865,291	648,047	198,042	1,071,527	2,782,907	2,438,799
Advertising	8	2,596,941	-	-	2,596,941	1,993,216
Promotion and Other Marketing	17,303	585,183	570	744	603,800	646,231
Print	-	30,157	-	4,213	34,370	72,888
Travel	724	22,883	4,696	4,685	32,988	242,699
Board and Committees	12,591		-	-	12,591	22,316
Ministerial Travel	294	-	-	-	294	235
Rent and Equipment Purchases	858,384	1,385	323	11,600	871,369	868,191
Supplies and Services	482,870	71,280	18,426	21,499	594,075	500,180
Other Related Business Expenses	86,678	10,144	1,306	7,780	105,908	214,005
Depreciation	80,568	-	-	-	80,568	152,295
Other Expenses	69,961	2	120	2	69,961	34,828
Grants	-	6,079,942	397,807	414,552	6,892,301	4,161,722
TOTAL EXPENSES	\$4,717,552	\$12,733,521	\$1,354,419	\$2,491,068	\$21,296,560	\$17,851,217

Additional corporate information is available on **Business.TourismSaskatchewan.com**. Contact Tourism Saskatchewan at 306-787-9600, or email **feedback@tourismsask.com**.

