

TOURISM SASKATCHEWAN ANNUAL REPORT FOR 2022-23

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Cover: Cypress Hills Interprovincial Park

Letters of Transmittal



The Honourable
Jeremy Harrison
Minister Responsible for
Tourism Saskatchewan

Office of the 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, 2023. In compliance with *The Tourism Saskatchewan Act*, this document outlines the corporation's business activities and includes audited financial statements.

The information in this report demonstrates a commitment to increased accountability, to delivering on the goals and strategies identified in Tourism Saskatchewan's 2022-2023 Business Plan, and to responsibly manage expenditures.



Jeremy Harrison
Minister Responsible for Tourism Saskatchewan



Jonathan Potts
CEO, 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, 2023.

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

This report highlights key projects and activities in 2022-23. This work is guided by our mandated responsibilities and goals identified in Saskatchewan's Growth Plan. The year focused on building a strong, diverse and resilient tourism sector, all while growing the visitor economy.



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; and
- 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 Jonathan Potts, staff in Regina and Saskatoon (73 full-time equivalents) deliver on plans, projects and activities that align with the Vision and Mission. Divisions include Executive Office, Marketing and Communications, Destination and Workforce Development, and Corporate Services.

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

Tourism Saskatchewan's Strategic Plan 2022-23 to 2025-26 identified five strategic priorities:

- Market Saskatchewan's tourism experiences and stories
- Strengthen Saskatchewan's tourism experiences
- Improve destination competitiveness
- Create a modern and agile organization
- Nurture an internal culture focused on excellence

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.

Progress on Goal 1: Increase economic benefit to the province through compelling, branded marketing initiatives targeting high-yield, passionate markets

Tourism Saskatchewan is committed to the goal identified in Saskatchewan's Growth Plan – to increase tourism expenditures by 50 per cent by 2030. Precision marketing tactics targeting high-yield and passionate markets will broaden Saskatchewan's reach and attract more long-haul Canadian and international visitors to the province.

Strategy:

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

Key Actions:

- Create, curate and evaluate consumer-focused, digital-first, always-on, influence-driven content marketing
 - o Tourism Saskatchewan's spring and summer marketing campaign highlighted unexpected Saskatchewan experiences. The campaign generated 112,000 clicks and over 57.1 million impressions, well above its target of 32.9 million.
 - o Throughout the summer and fall, a series of *Cheer for Saskatchewan* videos were played in-stadium during Saskatchewan Roughrider home games. The videos featured a range of industries within the tourism sector.
 - o Tourism Saskatchewan's *Cold Enough* winter marketing campaign highlighted activities worth travelling for, cozy accommodations and culinary experiences. The campaign was developed in-house and targeted travellers from Saskatchewan, Alberta and Manitoba. It earned more than 33 million impressions and drove more than 218,000 clicks to the landing page.
 - o Tourism Saskatchewan invested \$370,000 with Expedia, targeting travellers in Canada, U.S., Germany and the U.K. The nine-month campaign generated 5.1 million ad impressions and drove over 200,000 Expedia users to the Saskatchewan page on the Expedia/Destination Canada portal. The partnership yielded a high return, with \$5.2 million (USD) in bookings, 34,800 room nights and 48,700 visitors attributed to the investment.
 - o Tourism Saskatchewan partnered with Destination Canada and Entrée Canada to market Saskatchewan as part of Entrée Destinations' *Stories of Canada™* collection. Video and content assets were created to entice discerning international travellers to book an iconic Saskatchewan vacation. Indigenous experiences were a priority of the project.
- Strengthen industry's alignment with target market segments through customer segmentation analysis
 - o Tourism Saskatchewan continues to refine its target market segments to bolster marketing plans and activities. New market segments and personas have been developed, based on research, to appeal to domestic, U.S. leisure, and culinary travellers.
 - o Tourism Saskatchewan provided customized market segmentation analysis to 12 tourism industry stakeholders. The research supported the development of industry-led marketing and experience development plans across the province.

- Identify passionate market segments, potential niche markets and resilient domestic and international travellers
 - o The two-year Restart Marketing Strategy was fully implemented in 2022-23 through the completion of a refreshed brand strategy, creative platform and newly identified travel zones.
 - o Tourism Saskatchewan demonstrated its commitment to growing international markets by hosting a *Wake up to Saskatchewan* breakfast to kick off the 2022 Rendez-vous Canada, the nation's premier international tourism marketplace. The breakfast showcased Saskatchewan hospitality, experiences and cuisine.
 - o Tourism Saskatchewan contracted a General Sales Agent in the U.K. to grow travel trade sales, identify media opportunities and establish a consistent in-market presence at key industry and consumer events.

Strategy:

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

Key Actions:

- Continually enhance and optimize advanced customer experience features on consumer websites and in email marketing
 - o Tourism Saskatchewan licensed Sitecore's cloud-based Digital Experience Platform, which has greater potential to influence visitors and increase tourism spending than previous versions of the platform.
 - o Staff training and implementation of the software will occur over the next two years. The Fish/Hunt microsite and online Business Hub have transitioned to the Sitecore platform. All existing sites will move in 2023-24.
 - o Navigation and homepage design for the new consumer website have been completed and will be implemented with the rollout of Sitecore.
- Support year-round creation and promotion of travel offers
 - o Tourism Saskatchewan's spring/summer leisure campaign and winter angling and hunting campaign drove traffic to travel offers listed on the relevant consumer websites, directly connecting visitors to inspiring, saleable packages.
- Grow U.S. visitation through targeted marketing of angling and hunting experiences
 - o Tourism Saskatchewan partnered with Travel Manitoba and Destination Canada on the Prairie Angling Program to support the recovery of outfitted angling. A targeted advertising campaign ran from May-November 2022, and included late-season ice fishing promotions. The campaign drove 85.5 million impressions, 6.03 million video views and 3.8 million engagements.
 - o Tourism Saskatchewan ran simultaneous campaigns in the U.S. market from December 2022 to March 2023, targeting qualified market segments across 11 states for angling and 10 states for hunting.
 - o A co-branded campaign involving Tourism Saskatchewan and WestJet was launched to support inbound marketing of the new direct route between Saskatoon and Minneapolis/St. Paul. American anglers and hunters in key non-stop and one-stop states were targeted to encourage bookings. Destination Canada also committed funds to the project.
 - o Tourism Saskatchewan's support brought 36 outdoor media projects to the province. Leveraging the influence and reach of popular outdoor hosts and programs is a fundamental part of strategies to influence anglers and hunters to choose Saskatchewan.

Strategy:

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

Key Actions:

- Evaluate and refine Tourism Saskatchewan’s brand for export markets
 - o A refreshed brand strategy framework with new regional travel zones and content pillars was finalized and a creative platform developed. The new zones have been incorporated into the upcoming 2023 spring/summer campaign and the *2023 Saskatchewan Travel Guide*.
 - o Travel zone storylines that focus on culinary/agri-tourism and artistic connections to the land have been developed. Playbooks for each of the four identified travel zones have also been created to differentiate the unique selling propositions of each region.
- Develop long-term brand and niche market strategies
 - o Niche market research was undertaken to better understand and influence travellers passionate about birding, astrotourism, nature-based wellness and snowmobiling. Interviews with experience providers, tour operators and subject matter experts formed part of the research.
 - o A comprehensive marketing plan is being developed to inform marketing and product development priorities, targeted advertising tactics and potential marketing partnerships.

Performance Measure Results:

Measures	Baseline	Target 2022-23	Actual (2022-23) Measure Update
Total annual visitor expenditure in Saskatchewan (goal of \$3.6B by 2030)	\$2.24B (2018)	\$1.79B (80% of baseline)	\$2.40B (107% of baseline)
Number of social media followers	317,111 (2019-20)	Increase by 10%	505,599
Digital Listening Sentiment score	56 (2021)	57	54
Number of events and attractions participating in customer segmentation analysis	7 (2018-19)	12	12
Number of travel offers	125 (2020-21)	150	340
Number of angling and hunting licences sold to U.S. visitors	25,552 (2016-17)	80% of baseline	20,663 (80.8% of baseline)
Annual provincial hotel occupancy percentage	56% (2019)	50%	51.3%
International air arrivals (based on ticket sales)	87,185 (2019)	67,748 (80% of baseline)	80,489 (92.3% of baseline)
Consumer engagement with blog content (measured in page views)	151,358 (2019)	175,000	135,270
Number of co-operative content partnerships	40 (2020-21)	Maintain	41

Progress on Goal 2: Increase the number and quality of Saskatchewan tourism experiences and products to meet traveller expectations

Tourism Saskatchewan's ten-year Destination Development Strategy guides the advancement of compelling experiences, and competitively positions Saskatchewan in key markets. Tourism Saskatchewan works with industry to build capacity and elevate experiences through its Marketing and Events Partnership Program and activities identified in its Workforce and Destination Development Strategies.

Strategy:

Provide leadership to industry operators to advance their marketing strategies

Key Actions:

- Implement a comprehensive industry content strategy
 - o Consideration of this item is ongoing; development has not begun.
- Monitor key performance indicators to measure destination reputation and visitor satisfaction
 - o Tourism Saskatchewan uses a visitor intercept survey to measure Saskatchewan's Net Promoter Score (NPS), a metric of overall visitor satisfaction. In 2022-23, the NPS was 45 (compared to 59 in 2021-22). The survey received fewer responses in 2022; therefore, results may not be reflective of overall visitor sentiment.
 - o Tourism Saskatchewan subscribes to the Digimind social listening platform, which tracks real-time online conversations about Saskatchewan tourism experiences to gain insights into the province's online reputation. In 2022-23, the score was 54 (compared to 56 in 2021-22).
- Support Truth and Reconciliation Commission Calls to Action 7 and 92 through the implementation of the Saskatchewan Indigenous Tourism Strategy
 - o A dedicated Indigenous stories and experiences landing page went live in 2022-23 and is a component of Tourism Saskatchewan's consumer website.
 - o In 2022-23, Tourism Saskatchewan partnered with:
 - Destination Canada, the Indigenous Tourism Association of Canada (ITAC) and Discover Saskatoon on an Indigenous travel media familiarization tour that highlighted experiences in and around Saskatoon and Regina.
 - Wanuskewin Heritage Park to offer Indigenous games and experiences at the 2022 Grey Cup Festival.
 - o Tourism Saskatchewan supported Indigenous operators, businesses and communities by providing:
 - Five Indigenous operators with experiential development training through the Achieving AWESome program.
 - A total of \$120,189 to 11 Indigenous businesses through the Marketing and Events Partnership Program.
 - A total of \$195,735 to six Indigenous businesses through the Tourism Diversification Program.
 - Content development and promotional support to 10 Indigenous businesses and events, as well as support for an Indigenous food series that features seven businesses.
 - Planning and strategy development assistance to several Indigenous communities and associations.
 - o Indigenous tourism leaders in Saskatchewan, with support from Tourism Saskatchewan and ITAC, created a new tourism association – Indigenous Destinations Saskatchewan – to assist the implementation of the Saskatchewan Indigenous Tourism Strategy and grow Indigenous tourism in the province.

Strategy:

Build industry readiness for welcoming overseas markets

Key Actions:

- Develop, deliver and support market and export readiness industry programming appeal to new
 - o The Tourism Diversification Program encourages successful applicants to create travel offers that visitor markets. In 2022-23, the program provided \$1.348 million to 43 applicants. Since its launch in 2019, the program has funded 85 applicants, with 18 completed projects listing travel offers.
 - o Ten industry members received export readiness training and financial support from Tourism Saskatchewan to attend Rendez-vous Canada 2022.
 - o Tourism Saskatchewan's Achieving AWESome program provides businesses and individuals new to tourism with training to develop, market and deliver enticing Saskatchewan experiences. Twenty-two participants completed the training in 2022-23.
 - o The AWEShop program provides advanced experiential development training to existing market-ready tourism businesses that are looking at enhancing the experiences they offer or developing new ones. In 2022-23, 11 businesses participated in AWEShops.
 - o The AWESome Experience Design Studio is a self-directed online program that helps operators to enhance current experiences to exceed customer expectations. In 2022-23, 25 businesses completed the program.
 - o In 2022-23, Tourism Saskatchewan supported 22 businesses to access Firecircle, an online platform that assists startups and existing businesses in developing business and financial plans that support new experiential offers.
 - o Tourism Saskatchewan piloted a strategic growth initiative to help tourism businesses to overcome barriers to growth and profitability. Ten businesses participated in a two-day workshop and are receiving follow-up personal coaching sessions from a facilitator.
- Deliver advice and training to elevate the quality of tourism experiences and build a robust tourism workforce
 - o Tourism Saskatchewan's Ready to Work (RTW) program trained 142 participants from across the province, including northern and Indigenous communities. The program equips people with skills, knowledge, attitudes and experience for long-term, stable employment in the tourism sector. Eighty-two per cent of RTW participants identify as Indigenous, and 72 per cent were employed upon completion of the program. Tourism Saskatchewan helped to recruit 12 apprentices, who previously attended RTW and are now working towards Level 1 Cook training, delivered by Saskatchewan Polytechnic.
 - o A series of free one-hour industry webinars, beginning in February 2023, offered expertise and advice on a range of topics (e.g. digital marketing, online reputation management, employee recruitment). As of March 31, 332 people participated in the sessions.
 - o Tourism Saskatchewan supports high school students interested in tourism and hospitality careers by providing Service Best training, résumé writing workshops, career awareness workshops and job search advice. Several career awareness initiatives were launched in 2022-23, including school visits throughout the province, a new microsite, and two *Think Tourism* events in Regina and Saskatoon that had over 180 students registered. These events involved partnerships with the Regina and Saskatoon Industry Education Councils and Saskatchewan Polytech.

Strategy:

Build a strong tourism workforce

Key Actions:

- Update the Workforce Development Strategy to ensure relevant, competitive and strong support for tourism businesses in the areas of human resource recruitment and retention
 - The workforce development team engaged with industry members as part of the consultation and research process to inform a new workforce development strategy.

Strategy:

Continuous evaluation of training and education programs and services

Key Actions:

- Develop and implement an industry competitiveness training program
 - Federal funding from Prairies Economic Development Canada, under the Tourism Relief Fund, will support the development of resources to build industry competitiveness. Tools and training will address digital and content marketing, leveraging Saskatchewan's tourism brand, market segmentation and targeting, export readiness, and employee recruitment and retention. Tourism Saskatchewan's core customer service program, Service Best, is undergoing a curriculum review to ensure the content remains relevant.

Strategy:

Deliver the Marketing and Events Partnership Program as a mechanism to grow the economy and promote Saskatchewan communities

Key Actions:

- Monitor and adjust the Marketing and Events Partnership Program, as required
 - In 2022-23, 156 program applicants received a total of \$1.945 million in funding.
 - Evaluation of the criteria and application process is currently underway to ensure the program is accessible, contributes to developing market readiness, and strategically supports the development of new markets.
- Refresh the current Event Hosting and Partnership Strategy and implement revised actions
 - Tourism Saskatchewan is developing a new event strategy to be implemented in 2023. The strategy will support the development and expansion of events, conventions and tradeshow, particularly business events and incentive travel.
 - Tourism Saskatchewan is working to develop an Event Impact Calculator to measure the return on investment of events, meetings and conventions.
- Increase investment to support event hosting and the business travel sector
 - Developmental work on a new event strategy identified an efficient tiered funding model and priorities for investment, aligned with the province's sectors of strength. The strategy is designed to heighten Saskatchewan's event hosting reputation and increase return on investment.
 - A Europe-based lead generator is being hired to identify qualified leads to bring international business events to Regina and Saskatoon. Events that focus on the province's sectors of strength will be a priority.
 - Federal funding from Prairies Economic Development Canada, under the Tourism Relief Fund, will enable the development of quality content assets to enhance bids and position Saskatchewan favourably with event organizers.
 - Tourism Saskatchewan's partnership with the Saskatchewan Roughriders provided the opportunity to be a presenting sponsor of Gainer's Heartland during the 2022 Grey Cup Festival. An economic impact study showed that Grey Cup Championship and Festival, held in Regina, generated a \$25.7 million boost to the province's gross domestic product (GDP).

Performance Measure Results:

Measures	Baseline	Target 2022-23	Actual (2022-23) Measure Update
Net Promoter Score (out-of-province visitors)	59.2 (2021-22)	59.5	45
Percentage of supported events and marketing initiatives that meet post-evaluation metrics	55% (2016-17)	85%	100%
Percentage of people employed after completing Ready to Work training program	79% (2017-18)	80%	80%
Number of Indigenous experiences supported through marketing and destination development funding programs	7 (2020-21)	8	14
Number of people trained through Tourism Saskatchewan education and training programs annually	16,474 (2018-19)	16,000	12,599
Number of participants in digital marketing training	TBD (2021-22)	TBD	332
Percentage of successful Marketing and Events Partnership Program applicants with a digital marketing and content component	82% (2020-21)	85%	89.7%
Number of participants in export-readiness training	30 (2021-22)	Maintain	16
Number of Saskatchewan industry experiences carried by receptive tour operators	82 (2020-21)	Maintain	84
Event hosting return on investment (ROI)	25:1 (2016-17)	TBD	N/A*

**The direction has changed as to how Event Hosting ROI will be measured; therefore, nothing to report for 2022-23.*

Progress on Goal 3: Engage Stakeholders

Industry engagement is critical to identifying and delivering programs and services that benefit tourism operators. Through research, partnerships and activities that support product and experience development, Tourism Saskatchewan helps stakeholders increase their competitiveness and attract domestic and international visitors.

Strategy:

Cultivate effective partnerships with key tourism industry stakeholders

Key Actions:

- Develop and maintain an industry website and business support hub
 - A Business Hub Product Team, consisting of staff from across the organization, reviews site performance and sets development and content priorities.
- Host strategic engagement sessions with industry stakeholders to collect timely information and feedback to inform Tourism Saskatchewan's programs and services
 - Results of a 2022 industry survey guided content shared on communications channels, particularly the *Industry Update* e-newsletter. The average open rate for weekly *Industry Updates* in 2022-23 rose to 36 per cent, eight points above the target.

Strategy:

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

Key Actions:

- Provide relevant research and data analysis to support sector growth and influence future planning
 - An industry-facing dashboard is being developed for domestic, U.S. and overseas visitation data to support the marketing strategies of destination and city marketing organizations across the province.
 - An integrated dashboard is being developed for both internal and industry use, combining multiple sources of tourism data in one location. The dashboard is currently undergoing internal testing to ensure optimal functionality.
- Continually improve the industry partner portal for programs and services
 - Incremental changes have been made to improve the funding portals for the Marketing and Event Partnership Program and the Tourism Diversification Program.
 - Work continues on developing a unified sign-on portal for the industry.

Strategy:

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

Key Actions:

- Work closely with other provincial and federal ministries to identify opportunities for collaboration and ensure alignment with the objectives of Saskatchewan's Growth Plan
 - Tourism Saskatchewan chairs the Federal-Provincial-Territorial (FPT) Destination Access Working Group. The group's mandate is to identify transportation-related issues that impede tourism recovery. Policy recommendations were presented for consideration at the Canadian Council of Tourism Ministers meeting in October 2022. Tourism Saskatchewan participates in the FPT Economic Growth Working Group, which is reviewing the expansion of Canada's tourism offerings and priority areas that can expedite tourism recovery.
 - Tourism Saskatchewan participates in the FPT Tourism Workforce Working Group, which focuses on initiatives and programs that address industry labour challenges.

- o A representative from Tourism Saskatchewan is part of the management planning committee that provides advice to Wanuskewin Heritage Park on its United Nations Educational, Scientific and Cultural Organization (UNESCO) World Heritage Site application.
- o Tourism Saskatchewan is a member of the Pan-Canadian Workforce Recovery and Growth Task Force, the Culinary Tourism Alliance’s Advisory Committee, and Destination Canada’s new Destination Development committee.

Performance Measure Results:

Measures	Baseline	Target 2022-23	Actual (2022-23) Measure Update
Percentage of industry portal profile updates performed by operators	0% (2019-20)	30%	0%
Percentage of <i>Industry Update</i> newsletter emails opened (i.e., open rate)	25% (2020-21)	28%	36%
Number of industry participants in Tourism Saskatchewan’s outreach activities	201 (2018-19)	Increase by 5% (211)	135
Number of CMO/DMO/community projects funded through marketing and destination development programs	10 (2021-22)	12	11
Number of experience development projects funded through destination development programs	15 (2020-21)	Maintain	43

Progress on Goal 4: Amplify the presence, reach and influence of Tourism Saskatchewan and the tourism industry through digital initiatives

Risks of technical disruptions and vulnerabilities require a firm commitment to being a digital-first, customer-focused, data-driven organization. Tourism Saskatchewan employs an integrated Digital Experience Platform (DXP) to maximize marketing reach, industry growth and consumer spending, while ensuring operational efficiencies and improvements.

Strategy:

Align people processes and technology with a focus of improving customer experience and operational efficiency

Key Actions:

- Develop a digital strategy that aligns people, processes and technology
 - A digital strategy framework has been developed that enhances staff training and professional development, improves cyber security and expedites digitization efforts and cloud migration. The framework focuses on composable technology architectures.
- Provide collaboration tools that support the organization, partners and customers
 - Tourism Saskatchewan continues to work towards adopting and utilizing more features from the Microsoft 365 suite. New applications have been developed to streamline contracts and help desk inquiries.
 - A Microsoft Teams phone system trial was completed. Current landlines will be replaced by a more efficient and affordable integrated Voice over Internet Protocol (VOIP) system.
- Provide employees with secure access to technology tools and resources from all locations and devices
 - Tourism Saskatchewan licensed and implemented Liongard software for the IT security platform to address asset management and system documentation.
 - Multifactor Authentication is required by all staff and external users connecting to the Tourism Saskatchewan environment. Further controls are in place for administrative system activities, ensuring only authorized personnel are conducting technological administration activities.
 - Organization-wide cyber training was completed by 98 per cent of staff.
 - A new customer service software for Visitor Services combines telephone, email, and chat customer service channels, reducing internal infrastructure and maintenance costs.

Strategy:

Prioritize digital initiatives required to support long-term growth

Key Actions:

- Develop and implement a governance model for managing digital products
 - Digital product teams have been formed for each of Tourism Saskatchewan's websites.
- Transition key technology infrastructure from on-premise to a cloud-based data centre
 - Replacement of the current finance software platform with Dynamics Business Central began and is scheduled for completion in 2023-24.
 - Assessment of human resource management and payroll systems was completed, and functionality has been bundled within the financial software replacement project.
 - Tourism Saskatchewan licensed Azure Synapse Analytics to improve data processes.
 - All services provided by Tourism Saskatchewan's Saskatoon servers have transitioned to Microsoft 365 Cloud and Azure, and the physical server has been retired.

Strategy:

Invest in research, process improvement and evaluation that promotes innovation and ensures tangible business outcomes

Key Actions:

- Deploy and improve digital platform technologies that leverage AI, machine learning and automation capabilities
 - o Security Information and Event Management systems were assessed in 2022. These systems are AI-enabled solutions that help detect, analyze and respond to security threats before business operations are harmed.
 - o Guidelines for controlled, ethical and safe exploration of Generative AI tools, such as ChatGPT, are being developed. Data privacy and other potential risks are being examined as careful management of AI is crucial to maximize benefits and minimize potential risks.

Strategy:

Invest in building digital skills and capacity

Key Actions:

- Provide training to increase employees' digital skills
 - o Key digital skills and requirements are being assessed to determine appropriate organization-wide training programs and delivery.

Performance Measure Results:

Measures	Baseline	Target 2022-23	Actual (2022-23) Measure Update
Percentage of employees participating in digital skills improvement training	83%	85%	98%
Percentage of technological infrastructure moved to the cloud	65%	75%	70%
Number of processes improved through digital modernization	TBD (2021-22)	TBD	NA*

**Tourism Saskatchewan is no longer measuring the number of processes improved through digital modernization in the way that was identified for this measure; therefore, nothing to report for 2022-23.*

Financial Summary

Tourism Saskatchewan

March 31, 2023

Management's Responsibility

To the Members of the Legislative Assembly of Saskatchewan:

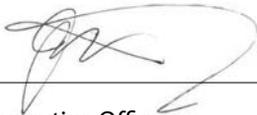
Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian Public Sector Accounting standards and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles 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.

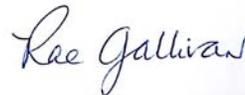
The Board of Directors and Audit Committee are composed entirely of Directors who are neither management nor employees of Tourism Saskatchewan. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for the approval of the financial information 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 17, 2023



Chief Executive Officer



Chief Financial Officer

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, 2023, 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, 2023, 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.

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.

Deloitte LLP

Chartered Professional Accountants
Regina, Saskatchewan
May 17, 2023

STATEMENT OF FINANCIAL POSITION As at March 31

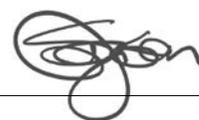
	2023	2022
Financial Assets		
Cash (Note 5)	\$6,617,314	\$6,790,080
Accounts receivable (Note 11)	78,126	83,729
	6,695,440	6,873,809
Liabilities		
Accounts payable and accrued liabilities (Note 6 and 11)	2,468,442	1,678,334
Unearned revenue	565,490	827,494
	3,033,932	2,505,828
Net Financial Assets	3,661,508	4,367,981
Non Financial Assets		
Tangible capital assets (Note 7)	146,579	208,322
Prepaid expenses	269,744	281,030
	416,323	489,352
Accumulated Surplus	4,077,831	4,857,333
Contractual Rights (Note 8)		
Contractual Obligations (Note 9)		

See accompanying notes and schedule to the financial statements.

APPROVED BY THE BOARD



Director



Director

STATEMENT OF OPERATIONS

For the Year Ended March 31

	Budget 2023 (Note 3)	2023	2022
Revenue (Note 11)			
Provincial operating grant (Note 10)	\$19,673,000	\$19,673,000	\$14,673,000
Other grants and contributions	1,343,000	1,764,465	1,420,955
Sales of products and services	405,000	556,274	515,427
Partnership revenue	66,500	311,500	569,588
Interest and other income	78,000	299,875	90,918
	21,565,500	22,605,114	17,269,888
Expenses (Note 11 and Schedule 1)			
Administration	5,509,760	5,199,917	4,630,006
Marketing and Communications	12,581,345	13,463,552	9,264,038
Destination and Workforce Development	2,279,357	1,897,109	1,334,705
Education and Training	3,145,038	2,824,038	2,239,066
	23,515,500	23,384,616	17,467,815
Deficit for the Year	(1,950,000)	(779,502)	(197,927)
Accumulated Surplus - Beginning of Year	4,857,333	4,857,333	5,055,260
Accumulated Surplus - End of Year	\$2,907,333	\$4,077,831	\$4,857,333

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

	Budget 2023 (Note 3)	2023	2022
Deficit for the Year	(\$1,950,000)	(\$779,502)	(\$197,927)
Amortization of tangible capital assets	80,000	61,743	71,218
Write-down of tangible capital assets	-	-	52,076
Use (purchase) of prepaid expenses	10,000	11,286	(2,144)
Decrease in Net Financial Assets	(1,860,000)	(706,473)	(76,777)
Net Financial Assets - Beginning of Year	4,367,981	4,367,981	4,444,758
Net Financial Assets - End of Year	\$2,507,981	\$3,661,508	\$4,367,981

See accompanying notes and schedule to the financial statements.

STATEMENT OF CASH FLOWS For the Year Ended March 31

	2023	2022
Operating Activities		
Deficit for the year	(\$779,502)	(\$197,927)
Items not requiring cash:		
Amortization of tangible capital assets	61,743	71,218
Write-down of tangible capital assets	-	52,076
Net change in non-cash balances relating to operations:		
Accounts receivable	5,603	872,188
Prepaid expenses	11,286	(2,144)
Accounts payable and accrued liabilities	790,108	(1,178,706)
Unearned revenue	(262,004)	316,115
	(172,766)	(67,180)
Capital Activities		
Purchase of tangible capital assets	-	-
	-	-
Decrease in Cash	(172,766)	(67,180)
Cash - Beginning of Year	6,790,080	6,857,260
Cash - End of Year	\$6,617,314	\$6,790,080

See accompanying notes and schedule to the financial statements.

Notes to the Financial Statements

March 31, 2023

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 education and training, diversification and experience development, and marketing 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 estimates include allowance for doubtful accounts, 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.

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.

Notes to the Financial Statements

March 31, 2023

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%
Systems 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 from governments are considered to be government transfers. Government transfers, grants and contributions are recognized as revenues when the government transfer, grant and contribution is authorized, any eligibility criteria are met, and reasonable estimates of the amounts can be made, unless the stipulations establish a liability, in which case revenue is recognized as the stipulations are met.

Other revenue, which includes partnership, 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.

h. Standards effective for the current fiscal year

Asset Retirement Obligation (PS 3280):
Effective April 1, 2022, Tourism Saskatchewan adopted Asset Retirement Obligation (PS 3280). The standard establishes standards on when to recognize, and how to account for and report a liability for asset retirement obligations associated with the tangible capital assets controlled by a public sector entity. This standard covers the entity’s legal obligations established by agreement, contract or legislation including obligations created by a promissory estoppel for tangible assets controlled by a public sector entity that are in productive and that are no longer in productive use. This standard includes obligations for solid waste landfill sites and post-closure obligations. The implementation of the standard does not have an impact to Tourism Saskatchewan.

Financial Instruments (PS 3450):
Effective April 1, 2022, Tourism Saskatchewan adopted an amendment to Financial Instruments (PS 3450). The amendment establishes recognition, measurement and disclosure requirements for derivative and non-derivative financial instruments. The amendment requires fair value measurement of derivatives and equity instruments that are quoted in an active market and all other financial instruments can be measured at amortized cost or fair value at the election of Tourism Saskatchewan. There is a requirement to disclose the nature and extent of risks arising from financial instruments and clarification is given for de-recognition of financial liabilities. The implementation of the amendment does not have an impact to Tourism Saskatchewan

Notes to the Financial Statements

March 31, 2023

3. BUDGET

The budget figures are presented for comparison purposes. The 2022-23 budget was accepted (subject to provincial government finalization of the operating grant), by Tourism Saskatchewan's Board of Directors on March 3, 2022.

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%. During the year ended March 31, 2022, Tourism Saskatchewan did not draw on the operating line. In 2021-22, there were no draws on the operating line.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2023	2022
Accounts Payable	\$2,284,041	\$1,106,242
Accrued Vacation	\$103,160	\$141,872
Other Accruals	81,241	430,220
	\$2,468,442	\$1,678,334

7. TANGIBLE CAPITAL ASSETS

	Furniture and equipment	Computer equipment and systems development	Leasehold improvements	Signs and displays	2023 Total	2022 Total
Cost						
Opening Balance	\$283,844	\$1,218,666	\$1,388,832	\$75,596	\$2,966,938	\$3,091,013
Additions	-	-	-	-	-	-
Write-downs	-	-	-	-	-	(124,075)
Closing Balance	283,844	1,218,666	1,388,832	75,596	2,966,938	2,966,938
Accumulated Amortization						
Opening Balance	208,517	1,154,745	1,341,787	53,567	2,758,616	2,759,397
Amortization	12,859	27,563	15,885	5,436	61,743	71,218
Write-downs	-	-	-	-	-	(71,999)
Closing Balance	221,376	1,182,308	1,357,672	59,003	2,820,359	2,758,616
Net Book Value	\$62,468	\$36,358	\$31,160	\$16,593	\$146,579	\$208,322

8. CONTRACTUAL RIGHTS

Tourism Saskatchewan has contractual agreements in place at March 31, 2023 which outline funding to be received over the next year for the delivery of training and other services.

Revenue next year is estimated as follows:

2023-24 \$1,591,550

Notes to the Financial Statements

March 31, 2023

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 education and training, diversification and experience development, and marketing and event funding programs.

	Leases	Operational	Program	Total
2023-24	\$820,028	\$69,892	\$874,551	\$1,764,471
2024-25	847,843	19,819	20,000	887,662
2025-26	288,259	-	-	288,259
2026-27	241,460	-	-	241,460
	\$2,197,590	\$89,711	\$894,551	\$3,181,852

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 the year ended March 31, 2023, Tourism Saskatchewan received \$19,673,000 (2022 - \$14,673,000).

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:

	2023	2022
Accounts Receivable	\$44,658	\$21,238
Accounts Payable and Accrued Liabilities	69,711	57,074
Other Revenue	183,843	91,370
Expenses	1,257,023	1,164,750

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

Notes to the Financial Statements

March 31, 2023

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 7.75%, for current services. In 2023, Tourism Saskatchewan contributed \$453,465 (2022 - \$424,830).

13. COMPARATIVE FIGURES

Certain comparative figures have been changed to conform to current year presentation.

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	2023	2022
Salaries	\$2,236,065	\$2,397,273	\$534,874	\$687,554	\$5,855,766	\$5,651,353
Benefits	463,752	408,141	85,492	116,170	1,073,555	1,025,465
Professional Services	737,885	1,676,531	157,281	1,422,852	3,994,549	2,478,390
Advertising	-	2,760,494	-	130,496	2,890,990	3,031,834
Promotion and Other Marketing	40,162	1,127,819	4,306	14,743	1,187,030	989,598
Print	-	102,417	1,163	4,445	108,025	63,303
Travel	32,409	144,210	44,441	7,829	228,889	79,227
Board and Committees	25,548	-	-	-	25,548	31,051
Rent and Equipment Purchases	905,205	16,548	-	12,716	934,469	881,492
Supplies and Services	600,921	106,338	4,786	19,215	731,260	538,676
Other Related Business Expenses	95,727	66,921	17,551	24,834	205,033	131,493
Depreciation	61,743	-	-	-	61,743	71,218
Write-down of Tangible Capital Assets	-	-	-	-	-	52,076
Grants	500	4,656,860	1,047,215	383,184	6,087,759	2,442,639
TOTAL EXPENSES	\$5,199,917	\$13,463,552	\$1,897,109	\$2,824,038	\$23,384,616	\$17,467,815

Additional corporate information is available on [Business.TourismSaskatchewan.com](https://www.business.tourismsaskatchewan.com). Contact Tourism Saskatchewan at 306-787-9600, or email feedback@tourismsask.com.

