



ECONOMIC DEVELOPMENT STRATEGY

2026

Deloitte

ACKNOWLEDGEMENTS

The City of Lethbridge thanks the employers and economic development partners whose input helped inform the direction of the Economic Development Strategy. Major employers across key sectors (including agrifood, manufacturing, finance, education, retail, creative industries, community services, and consumer services) shared perspectives that shaped the research. In addition, more than 150 community members engaged with and offered their perspectives on the direction of the local economy through the 2026 Community Conversations event, hosted by the City. We also thank Blackfoot and Métis partners, Economic Development Lethbridge, Tourism Lethbridge, and Excite Lethbridge for their contributions.

Deloitte Canada led the research and analysis, in close collaboration with the City of Lethbridge, to develop a comprehensive Economic Development Strategy that reflects City Council's economic vision and establishes clear priorities. This work built on existing knowledge within the organization and community, leveraged local and regional strengths, and set a roadmap to guide City administration and its partners as they work to develop the economy.



APPROACH

The City of Lethbridge Economic Development Strategy outlines a targeted approach to building a resilient, inclusive, and opportunity-rich local economy. The creation of the Strategy began in September 2025. The research team reviewed existing reports to identify gaps and focus areas, followed by an economic baseline analysis of local labour markets, industries, macroeconomic trends, infrastructure, and transportation.

Stakeholder engagement was central to the process, interviews were conducted with 39 stakeholders, including business owners, not-for-profits, educational institutions, and government representatives, and dedicated sessions were held with four local Indigenous partners. This strategy also leans on recently completed engagement data including business and community satisfaction surveys.

39

Economic development stakeholder groups engaged



4

Indigenous partners consulted



51

Individuals interviewed



The team also reviewed potential investment incentives, assessed the organizational design and governance of local economic development service providers, and mapped key partnerships.

Findings were compiled into a **Research and Engagement Report** and delivered to City administration, providing the foundation for the Economic Development Strategy.

ECONOMIC CONTEXT

The community of Lethbridge has a highly connected and outward facing economy, anchored by strong primary sectors that continue to drive regional prosperity. Agrifood processing and manufacturing form the backbone of the city's export economy, generating a disproportionate share of local output and exports relative to employment. These sectors are complemented by logistics and transportation, construction, and a robust service base, including retail, health care, education, and professional services which reflect the community's role as Southern Alberta's primary economic, service, and retail centre.

Employment growth in recent years has been broad based, with particularly strong gains in health care, education, construction, retail, and manufacturing. While the city's economy is characterized by a high share of small and owner operated businesses, these firms contribute to diversification, resilience, and local entrepreneurship. Stakeholders consistently identify diversified industrial structure, strong post-secondary institutions, and collaborative business environment as key competitive advantages. Business satisfaction remains high, and many firms report stable or improving performance, with a significant share planning to expand.

86%

Of businesses rate Lethbridge positively as a place to operate¹

23%

Of businesses plan to expand within the next two years²

90%

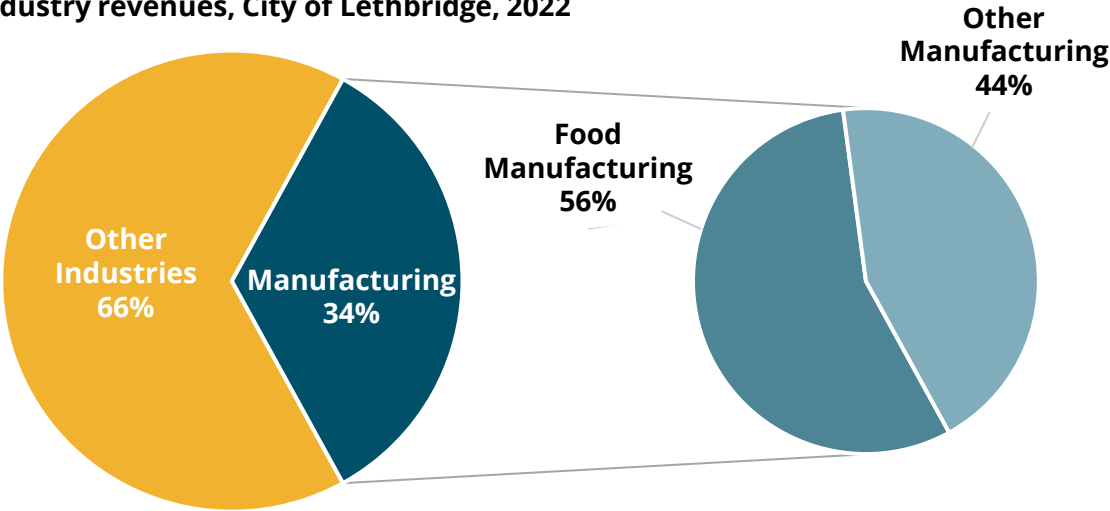
Of residents rate quality of life as good or very good³

Looking ahead, clear growth opportunities are emerging. Continued investment in agrifood value-added processing, advanced and automated manufacturing, transportation and logistics, renewable and alternative energy, modular construction, and professional services aligns with both market demand and local capabilities. Industry stakeholders express optimism about the community's long-term prospects, citing its regional leadership role, skilled workforce, and capacity to adapt. The community's role as a regional public sector economy is also poised to grow, with continued investments by federal, provincial, Indigenous and municipal governments in education, health care and community services. By strengthening enabling infrastructure, expanding serviced employment land, and better aligning workforce, housing, and transportation systems, the City can build on these strengths and accelerate sustainable, inclusive economic growth.

FINDINGS

Lethbridge exists within an export oriented regional economy. Analysis confirms that manufacturing alone accounts for 34% of total industry revenue and 41% of all exports, underscoring the city’s role as a production and distribution centre rather than a purely local serving economy.⁴

Industry revenues, City of Lethbridge, 2022



Lightcast, Datarun 2025.1

Growth momentum is evident. Between 2021 and 2025, the population of the City of Lethbridge grew by 11%, while total employment increased by 14%, signaling that economic growth is translating into jobs and community expansion.⁵ This momentum reinforces the importance of focusing future strategy on scaling existing strengths rather than dispersing effort.

Alignment with other levels of government creates a window of opportunity. Federal and provincial strategies increasingly emphasize agrifood processing, supply chain resilience, advanced manufacturing, and export diversification. The community’s strongest sectors align closely with these priorities, creating a timely opportunity to attract investment and funding by demonstrating readiness, certainty, and coordinated action.

Lethbridge benefits from strong growth in service sector businesses. Education and health care are already among the city’s largest employers, tourism and events play a catalytic role in community vitality and regional visitation, and creative industries contribute to quality of life and talent attraction. Together these growth sectors reinforce the community’s role as a regional service centre and strengthen the city’s overall competitiveness.

PRIORITY SECTORS

Agrifood, advanced manufacturing, and transportation and logistics drive the majority of the community's export-oriented economic output. These sectors depend on infrastructure readiness and access to skilled trades, align closely with federal and provincial priorities, and represent the city's strongest opportunity for intentional sector scaling.

Agrifood is a foundational sector in the local economy, anchored by large-scale food manufacturing and processing that leverages the region's agricultural base, transportation access, and export orientation. Food manufacturing represents the majority of manufacturing output in the city and is a key contributor to the community's role as a regional and national agrifood centre. Growth in this sector is contingent on infrastructure readiness, land availability, and intermunicipal coordination rather than workforce size alone.


Advanced manufacturing builds on the city's established manufacturing base and focuses on higher-value, productivity-driven activities. This includes automated fabrication, modular and engineered construction, aerospace and industrial components, and agrifood-adjacent equipment and processing technologies. Local examples illustrate a shift toward capital-intensive and technology-enabled production. Growth in this sector depends on skills development, technology adoption, and infrastructure readiness.

Transportation and logistics underpin the community's role as a regional service, trade, and distribution centre, supporting agrifood exports, manufacturing supply chains, and retail activity across Southern Alberta. The sector benefits from highway, rail, and air connectivity and proximity to regional markets and functions as a force multiplier, with improvements directly enhancing competitiveness across agrifood, manufacturing, tourism, and regional trade.

56%
Of Manufacturing revenues are in agrifood⁶



34%
Of all economic output in Lethbridge is from manufacturing⁷



\$430M
In revenues within transportation and logistics⁸

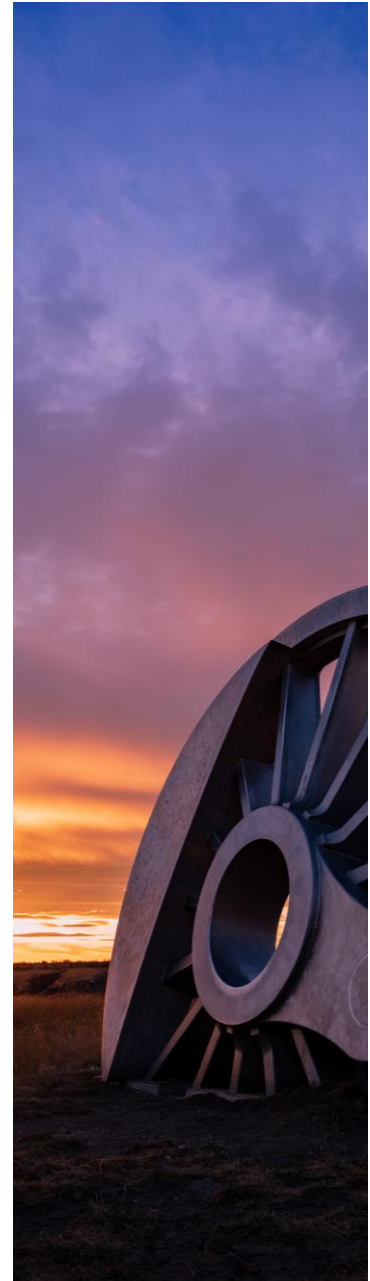


WINNING ASPIRATION

To position Lethbridge as a vibrant community anchored in agrifood that offers a supportive business environment, a high quality of life, and strong regional leadership for Southern Alberta.

Strategic Directions

- 1. Invest in enabling infrastructure** to unlock growth, with agrifood, advanced manufacturing, and transportation and logistics as the primary sectors.
- 2. Strengthen business development, expansion, and retention services** while focusing investment attraction to key sectors.
- 3. Align post-secondaries, employers, and community partners** to build talent, research, and innovation that advances the local and regional economy.
- 4. Build a coordinated approach to tourism,** with events and experiences showcasing local arts, culture, sports, and recreation.
- 5. Prioritize collaboration with Indigenous and other government partners** to pursue economic opportunities of mutual benefit.
- 6. Advance community health and safety** initiatives as a foundation for a productive and innovative economy.



STRATEGIC DIRECTIONS

1. Invest in enabling infrastructure to unlock growth, with agrifood, advanced manufacturing, and transportation and logistics as the primary sectors.

Lethbridge's economy is centered on several key sectors including agrifood, advanced manufacturing, and transportation and logistics. Together, they produce a significant amount of the community's exports and anchor the city's role as a regional hub for production, distribution, and innovation. These sectors are capital-intensive, land-dependent, and highly sensitive to infrastructure certainty, requiring serviced industrial land, water and wastewater capacity, transportation connectivity, and access to locally available skilled trades and professionals. Supporting their continued growth aligns with provincial and federal priorities around agrifood processing, manufacturing competitiveness, supply chain resilience, and export diversification. That alignment gives the City an opportunity to leverage renewed attention from both levels of government to advance critical enabling infrastructure projects. Doing so will depend on continued collaboration with partners on shared projects that strengthen capacity and resiliency across the region.

Actions:

- Continue to advance strong planning for our water and wastewater system in support of economic growth in key sectors.
- Expand availability of serviced industrial lands.
- Continue current approaches to regional infrastructure and servicing, while exploring new opportunities.

Infrastructure certainty reduces investment risk and enables growth across the local and regional economy by ensuring the City of Lethbridge is ready when opportunities arise.

STRATEGIC DIRECTIONS

2. Strengthen business development, expansion, and retention services while focusing investment attraction to key sectors.

A competitive business environment is built on consistency, clarity, and responsiveness. The City of Lethbridge can strengthen economic performance across the community by making it easier for existing businesses to grow and for new investment to move from interest to action. This means improving how businesses navigate City regulations and processes, focusing incentives where they have the greatest impact, and ensuring local firms are well connected to external programs, markets, and data. It also means more clearly and consistently communicating the community's competitive advantages to businesses, investors, and residents, including its export-oriented industries, post-secondary assets, quality of life, and role as Southern Alberta's regional economic hub. By prioritizing business retention and expansion alongside targeted investment attraction, the City can support organic growth while continuing to attract projects that align with its sector priorities.

Actions:

- Establish an investment concierge function.
- Adopt a continuous improvement mindset for development processes, consistent with the Corporate Business Plan.
- Pilot a business visitation program, within existing capacity and resources.

Stronger, more coordinated business support reduces friction for existing firms and improves the City of Lethbridge's competitiveness relative to other mid-sized cities.

STRATEGIC DIRECTIONS

3. Align post-secondary, employers, and community partners to build talent, research, and innovation that advances the local and regional economy.

Talent development and innovation are central to sustaining productivity and competitiveness. The City of Lethbridge can strengthen its local economy by better aligning post-secondary institutions (including the University of Lethbridge, Lethbridge Polytechnic, and Red Crow Community College), employers, and workforce partners around practical training, applied research, and innovation pathways. Expanding work-integrated learning, supporting targeted upskilling, and improving connections between industry and education will help local firms adopt new technologies, retain graduates, and grow higher-value activities within the community. As the local economy strengthens, so too will the broader Southern Alberta region.

Actions:

- Continue to support post-secondary talent development and applied research initiatives.
- Use municipal levers and partnerships to support talent attraction and retention.

Alignment across community partners ensures investments in education, training, and research translate into measurable productivity gains, business growth, and stronger graduate retention in the community.

STRATEGIC DIRECTIONS

4. Build a coordinated approach to tourism, with events and experiences showcasing local arts, culture, sports, and recreation.

The City will focus on improving coordination across tourism and event delivery partners to strengthen the local visitor economy and maximize the impact of signature attractions such as Whoop-Up Days and major sporting events, with particular emphasis on the effective operation of City-owned tourism and event assets. By clarifying roles across destination marketing, event attraction, experience development, and visitor servicing, supported through existing City grants and programs, our partners can more intentionally package locally authentic food, entertainment, cultural, and recreational assets into cohesive visitor experiences that encourage longer stays and higher visitor spending. This approach leverages local advantages such as milder weather, a strong history of amateur sports development, and rich Indigenous heritage, while also creating space for creative industries, including film, music, and digital media to contribute to the City's identity. Lastly, ongoing alignment with emerging provincial legislation will reduce regulatory barriers and ensure destination development remains viable.

Actions:

- Continue to support arts, culture, sports, and recreation through existing grants, programs and partnerships.
- Maintain strong City-owned tourism attractions.
- Understand impacts of emerging provincial legislation.

A more coordinated tourism approach strengthens downtown and other destination asset activity and reinforces the community's role as the region's primary service and event centre.

STRATEGIC DIRECTIONS

5. Prioritize collaboration with Indigenous and other government partners to pursue economic opportunities of mutual benefit.

Economic growth is strengthened through partnerships. By building strong, coordinated relationships with the Kainai, Piikani, and Siksika Nations, the Siksikaitsitapi (Blackfoot Confederacy) Tribal Council, and other Indigenous partners, the City can pursue economic and workforce development opportunities grounded in shared priorities and mutual benefit. Strong partnerships can also showcase the significant economic impact of Indigenous communities, organizations, and residents who call Southern Alberta home. At the same time, continued collaboration with the federal and provincial governments and regional municipal partners is critical to advancing projects that extend beyond municipal boundaries, including infrastructure and investment attraction. This approach reflects the community's role as a regional centre and partner within the larger Southern Alberta economy.

Actions:

- Showcase the economic contributions of our region to provincial and national growth.
- Continue to advocate to federal, provincial governments, including in support of priorities shared by local, Indigenous, and regional partners.

Collaboration across Indigenous, regional, and intergovernmental partners enables the City to advance shared priorities, access funding and delivery capacity, and support projects that benefit both the community and the broader Southern Alberta region.

STRATEGIC DIRECTIONS

6. Advance community health and safety initiatives as a foundation for a productive and innovative economy.

A strong economy relies on conditions that allow people and businesses to thrive. High-quality City facilities, active cultural and recreational programming, attainable housing, municipal services, and access to health care and childcare are all community assets that promote health, safety, and vibrancy, and they influence business and workforce investment decisions. As a municipality, the City has direct influence over many of these aspects of community life through planning, regulations, and investments, and an opportunity to advance others through coordinated advocacy and partnerships. By prioritizing areas under municipal control and embedding resident wellbeing into everyday decision making, the City can strengthen vibrancy as a core economic asset that supports attraction, retention, and long-term resilience.

Actions:

- Continue to invest in a coordinated approach to community health, safety, and vibrancy through existing grants, programs, and partnerships.
- Support the development of strong social infrastructure, including housing, childcare, and health services, through advocacy and in other areas of municipal responsibility.
- Use integrated growth management to plan resilient neighbourhoods that support resident well-being.

Prioritizing resident wellbeing strengthens the community's ability to attract and retain people and businesses, supporting long-term economic resilience.

NOTES

1. Deloitte Canada. 2025. Business Survey. Conducted on behalf of the City of Lethbridge.
2. FORUM Research. 2025. Community Satisfaction Survey. Conducted on behalf of the City of Lethbridge.
3. Deloitte Canada. 2025. Business Survey. Conducted on behalf of the City of Lethbridge.
4. Lightcast. Datarun 2025.1.
5. Ibid; Government of Alberta. 2025. Population Estimates. Produced by the Office of Statistics and Information.
6. Lightcast. Datarun 2025.1.
7. Ibid.
8. Ibid.

DISCLAIMER

This Economic Development Strategy has been provided to the City of Lethbridge to inform municipal understanding of the current state of the local economy and to provide recommendations towards future economic development activities. Deloitte does not assume any responsibility or liability for losses incurred by any party because of the circulation, publication, reproduction, or use of this strategy contrary to its intended purpose. This strategy has been made only for the purpose stated and shall not be used for any other purpose. Neither this strategy (including references to it) nor any portions thereof (including without limitation the identity of Deloitte or any individuals signing or associated with this strategy, or the professional associations or organizations with which they are affiliated) shall be disseminated to third parties by any means or included in any document without the prior written consent and approval of Deloitte.

The analyses are provided as of April 2026, and we disclaim any undertaking or obligation to advise any person of any change in any fact or matter affecting this analysis, which may come or be brought to our attention after the date hereof. Without limiting the foregoing, if there is any material change in any fact or matter affecting the analyses after the date hereof, we reserve the right to change, modify or withdraw the analysis.

Observations are made based on economic, industrial, competitive, and general business conditions prevailing as at the date hereof. In the analyses, we may have made assumptions with respect to the industry performance, general business, and economic conditions and other matters, many of which are beyond our control, including government and industry regulation. No opinion, counsel, or interpretation is intended in matters that require legal or other appropriate professional advice. It is assumed that such opinion, counsel, or interpretations have been, or will be, obtained from the appropriate professional sources. To the extent that there are legal issues relating to compliance with applicable laws, regulations, and policies, we assume no responsibility, therefore. We believe that our analyses must be considered as a whole and that selecting portions of the analyses, or the factors considered by it, without considering all factors and analyses together, could create a misleading view of the issues related to the report. Amendment of any of the assumptions identified throughout this report could have a material impact on our analysis contained herein. Should any of the major assumptions not be accurate or should any of the information provided to us not be factual or correct, our analyses, as expressed in this report, could be significantly different.