



**Economic and Rural Development**

**Economic and Rural Development  
2009/2010 Business Plan**

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Business Plan 2009/2010

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## 1. Message from the Minister

In January 2009, our department was re-named the Department of Economic and Rural Development to better reflect the work of the department and to recognize that rural Nova Scotia is invested in the economic sustainability of this province.

It is my pleasure to present the 2009/2010 business plan for Economic and Rural Development.

A year ago, those of us in the economic and community development business were talking about developing new products, taking on new opportunities, hiring more people, and expanding to new markets. Then a global economic downturn that started in late 2008 affected many of the strongest sectors in Canada and across the world.

Nova Scotia is not immune, and already we are seeing the challenges facing our local businesses and entrepreneurs. Many firms say it is difficult to access capital, preventing some companies from pursuing their plans to grow. Those in the export business are also experiencing the economic crunch. I am pleased that we are responding to these needs and introducing measures to stimulate the economy. I also note there are some signs of economic improvement.

In February 2009, Economic and Rural Development increased the capacity of the Industrial Expansion Fund by an unprecedented \$175 million to help businesses access capital so they can protect and create jobs and grow and compete. This is the largest increase in the fund's history, and has already helped numerous companies stabilize their operations, invest in new technology, and improve their productivity and competitiveness.

In cooperation with the federal and municipal governments, a three-year, \$1.9 billion provincial infrastructure plan was announced. Beyond the immediate benefit of jobs, the plan invests in projects that will contribute to the long-term prosperity of our province, and improve the quality of life for Nova Scotians.

Our optimism continues to be strong. Nova Scotians take pride in embracing opportunities, cultivating innovation and meeting challenges head on – an important attitude at this time. Economic and Rural Development shares this attitude and is working with the business community to meet the challenges of today, and at the same time continuing to focus on Nova Scotia's long term goals for sustainable growth, as outlined in *Opportunities for Sustainable Prosperity*.

We are pursuing sustainability by being innovative, greening our businesses and our communities, while improving the bottom line and making a positive impact on the environment. It is our goal to make Nova Scotia one of the cleanest and most sustainable environments in the world by the year 2020, while still ensuring greater economic performance. Completing the Broadband for Rural Nova Scotia initiative this coming year will enhance our position to truly exploit opportunity when the economy recovers.

With our innovative spirit, our competitiveness, a highly educated workforce and our strategic links to world markets, Nova Scotia has all the ingredients to prosper and succeed.



Honourable Percy Paris  
Minister

## 2. Message from the Deputy Minister

The Economic and Rural Development Business Plan for 2009-10 sets out a series of objectives and priorities for the coming year. At the same time, it gives us an opportunity to reflect on our key milestones and achievements of the past year.

It is relatively easy to highlight our accomplishments. It is far more challenging to predict what the year ahead may hold. The world economic situation changes almost daily – we are, in many ways, in uncharted waters.

Yet in the midst of change and uncertainty I see opportunity.

Our geography, relative to Europe, Asia and the United States, is relevant in a way that it wasn't for most of the last century, except during times of war. Our once-protected national market has been replaced by a global market that opens opportunities world-wide.

We have companies such as Medusa Medical Technologies delivering electronic patient record software products and services around the world.

Morswift Machines, of Digby, designs and manufactures products for the international packaging industry.

LED Roadway Lighting has developed energy efficient roadway lighting and is targeting international markets including the United Arab Emirates.

Protocase, of Sydney, delivers custom prototype enclosures to the largest brand name electronics companies in the world.

These Nova Scotia knowledge-based companies are globally competitive, employing Nova Scotians in engineering and accounting, shipping and receiving, project management and sales and marketing to name a few.

Our team at Economic and Rural Development works together with our agencies, other departments of government, our municipal and federal partners and various not for profits, to capitalize on our strengths to build an even stronger Nova Scotia.

As outlined in this plan, we will focus on three key areas:

**Investment** – Nova Scotia businesses need to have the best technology, the best equipment, and the best people. We will work with businesses to encourage a culture of innovation so that companies are re-investing their own profits in new technologies, new equipment and new business ideas. And where appropriate, we will participate in these investments.

**Training and Education** – We will support innovation by building individual and community capacity. We will work with like-minded government and non-government organizations to ensure Nova Scotians have the skills and tools to identify and seize opportunities to sell their ideas, products and services.

**Confidence** – we will celebrate our successes and encourage Nova Scotians to think like winners – here at home and internationally.

Here in Nova Scotia, we are competitive because we recognize that innovation, creativity and resourcefulness are the building blocks of the new global economy – and our future economic success. We are confident in our ability to increase prosperity for all Nova Scotians. We are investing in our communities, our people and our future.



Ian Thompson  
Deputy Minister

### 3. Vision

The vision set out in Nova Scotia's economic growth strategy, *Opportunities for Sustainable Prosperity* - "a thriving Nova Scotia that is the best place in Canada to live, work, do business, and raise families" - drives the work of Economic and Rural Development.

### 4. Mission

The legislation governing Economic and Rural Development (ERD) charges the department with developing, co-ordinating and implementing policies and programming relating to economic development and the economic growth strategy. ERD is to:

- collaborate with the rest of the public sector and the private sector on matters related to economic development throughout the province
- co-ordinate and implement projects with communities in economic transition
- promote the improvement of the business climate and the maximization of benefits from major procurement projects
- improve the development performance of the provincial labour force
- set overall priorities for provincial economic development strategic projects.

### 5. Planning context

When we prepared the first draft of this business plan, most of the developed world was in recession. Growth in previously hot economies like China and India had slowed significantly. The economy of Nova Scotia's most important trading partner, the United States, had deteriorated. Job cuts, stock market losses, drops in consumer spending and housing starts, prices in decline and a tightening of credit availability dominated the headlines.

Initially, economists were cautiously optimistic that any recession would be short. Although the Bank of Canada has recently suggested that the Canadian economy may be in recovery, forecasters continue to be cautious about suggesting that the recession in Canada is over. In this rapidly changing context, the challenge becomes dealing with immediate and changing difficulties without losing sight of the need to work towards long term growth and sustainable prosperity.

Nova Scotia faces forces beyond our control but we are well positioned to come through this storm. Our core assets will serve us well when the global economy recovers.

Our assets include:

- Partnerships: Our staff have strong partnerships, with NSBI and InNOVAcorp, other agencies and departments of government, municipal and federal governments, not-for-profits, and our businesses. Together we provide the ingredients to build a stronger Nova Scotia, offering more opportunities for our citizens.

- Geography: We are well placed, relative to Europe, Asia and the United States. Our life as part of a protected national market has been replaced by a world of global markets and global opportunities. Our market was Ontario. It is now the world.
- Knowledge-based companies: Newer Nova Scotian companies are changing the provincial economy. Many are globally competitive, employing Nova Scotians in diverse disciplines ranging from engineering, to accounting, to shipping and receiving to project management, to marketing and sales. We are a part of the global aerospace industry. We are active in world training markets. We have a growing wine industry. We have a major new financial services industry.
- Traditional industries: Most are working hard to adapt to the new global realities. Many, like pulp and paper, are challenged but, in part due to government investments, continue to hold their heads above water while many others have not.
- Economic diversity: The diversity of our economy helps. Our large public and defence sectors provide stability. We rely less on manufacturing than Ontario, Quebec, or New Brunswick. We feel less impact of volatile commodity prices than other jurisdictions.
- Government programming and policy making experience: The government has entered into an agreement to sell our solid waste management expertise to Trinidad and Tobago. Other opportunities present themselves.

We do have some general challenges:

- Severe short term pressures compete with keeping an eye on the government's long term economic goals
- Access to capital is a chronic problem. It prevents some successful companies from pursuing their plans to innovate and grow. The current global credit crunch makes access to capital a bigger problem today than it was even two years ago.
- While we have wonderful schools, colleges and universities, some good jobs remain unfilled because we do not have the right people with the right skills in the right places.
- In the short term unemployment will rise in some sectors while there are still labour shortages in others. We will need to integrate workers returning from the Alberta oil sands into the Nova Scotian economy.
- Worries are growing. It is hard to ignore the job losses in the United States, Ontario and here at home. Some Nova Scotians fear for their futures. In the midst of what is perceived as a crisis, there is the potential to become distracted from our long-term goals, to react to the crisis rather than to focus on building sustainable prosperity.

We have special challenges in three areas where we and our partners are actively engaged:

- Investment: Tight credit is causing even solid companies to seek government support so they can continue to grow and remain competitive. We need to identify businesses we can assist, and intervene early. We need to invest in our businesses. Our priority must be strong companies that can handle borrowing from us and emerge as more competitive. We need to have the best technology, the best equipment and we need to do more R & D. We need to help businesses become more innovative and productive and support those that are already.

- Training: We need to think beyond what happens in our educational facilities. We need to think about on-the-job skills training and about community capacity building. We need to think about enhancing our collective marketing skills and developing the capacity to identify and seize opportunities to sell things that we make and things that we do.
- Confidence: We must remind ourselves frequently that we can compete and win, domestically and internationally. We need to prepare for the time when the Canadian and American economies improve.

We are encouraging investment by making more capital available than otherwise would have been the case. Through InNOVAcorp and NSBI, we are venture capitalists, supporting some of our newest companies that hold the potential to sell innovative products and services to the world. In our partnership with Credit Union Central of Nova Scotia we are providing loans to small companies. Through the Industrial Expansion Fund (IEF), we are providing larger loans to some of our largest companies.

We are helping to expand the skills of Nova Scotians through the work we do with the regional development authorities (RDAs), through payroll rebate programs linked to training, and through a variety of business advisory services. We are developing workshops to help identify opportunities to exploit the advantage we will have from province-wide high speed broadband service. We have established a productivity and innovation voucher program that encourages small businesses to work directly with our universities and NSCC to find solutions to vexing business challenges. We provide supplier development workshops to help more businesses understand how they can become reliable suppliers to the Province of Nova Scotia.

We are trying to enhance confidence by bringing attention to many of the things that we do well. We support the Celebrating Communities and the Power of Green conferences. We support *Open to the World* magazine. We support the Export Achievement Awards. We support the InNOVAcorp I-3 competition in which 129 companies participated last year in regional and provincial competitions.

## 7. Strategic Goals

Economic and Rural Development's strategic goals are:

1. To move Nova Scotia closer to sustainable competitiveness
  - Strengthen leadership, coordination and implementation of strategies, policies, and initiatives across government to advance sustainable prosperity in Nova Scotia.
  - Support innovation and productivity in key provincial industries and businesses to help expand and grow the economy of Nova Scotia.
  - Help Nova Scotia businesses to maximize opportunities around the world by working collaboratively with trade partners.
  - Support economic development work in partnership with provincial and community development organizations, the private sector, other governments and stakeholders.
2. To guide and leverage the province's investments in people, technology, information, goods, services, and construction to support sustainable and productive government operations.

## 8. Core Business Areas

Economic and Rural Development (ERD) has two core business areas. Both support our mission and goals. These core business areas are:

- Economic and Rural Development
- Procurement.

### 8.1 Economic and Rural Development

Economic and Rural Development's approach to economic growth emphasizes sustainable competitiveness leading to sustainable prosperity. The world is changing and Nova Scotia needs to adapt and respond to that change.

ERD leads and coordinates the cross-government efforts towards sustainable prosperity. Building on Nova Scotia's strengths, we integrate economic, social and environmental considerations to ensure that the province invests in the basic building blocks that support those systems - our financial, built, natural, human and social capitals. We also actively work with the Department of the Environment and other departments to support the implementation of programs to achieve the goals in the *Environmental Goals and Sustainable Prosperity Act*.

ERD partners with community organizations, the regional development authorities, and other levels of government to support sustainable development throughout the province, especially in rural areas. Through our network of regional offices, ERD helps communities and businesses participate in their own economic development and capitalize on strengths and opportunities to grow the rural economy.

The Industrial Expansion Fund (IEF) is another tool that the Government of Nova Scotia uses to support economic development throughout the province, especially in rural areas. Administered by ERD, the IEF has considerable flexibility in the amount and type of funding it provides. It also serves as a corporate funding source for broader government initiatives and policy implementation.

The department plays a leadership role in economic development policy. Staff analyze data on key economic indicators and provide interpretation to senior officials, other departments and agencies, and stakeholders. This timely analysis is valuable in assessing both challenges and opportunities, as well as setting broader strategic direction.

ERD partners with key businesses across the province. We support business competitiveness and deliver policies and programs related to skills development, youth, research and development, innovation, and strategic development of sectors.

ERD implements initiatives to help companies move forward in the current economic conditions and be better positioned for future opportunities. Examples include:

- leading trade policies and programs
- implementation and evaluation of the Productivity and Innovation Voucher Pilot Program
- addressing demographic challenges and opportunities
- implementing the community development policy, including, working with Aboriginal communities, offering rural leadership programs and encouraging local food systems.

Evaluation is incorporated into initiatives to support accountability and effective delivery.

ERD measures its progress by focusing on two major outcomes:

- **A competitive climate for economic growth** - ERD works to create an environment for economic growth in three ways; promoting sustainable competitiveness to achieve long term prosperity, encouraging increased productivity through innovation, and working with other entities to identify opportunities and develop strategies for economic growth.
- **Building capacity for economic growth** - ERD assists specific communities, and the province as a whole, in building economic capacity in four main areas - financial, human, social and built capital. Capacity building efforts may target specific industries, strategic goals (e.g. innovation), or communities of interest.

Core Business Area		Economic and Rural Development			
Outcome 1		A competitive climate for economic growth			
Measure	Base Year	2009/10 Target	Trend	Strategic Actions to Achieve Target	Data Source
Competitiveness of Nova Scotia business climate compared to other provinces	National: 3rd Atlantic: 1st (1999- BCI)		National Ranking/Atlantic Ranking**  2001: 4th / 1st 2002: 5th (tie) / 1st 2003r: 4th / 1st 2004: 5th / 1st 2005: 4th / 1 <sup>st</sup> <b>2006: 5<sup>th</sup>/ 1st</b>	<ul style="list-style-type: none"> <li>• Lead and coordinate cross-government efforts towards sustainable prosperity</li> <li>• Implement the Business Retention and Expansion project, now expanded province-wide.</li> </ul>	Business Climate Index

\*\* Note that the data for this outcome measure is on a 2 year delay. 2007 & 2008 information will be reviewed and available later in 2009 and 2010 respectively.

Core Business Area		Economic and Rural Development				
Outcome 1		Increased capacity for economic growth				
Measure	Base Year	2009/10 Target	2010 Target	Trend	Strategic Actions to Achieve Target	Data Source
Atlantic ranking of Nova Scotia development capacity	Atlantic: 1st (1999-BCI)	Atlantic: 1st	Atlantic: 1st	Atlantic ranking 2001: 1st 2002: 1st 2003: 1st 2004: 1st 2005: 1st <b>2006: 1st</b>	<ul style="list-style-type: none"> <li>Launch a Performance Based Funding Model for Nova Scotia Regional Development Authorities</li> </ul>	Business Climate Index-Development Capacity.
Percentage of Nova Scotians with high speed Internet access available to them	80% (June 2007)		100% (December 2009)		<ul style="list-style-type: none"> <li>Complete the broadband network in Nova Scotia.</li> </ul>	Industry Canada
Number of new mkt. penetrations (exports) by service firms	11 (2005/06)		60	2006/07: 32 <b>2007/08: 27</b>	<ul style="list-style-type: none"> <li>Continue supporting and funding the Export Development Strategy</li> </ul>	SEP quarterly reports; mission reports.

\*\* Note that the data for this outcome measure is on a 2 year delay. 2007 information will be reviewed and available in 2009.

## 8.2 Procurement Services

Procurement Services manages the procurement process for departments, agencies, boards, and commissions by providing knowledge and expertise to guide government as it seeks unique, creative, sustainable procurement solutions for complex business needs. Procurement Services ensures that the procurement of goods, services, construction, and facilities follows the principles of public procurement as specified in the *Province of Nova Scotia Procurement Policy*, while supporting the sustainable procurement goal as identified in the *Environmental Goals and Sustainable Prosperity Act*. The mandate of Procurement Services is to maintain an open and fair process that maximizes competition, while supporting our environment, economy, and society to obtain the best value for the province. Procurement Services also provides outreach programs that encourage competitiveness and innovation to Nova Scotia businesses, which in turn will contribute to the sustainable prosperity of Nova Scotia.

Through Procurement Services, ERD works to achieve the following outcome: A procurement process for goods, services and construction that fosters economic development, is open, fair, and transparent, obtains best value for the province and incorporates sustainable procurement practices. The means by which ERD measures this progress are outlined on the following pages.

Core Business Area	Procurement Services				
Outcome 1	<b>A procurement process for goods, services, and construction that:</b> <ul style="list-style-type: none"> <li>• <b>is open, fair, and transparent</b></li> <li>• <b>obtains best value for the province</b></li> <li>• <b>incorporates sustainable procurement considerations</b></li> </ul>				
Measure	Base Year Target	2009/10 Target	Trend	Strategic Actions to Achieve Target	Data Source
Percentage of expenditures for goods, services and construction obtained through the competitive bid process	89% (2001/02)	>90%	2001/02 89% 2002/03 91% 2003/04 91% 2004/05 89% 2005/06 87% 2006/07 86% 2007/08 89%	<ul style="list-style-type: none"> <li>• Educate government employees about Procurement Policy</li> <li>• Review procurement-related documentation to ensure ease of understanding and consistency</li> </ul>	SAP
Average number of bids received per competition through the competitive bid process	4.4 (2001/02)	>4	2001/02 4.4 2002/03 4.4 2003/04 4.3 2004/05 4.3 2005/06 4.1 2006/07 4.5 2007/08 4.6	<ul style="list-style-type: none"> <li>• Continue to hold Reverse Trade Shows, and community and sector specific workshops</li> <li>• Liaise with local architects and engineers and encourage the use of Nova Scotia product specifications in government building designs</li> <li>• Expand the number of jurisdictions exchanging tender information on the Canada Tender Exchange</li> </ul>	SAP

Average lapse time between tender issue and closing dates	21.9 days (2001/02)	>15	2001/02 21.9 2002/03 21.3 2003/04 22.9 2004/05 21.7 2005/06 22.4 2006/07 21.6 2007/08 20.1	<ul style="list-style-type: none"> <li>• Monitor periods of competition to comply with the Atlantic Procurement Agreement and the Agreement on Internal Trade.</li> </ul>	SAP
Number of formal complaints received from suppliers	8 (2005/06)	<10	2005/06 8 2006/07 2 2007/08 1	<ul style="list-style-type: none"> <li>• Improve understanding and application of the procurement process by all stakeholders via training, Supplier Development Program, communications tools such as website, workshops, seminars, supplier debriefing, etc.</li> </ul>	Procurement Services
Number of tenders containing evaluation criteria related to sustainable procurement	07/08 (new measure)		To be established with baseline data obtained after 07/08	<ul style="list-style-type: none"> <li>• Develop and implement a Sustainable Procurement Policy for the Province of Nova Scotia.</li> <li>• Partner with the Supplier Development Program to learn more about sustainable products and services developed and produced within Nova Scotia.</li> <li>• Develop list of categories where teams will be assembled to develop supporting tools to assist staff with sustainable procurement decisions.</li> <li>• Develop and offer training to government departmental staff. Showcase and recognize best practices accepted within the Government of Nova Scotia.</li> </ul>	Procurement Services

## 9. ERD Strategic Priorities for 2009/2010

1. Manufacturing and Processing (M&P) Investment Credit

Nova Scotia's manufacturing and processing sector faces many challenges in the coming years including currency fluctuations, global competition and a shrinking workforce. The sector, however, remains vital to our continued prosperity. Effective January 1, 2010, the province will offer a 10 per cent investment credit to manufacturing and processing firms purchasing qualified equipment that enhances their productivity and competitiveness. Details of the M&P Investment Credit will be developed throughout the fall working with stakeholders in the industry.

2. Lead and coordinate cross-government efforts towards sustainable prosperity and begin the development of the government's next growth strategy. Together with the Department of Environment lead the implementation of the *Environmental Goals and Sustainable Prosperity Act*, particularly focussing on the targets for 2009 and 2010.

- Lead the 2009 Power of Green Conference

ERD will lead the third Power of Green Conference to engage stakeholders in strategy implementation and clearly communicate the business case for sustainability. This year's event will build on the successful 2008 Conference which drew nearly 400 delegates, with significant private sector representation, to learn best-practices from world-renowned experts and business leaders. Implementation of sustainable practices can impact business competitiveness through energy cost savings, capitalizing on evolving market opportunities, and recruiting and retaining talented employees. Through the conference we will identify areas where we need to speed up progress and strategies to make that happen. We will report on progress in our annual accountability report.

- Emphasize work supporting innovation

Building on what we have learned through the Productivity and Innovation Voucher project, ERD will collaborate with federal, academic and private sector partners to develop new opportunities related to innovation, productivity and competitiveness. ERD will work closely with the Senior Policy Executive Forum in advancing this initiative across government.

3. Complete Broadband for Rural Nova Scotia

The Broadband for Rural Nova Scotia initiative is moving toward the goal of 100 percent broadband coverage province-wide by the end of 2009. This will make Nova Scotia one of the most connected jurisdictions in North America. ERD is facilitating the delivery of high-speed services to unserved rural areas in partnership with three private sector internet service providers. The project is about more than physical infrastructure. With the “Planning for a High Speed Future” initiative, ERD will ensure that increased Internet use in communities achieves community, economic and social development growth and allows rural Nova Scotia to compete in a global economy.

4. Make Capital Available to Nova Scotia businesses

In 2009/10 , ERD will use the Industrial Expansion Fund, and other financing programs, such as the Nova Scotia Business Development Program to support Nova Scotia businesses which are ready to grow and innovate, invest in new technology, and improve their productivity and competitiveness.

5. Implement the Business Retention and Expansion project province-wide

Business Retention and Expansion (BRE) is a community-based approach to collecting information to create a better understanding of business in local areas. In 2006 ERD, as part of a multi-stakeholder partnership, launched a BRE pilot project in seven areas of Nova Scotia. Phase II of the project will bring BRE programming to the remaining six RDAs. Full implementation of the program across the province will help to develop further capacity, both centrally and in the Regions, for the BRE approach. ERD and the other organizations supporting BRE will use the information generated by BRE to identify obstacles to economic and business growth and overcome them. The information will also help match programs more closely to local needs.

In response to needs already identified under BRE, ERD will continue to provide support to small businesses throughout the province. Key tools for this support include the Nova Scotia Business Development Program; the Canada Business Nova Scotia business service centres, 15 of which operate throughout the province in partnership with ACOA; and the Research and Development Co-op employment program in conjunction with private sector partners. The small business loan program, partly guaranteed by ERD and delivered by the Credit Unions, will continue. There are currently 400 businesses with loans under this program. It will grow in 2009-2010. The newly launched Immigrant Small Business Financing Program will expand in the coming year, too.

6. Build community and regional capacity through strategic initiatives and investments
  - Lead the 2009 Celebrating Communities Conference

Community leadership and innovation are at the heart of growth and prosperity. In September 2009, ERD will host the third Celebrating Communities Conference and Awards, in Truro. This event will bring together over 300 community development practitioners, community leaders and government representatives to share and celebrate local initiatives that advance sustainable prosperity. The event provides an opportunity to learn how communities across the province are taking charge of their future and to forge the inventive partnerships needed to strengthen community leadership and development.

- Manage the Community Development Trust Fund

ERD will support communities through implementation of the Community Development Trust Fund, a national trust established by the federal government. ERD manages the Trust for the Province. The \$34.9 million fund will enter year two in 2009-2010. It expects to have about \$4 million remaining to allocate. Through strategic investments, the Trust has helped transition key sectors and rural communities in Nova Scotia facing global economic challenges. For example, \$2.52 million invested in the Forestry Action Plan has assisted an industry vital to many Nova Scotian Communities to adapt to changing demand. Continuing implementation will involve counseling communities and stakeholders, both private sector and other levels of government, as well as measuring outcomes. Greater economic diversification, new or enhanced products and markets, and strengthened competitiveness are among the intended outcomes of investments made through the Trust.

7. Implement the Performance Based Funding Model for the Regional Development Authorities (RDAs)

The new performance based funding model will bring more accountability and transparency to the operations of the RDAs. The model promotes continuous improvement and will increase RDA efficiency and effectiveness. 2008-2009 was a transition year to allow RDAs and other stakeholders some experience with the enhanced performance measurement and evaluation process, and to meet requirements to qualify for the new funding model. In 2009-2010 all RDAs will begin using the new funding model.

8. Initiate a review of Trade Connectivity

The activities and processes associated with producing a given good or service

increasingly span national borders, leading to global value chains. The ability of Nova Scotia companies to adapt to this changing environment is key to their future competitiveness, and to the province's prosperity. Working with government partners, ERD will initiate a review of the province's trade links, both exports and imports, to understand better where our opportunities to participate in global value chains lie. This work will build a framework for a more informed approach to policy direction and program planning for international commercial priorities.

9. Implement the *Sustainable Procurement Policy*

The new *Sustainable Procurement Policy* reinforces the province's recognition of the important role public procurement plays in contributing to the sustainable prosperity of the province. The new policy will become effective during 2009/2010. Implementation of the policy will be a corporate, multi-year initiative. The policy will make sustainable procurement the norm for provincial acquisition of goods and services over the long-term. The implementation plan will define an incremental approach that builds on existing sustainable procurement efforts, and adopts best practices to ensure integration of sustainable procurement in day-to-day operations. This incremental, category by category implementation will begin during 2009/2010.

10. Advanced Manufacturing, including Defence, Security and Aerospace

ERD will work with both public and private sector partners to sustain and grow the defence, security and aerospace sector. To support this work, ERD will lead Team Aerospace, Defence and Security (TADS) comprised of key stakeholders in the sector. The Province of Nova Scotia through ERD also continues with a commitment to the Atlantic Ministers for Defence, Security and Aerospace.

- The Province will lead a team to organize an Atlantic Partner's Conference for public and private stakeholders in Aerospace, Defence, and Security.
- The Province will work with the other Atlantic Provinces to develop an Atlantic Marketing and Promotion Campaign for the sector.
- ERD will develop a sector Asset Map, to identify strengths and growth opportunities.

10 Training

In partnership with NSBI, ERD has provided funds for training to some businesses which have set up or expanded in the province. This work will continue in 2009-2010. Through the Student Employment Program, ERD will again offer career related employment opportunities to Nova Scotia students.

## **10. Human Resource Strategy**

A focus on our people is a key ERD strategic priority. Recruitment and retention of skilled talent are challenges faced by employers across the country. We will invest in our people through skills development, employee engagement, succession planning, recognition and stronger internal communication. In keeping with the Corporate Human Resources Strategy, ERD adheres to government policy on recruitment, compensation, and performance management.

We have learned from departmental employee satisfaction surveys what we need to do better. We are paying attention to concerns that departmental opportunities be made known widely so that all staff have an opportunity to apply. In 2009/2010, ERD will respond to the results of the Public Service Commission's "How's Work Going?" survey currently underway.

Through activities like our annual staff day, we will engage our employees to help tackle some of the important issues we face as a department and as a province. In 2009/2010, ERD will continue the Employee Recognition Initiative established in 2006 to promote both formal and informal employee acknowledgment opportunities. The department will also continue to play an active role in the Government's French language services initiative and GoverNext. Employee health and wellness will be promoted through departmental activities, and support for employee participation in Public Service Commission workshops and programs associated with work-life balance.

## 11. Financial Context and Budget

<b>Economic &amp; Rural Development</b>			
	<b>2008-2009 Estimate</b>	<b>2008-2009 Actual</b>	<b>2009-2010 Estimate</b>
Program & Service Area	(\$thousands)	(\$thousands)	(\$thousands)
<b>Program Expenses:</b>			
Senior Management and Support Services	4,193	3,845	3,506
Community and Rural Development	9,877	14,159	11,294
Corporate Information Strategies	2,922	2,396	0
Decision Support	14,155	13,874	11,719
Economic Strategies and Initiatives	32,290	21,668	26,700
Investment	26,122	33,059	39,711
Procurement Services	2,086	2,011	2,313
<b>Total Program Expenses</b>	<b>91,645</b>	<b>91,012</b>	<b>95,243</b>
Additional Information:			
Ordinary Revenue	(594)	(36)	(199)
Ordinary Recoveries	(1,770)	(1,868)	(1,605)
Provincial Funded Staff (FTEs)	132	121	113