

**Nova Scotia Economic Development  
Accountability Report for Fiscal Year  
2007/2008**

## **TABLE OF CONTENTS**

	Page
Accountability Statement	3
Message from the Minister	4
Introduction	5
Department Progress and Accomplishments	5
Budgeting Context - Financial Results	18
Outcome Measures	19

## **Accountability Statement**

The accountability report for Nova Scotia Economic Development (NSED) for the year ended March 31, 2008, is prepared pursuant to the Provincial Financial Act and government policy and guidelines. These authorities require the reporting of outcomes against NSED business plan information for the fiscal year 2007/2008. The reporting of NSED outcomes necessarily includes estimates, judgments and opinions by NSED management.

We acknowledge that this accountability report is the responsibility of department management. The report is, to the extent possible, a complete and accurate representation of outcomes relative to the goals and priorities set out in the business plan for the year.

---

Hon. Angus MacIsaac  
Minister

---

Paul Taylor  
Deputy Minister

## **Message from the Minister**

I am pleased to present the Nova Scotia Economic Development Accountability Report for the fiscal year 2007/2008. The report is an accounting of the work undertaken by the staff of NSED in the pursuit of the strategic goals and priorities outlined in the department's 2007/2008 business plan.

The Province's economic growth strategy, *Opportunities for Sustainable Prosperity* includes a vision that Nova Scotia will be the best place to live, work, do business and raise a family. This accountability report demonstrates that NSED is working steadily towards that goal.

## Introduction

This report covers the period from April 1, 2007 to March 31, 2008. It reflects the organizational goals, priorities and performance measures outlined in Nova Scotia Economic Development's (NSED) 2007/2008 business plan and describes results, achievements and progress in meeting the intended performance measures expected during this period.

## DEPARTMENTAL PROGRESS AND ACCOMPLISHMENTS 2007/2008

### Core Business Area 1

A Competitive Environment for Economic Growth

#### *Priority: Implement Opportunities for Sustainable Prosperity (OfSP)*

*The province's updated economic growth strategy provides a framework to grow the economy, with an emphasis on sustainable competitiveness. It supports and encourages innovation, creativity, and resourcefulness to optimise our opportunities for success. In the second year of implementation of Opportunities for Sustainable Prosperity (OfSP), NSED will coordinate work across government departments and agencies to advance the actions within each of the eight strategic focus areas outlined in the strategy. Together with partners, NSED will work to explore and improve understanding and application of the concept of "sustainable competitiveness." NSED will also track, measure and report on OfSP's progress.*

#### Accomplishments

In 2007/2008, an interdepartmental steering committee and its member departments continued to implement *OfSP* priorities to advance the vision of a sustainable Nova Scotia. Efforts concentrated on moving these priorities forward while strengthening the linkages between economic prosperity and environmental sustainability. To this end, a Deputy Ministers Forum and a supporting Senior Officials Group were established to guide the implementation of new legislation - the *Environmental Goals and Sustainable Prosperity Act (EGSPA)* which was put into law in June 2007. *EGSPA* and *OfSP* set Nova Scotia on a course to be a world leader in sustainable environment, while being in an economic position at or above the national average by 2020.

Progress across departments in the eight strategic focus areas of *OfSP* will be highlighted in the annual report, which is expected to be released early in the 2008/09 fiscal year. The first annual progress report of *EGSPA* will be released in conjunction with the *OfSP* Progress Report, emphasizing that environmental sustainability and economic growth are mutually supportive.

***Priority: Continue with the Business Retention and Expansion (BRE) pilot project.***

*BRE is a community-based approach to collecting information in order to create a better understanding of business in local areas. In 2006, NSED, as part of a multi-stakeholder partnership that includes Nova Scotia Business Inc., the Atlantic Canada Opportunities Agency, Service Canada and the Nova Scotia Association of Regional Development Authorities, launched a BRE pilot project in seven areas of Nova Scotia. The project will continue in 2007/2008, with priorities focused on the retention and growth of businesses located in rural areas.*

Accomplishments

In 2007/2008, NSED continued to implement and support the BRE pilot project in regions across Nova Scotia. Boards and staff of the province's Regional Development Authorities (RDAs) who participated in the pilot projects acquired experience and expertise in BRE services, while all seven participant RDAs incorporated BRE as a core business area. The project increased the capacity of local RDAs to provide services to local business clients, initiate new collaborative activities to address business development issues identified through BRE activities, and set up effective referral processes for local businesses. BRE Local Action Teams (LATs), with participation of key economic development partner agencies, were established in seven regions across the province. Through the implementation of the project, BRE was recognized as an effective approach to local economic development. Successful implementation of BRE resulted in the launch of NSED's new Business Development Program (NSBDP). The NSBDP encourages business start ups and provides help through qualified consultants for business operators to review and assess their practices to develop new approaches. Virtually all stakeholders now see BRE as a basic element of regional development in Nova Scotia. Six new regional development authorities will join the expanded program in 2008/09.

***Priority: Develop a productivity and innovation strategic framework***

*Few issues will be as important to Nova Scotia's economic prosperity in the coming years as productivity. Finding ways to increase the level of productivity will be necessary to ensure living standards continue to rise and that resources are available to continue investing in areas such as health care, education, and the environment. One of the primary ways in which the private sector can improve their productivity is through the adoption of state-of-the-art technologies along with new and improved processes. In 2007/2008, NSED will develop a framework for supporting private sector investment in research and development, commercialization and new technologies that can help make Nova Scotia businesses more competitive in the global marketplace.*

**Accomplishments**

In 2007/2008, NSED activities focused on improving the accumulated knowledge on issues related to research and commercialization in Nova Scotia. NSED contracted out a study, "Impact of Research Spending on the Nova Scotia Economy," that was delivered in August 2007. The study provided a breakdown of research activity at Nova Scotia universities and colleges, and research funding they received from federal granting councils, the provincial government and other significant sources. The report also provided an assessment of the broader economic impact of this research funding. NSED also contributed financially and through committee participation to a study led by the Council of Atlantic Premiers and the Atlantic Canada Opportunities Agency (ACOA), that looked at issues related to accelerating research and development/innovation activity among Atlantic small- and medium-sized enterprises. This report, "A More Innovative Atlantic Canada" is expected to be released during the 2008/2009 fiscal year.

In addition, NSED created the Research and Development Co-operative Employment Program. The objective of this initiative is to provide students enrolled in post secondary education with an opportunity to work with private sector firms undertaking research and development activities.

***Priority: Study the impact of demographic change on Nova Scotia's economic development***

*NSED has committed to developing a better understanding of the potential impact of changing demographics in Nova Scotia. In 2006, an interdepartmental committee led by the Department of Education engaged Canmac Economics Limited to undertake a study of the demographic changes in Nova Scotia. In 2007/2008, NSED will review and analyze the resulting report to identify key impacts of demographic change on Nova Scotia's economic development and the associated implications for NSED programs and policies. NSED will also work with the Nova Scotia Department of Finance, Treasury and Policy Board and other partners to share information and coordinate provincial efforts on the demographics issue.*

**Accomplishments**

In 2007/2008, progress was made in studying the impact of demographic changes on the provincial economy. NSED, in conjunction with Canmac Economics Limited, conducted a review of key impacts of demographic change on Nova Scotia and analyzed the implications for the department. Demographic trends are important from an economic development perspective, as they can lead to labour market constraints and other pressures. Findings suggest NSED has an important role to play in helping businesses, communities and people adapt to demographic changes through promoting productivity and innovation. NSED will continue to work with various of its partners to ensure a coordinated effort in this area.

**Core Business Area 2**

Increased Capacity for Economic Growth

***Priority: Develop regional economic development plans***

*Part of building capacity for economic growth in Nova Scotia means recognizing that different regional economies exist across the province. NSED financially supports and works closely with the provinces Regional Development Authorities (RDAs). In 2007/2008, NSED will begin working with the Strait area RDAs on the development of a regional economic development plan that will build on the unique assets and economic development opportunities for that region. The experience generated by piloting the creation of this first plan for the Strait area will provide*

*useful knowledge and tools to inform the development of similar initiatives in other parts of the province in future years.*

#### Accomplishments

In 2007/2008, regional managers and field staff from NSED's Northern and Cape Breton regions continued to work with the Strait Area Quad County RDAs (Strait-Highlands, Guysborough, Antigonish) to foster a more co-ordinated approach to regional economic planning for the Strait Quad County region.

A Strait of Canso Port Master Plan was undertaken and the RDAs located in these areas began the development of strategic plans. NSED also began work on a regional economic sector analysis for the area. The analysis will be completed in 2008/09. All these plans and reports will form the baseline for a more integrated Strait regional economic development plan.

#### ***Priority: Expand the broadband network in Nova Scotia***

*High-speed Internet has become a business and consumer necessity in the global marketplace. It is also becoming an essential enabler of efficient and effective social programs. Although Nova Scotia has one of the most widely deployed and reliable digital broadband networks in North America, there is still room for improvement. The goal of Broadband for Rural Nova Scotia is to ensure all Nova Scotians have access to broadband internet by the year 2009. Between April 1, 2007 and March 31, 2008, phase one of the initiative will be implemented, making high speed Internet available to 45 percent of the remaining unserved areas of the Province by March 31, 2008.*

#### Accomplishments

In 2007/2008, significant advancement was made in the *Broadband for Rural Nova Scotia* initiative. The number of unserved civic addresses in the province was identified, and specific zones were created to ensure that service providers could bid on relatively large geographical areas that included a critical mass of unserved residents and businesses. Seven zones were identified, and five of these zones (with the exception of Cumberland County and Halifax Regional Municipality) included more than one provincial county. Requests for Proposals (RFP's) for Internet service provision were issued, and service providers awarded contracts for Zones 1 through 6 in December 2007. The contracted service providers have been working since

December 2007 to design and finalize the radio frequency engineering for the initiative. They are also working on site identification and acquisition.

Public consultations and permit applications were completed and the construction of the wireless network using existing radio antennae and towers commenced at a number of sites throughout the province. A tender for Zone 7 - the Halifax Regional Municipality - was issued in February 2008, and it is anticipated that an award will be made early in the 2008/2009 fiscal year.

The project is on target for every Nova Scotian to have access to broadband by the end of 2009.

### **Core Business Area 3**

Corporate Technology and Information Management

***Priority: Develop a framework for IT Disaster Recovery Plan (DRP)***

*Government is currently developing business continuity plans (BCPs) to ensure the uninterrupted delivery of its priority services. A BCP is a planned sequence to restore services in the event of a natural or human-caused disaster. The next step is to develop disaster recovery plans (DRPs) in support of the BCPs. A corporate governmental IT DRP strategy needs to be developed in support of the corporate BCP. In 2007/2008, NSED will co-ordinate the development of an approach, templates, guidelines, and best practices for departmental DRPs. Involvement, alignment, and integration with the current departmental BCP project will occur during the 2007/2008 fiscal year.*

#### Accomplishments

In 2007/2008, NSED developed standard templates, guidelines, and a framework for the creation of departmental Disaster Recovery Plans (DRPs). The templates and framework were based on the departmental Business Continuity Plan (BCP) templates and framework, as the DRP is a subset of the BCP. This work was done in co-ordination with the BCP Project Team at the Emergency Measures Organization to ensure alignment and integration of the departmental DRP templates and framework with the standardized departmental BCP framework.

NSED also held workshops with Nova Scotia departmental representatives to obtain their feedback and support for the templates and frameworks. A presentation was delivered to the

Business and Technology Advisory Committee (BTAC) outlining the plan and its current progress. In addition, NSED co-ordinated the distribution of templates and frameworks to the departments for their completion of the actual DRPs.

***Priority: Develop recommendations for a corporate approach to business intelligence***

*Business intelligence is a broad category of applications and technologies for gathering, providing access to, and analysing data for the purpose of helping organizations make better business decisions. The ultimate objective of business intelligence is to improve the timeliness and quality of information.*

*Given that we are now in the possession of vast amounts of data, and in possession of applications and technologies to analyse that data, the Province needs to take a strategic approach to getting the best value from that information. In 2007/2008, NSED will begin developing a corporate approach to the implementation of business intelligence that will link together a number of initiatives including the Information Management Framework, the Enterprise Architecture, and the SAP Program. Through this initiative we will document our current environment, establish our requirements, and recommend the approach for providing and supporting a business intelligence environment that will meet the Province's needs.*

**Accomplishments**

In 2007/2008, NSED investigated the opportunity of creating a Business Intelligence environment in the Nova Scotia government. This included research into other jurisdictions, analysing various scopes and approaches as well as speaking to various corporate forums about the readiness of government for this type of initiative. NSED also supported and kept current on various practical projects underway by other Nova Scotia departments to advance their Business Intelligence capabilities. This work resulted in a definition of Business Intelligence, a description of the components of a strategy and an approach to developing the strategy. In addition, the project structure and governance model were defined for the development of a Business Intelligence strategy.

**Core Business Area 4**

Procurement

***Priority: Encourage a move towards sustainable procurement in the public sector***

*Sustainable Procurement is a process in which organizations procure goods, services or construction by taking into account environmental aspects, life cycle costs, and social aspects (impacts on issues such as labour conditions and human rights). Ultimately these efforts aim at minimizing environmental pollution and depletion of resources, while at the same time minimizing social consequences.*

*NSED will take a lead role within the province to encourage a movement towards sustainable procurement in the public sector. The Province of Nova Scotia currently acquires goods, services and construction to the value of approximately \$600 million annually. This annual consumption becomes a driver for change towards more sustainable procurement practices. In 2007/2008, Procurement Services's vision is to "Enable, Encourage and Engage" government departments to participate in the sustainable procurement movement.*

*In 2007/2008 Procurement Services will:*

- a) Enable - Develop a set of sustainable procurement guidelines as a foundation to further sustainable procurement activities within the Government of Nova Scotia*
- b) Encourage - Adopt sustainable procurement practices for operational purchases within Procurement Services' mandate; showcase and recognize any best practices adopted and implemented within the Government of Nova Scotia*
- c) Engage - Partner with the Supplier Development Program to learn more about environmentally friendly technologies and products developed and produced within Nova Scotia*
- d) Lead the Sustainable Procurement initiative in support of the Environmental Goals and Sustainable Prosperity Act to develop a Sustainable Procurement Policy for government by 2009.*

## Accomplishments

During 2007/2008, the scope of this priority was expanded as a result of the introduction of the *Environmental Goals and Sustainable Prosperity Act (ESPA)*. Early into 2007, NSED began to lead the corporate initiative to develop and adopt a Sustainable Procurement Policy for government by 2009. In order to capture work undertaken in this area during the year a new sub-priority, d) was added within this section.

*a) Enable - Develop a set of sustainable procurement guidelines as a foundation to further sustainable procurement activities within the Government of Nova Scotia*

With the introduction of the *Environmental Goals and Sustainable Prosperity Act (EGSPA)*, this priority changed to building a foundation to support future guideline development by creating the overarching Sustainable Procurement Policy. The policy serves as a framework to support implementation of sustainable procurement, including the development of sustainable procurement guidelines.

Despite the changes, there has still been progress in this area by the interdepartmental Green Procurement Working Group (GPWG) specifically in the initiative areas of “Greening the government fleet”, “Greening ICT”, and “Greening buildings”. NSED continued their involvement in the above mentioned subgroups of the GPWG throughout the year and also became involved in the Green Cleaning Committee. NSED also supported the interdepartmental initiative to flag green products within the web-based stationery stockroom product catalogue.

*b) Encourage - Adopt sustainable procurement practices for operational purchases within Procurement Services’ mandate; showcase and recognize any best practices adopted and implemented within the Government of Nova Scotia*

During 2007/2008, NSED was involved in integrating environmental considerations into several tender specifications and standing offers for government procurement relating to many essential products and services. Government-wide progress in adopting sustainable procurement practices was also highlighted in presentations and information sessions for various internal and external stakeholders held throughout the year. The Sustainable Procurement section of the Procurement Services website was and will continue to be updated to highlight government-wide progress in adopting sustainable procurement.

*c) Engage - Partner with the Supplier Development Program to learn more about environmentally friendly technologies and products developed and produced within Nova Scotia*

During 2007/2008, a feature was added to the Community Investment Management System (CIMS) to begin identifying Nova Scotia businesses that have made efforts to increase the sustainability of their operations and/or offer sustainable products and services. However, it was recognized early on that identifying sustainable businesses is difficult due to a lack of environmental or sustainable third party certifications at this time.

Supplier Information Sessions were also held in six areas throughout Nova Scotia to engage suppliers for research purposes and to support the development of the Sustainable Procurement Policy. The participants of these sessions were primarily businesses already increasing the sustainability of their operations and/or offering sustainable goods and services. Information about the participating businesses is being tracked in CIMS. There was also a continued presence at Reverse Tradeshows to help reach sustainable businesses.

*d) Lead the Sustainable Procurement initiative in support of the Environmental Goals and Sustainable Prosperity Act (EGSPA) to develop a Sustainable Procurement Policy for government by 2009.*

Early in 2007, NSED established the Sustainable Procurement Policy Development Working Group with representation from Departments of Environment, and Transportation and Infrastructure Renewal. During the course of the year, a work plan, project reporting structure, and Terms of Reference were developed by the group. Tracking of progress also commenced in anticipation of an Annual Progress Report as part of *EGSPA* reporting.

The first deliverables of this working group were the strategic direction and the *Scope and Approach to Sustainable Procurement* paper, which were communicated to various internal and external stakeholders. Stakeholder engagement was identified early on as a key success factor of sustainable procurement. Three phases of stakeholder engagement were identified: research, consultation, and implementation. During 2007/2008, the research phase of stakeholder engagement was completed, through the use of information sessions and surveys conducted with various stakeholders.

***Priority: Improve accessibility and efficiency of the procurement process***

*Improved accessibility and efficiency of the procurement process will allow for improved service delivery to our stakeholders both internal and external to government. Developing and improving processes through avenues of contact with all stakeholders and integrating this source of information into process improvements, will improve service delivery. It will also enhance the overall confidence, transparency and perception of public procurement in Nova Scotia.*

*In 2007/2008 NSED will;*

- a) Build upon the successful Reverse Tradeshow concept, and hold community or sector specific workshops*
- b) Liaise with local architects and engineers, informing them about Nova Scotia manufactured goods and products and encourage them to use these specifications as a standard in all government-related building designs.*
- c) Conduct a review of the Procurement Services website and develop the areas identified for improvement by both internal and external stakeholders.*
- d) Review and modify procurement related documents to ensure they are easy to read, understand, streamlined and consistent in their message. Develop and continue to improve upon processes, templates and forms to be used throughout the procurement process.*
- e) Meet with government employees to educate them about the Procurement Policy and the impacts the Procurement Policy has on the acquisition of goods, services and construction.*

Accomplishments

a) NSED was involved in three outreach sessions to external stakeholders in 2007/2008. The workshops focussed on how local businesses and producers can grow or enhance their business by selling within the local marketplace as well as, how to respond to Requests for Standing Offers (RSOs), and Requests for Proposals (RFPs). All three sessions provided an opportunity for participants to interact directly with NSED staff, and helped explore ways that business and government can create strong working relationships.

b) During 2007/2008, NSED focussed on developing a better understanding of specifications development in the construction sector within Nova Scotia and networking with local architects

and engineers within Transportation and Infrastructure Renewal. Efforts were also undertaken to increase knowledge of the products and services of Nova Scotia manufacturers. During 2007/2008, the CIMS was updated to contain information on Nova Scotia suppliers and manufacturers, and the products and services they offer.

C) NSED formed a Procurement Services Website Review Working Group early in 2007/2008. A *Procurement Services Website Review* discussion paper was developed to identify and guide discussion of areas for improvement of the website. This paper compiled and analysed email feedback received from users of the website, surveys conducted of government staff and suppliers, a focus group of staff, and recommendations from the KPMG review of the Procure-to-Pay process. Throughout 2007/2008, improvements were made to the structure and the layout of the Procurement Services website to increase its user-friendliness. Improvements were also made to the content of the website through improvements including, the addition of an electronic version of the Supplier Development Toolkit, and information for suppliers about Requests for Standing Offers (RSOs).

d) During 2007/2008, all procurement-related documents were reformatted to ensure consistency and user-friendliness. A database of all procurement related documentation with version and storage information was also developed. The tracking of all procurement-related documents enabled the identification of gaps in documentation and areas for improvement. New documents were created for internal and external stakeholders to improve the procurement process. For suppliers, several documents were created to provide more information on the debriefing process and how to respond to Requests for Standing Offers (RSO's). For government staff, several documents were created to provide more information on how to use standing offers and to clarify internal processes and procedures.

e) During 2007/2008, approximately 255 government staff throughout Nova Scotia attended compliance presentations delivered by NSED. Many improvements to reporting of compliance to Province of Nova Scotia Procurement Policy were made as a result of this outreach. Procurement Technicians, Coordinators, and Procurement Officers are now being forwarded their department's monthly compliance results, and there have been increases in inquiries related to compliance including, departmental requests for information on and meetings to discuss ways to increase their compliance.

## **Additional NSED Business Areas**

### ***Priority: Human Resources Strategy***

*In keeping with the Corporate Human Resources Strategy, NSED adheres to government policy applications with regard to recruitment, compensation, performance management and attendance management. In 2007/2008, NSED will continue with the Employee recognition initiative it established in 2006, and will continue to play an active role in the Nova Scotia government's Acadian Services/French language initiative. NSED will also participate in the Public Service Commission's introduction of the management tool kit. NSED's senior management team began to work on a succession planning exercise in 2006. They will continue this work in 2007/2008.*

### **Accomplishments**

NSED continued in various ways with its employee recognition program which was initiated in 2006. The Employee Recognition Committee met regularly and continued to identify and promote both formal and informal employee recognition opportunities. A staff day was held in October to bring together all departmental staff and highlight accomplishments by various divisions and to recognize employees' years of service. NSED also held the first annual Minister's Awards of Excellence in June 2007, to showcase and celebrate exemplary contributions to public service by NSED employees. NSED also continued to play a significant role in the government's French language initiative, chairing the French Language Secretariat.

During 2007/2008, NSED filled staffing vacancies, including a senior management position, without great difficulty and with generally satisfactory candidates. Despite this, succession remains on the radar as a looming challenge. During the past year NSED's senior management carried out a risk assessment exercise which identified succession as a potential problem in the near future with the full ramifications yet to be felt.

## **Budgeting Context, Fiscal Year 2007/2008**

## Budget Context

<b>Economic Development</b>			
	<b>2007-2008 Estimate</b>	<b>2007-2008 Actual</b>	<b>2007-2008 Variance</b>
Program & Service Area	(\$thousands)	(\$thousands)	(\$thousands)
<b>Ordinary Revenues</b>	695	706	11
<b>Net Program Expenses</b>			
Senior Management & Support Services	4,644	4,549	(95)
Community & Rural Development	9,861	14,458	4,597
Corporate Information Strategies	2,793	2,273	(520)
Decision Support	13,895	13,898	3
Economic Strategies & Initiatives	16,461	21,552	5,091
Investment	25,052	39,099	14,047
Procurement Services	1,960	1,886	(74)
<b>Total Net Program Expenses</b>	<b>74,666</b>	<b>97,715</b>	<b>23,049</b>
<b>Provincially Funded Staff (FTEs)</b>	<b>122</b>	<b>113</b>	<b>(9)</b>

### **Significant Variance Explanations: 2007-08 Actual to 2007-08 Estimate**

#### **2007/08 Actual to Estimate - Net Program Expenses increase of \$23.0 million:**

Overall, net program expenses were \$23.0 million over budget, primarily due to increased expenditures in the Industrial Expansion Fund and Development Agreements for \$14.1 million, an additional contribution of \$8.9 million to the Nova Scotia Research and Innovation Trust Fund, and additional funding of \$5.0 million for Community Development grants. These amounts were offset by savings of \$2.9 million in the Broadband for Rural Nova Scotia program and miscellaneous salary and operational savings of \$2.1 million throughout the department.

## **Outcome Measures 2007/2008**

*This section reports on each of the department's measures as outlined in the 2007/2008 business plan.*

## **Core Business Area 1**

### **A Competitive Environment for Economic Growth**

NSED aims to create an environment for economic growth in three key ways; by promoting sustainable competitiveness to achieve long term prosperity, encouraging increased productivity through innovation, and by working with other entities to identify opportunities and develop strategies for economic growth.

#### **Outcome: A competitive provincial climate for economic growth**

**Measure:** Competitiveness of Nova Scotia business climate compared to other provinces, as measured by the Business Climate Index.

**Intended Outcome:** Improving the business climate of Nova Scotia was the number one issue identified by the Red Tape Reduction Task Force and the Opportunities for Prosperity consultations. The Business Climate Index (BCI) is based on a broad range of indicators and provides a benchmark for comparing Nova Scotia's performance to other Canadian jurisdictions. It is currently under review.

**What does this measure tell us?** The BCI assesses the general business climate across 53 indicators and ranks the province on each relative to other provinces in Canada. Data compiled for the index helps pinpoint areas where Nova Scotia needs to improve. BCI data is compiled primarily from Statistics Canada and is based on the most recent year available. Typically complete data is available two years after the fiscal year it occurred. [ *NB:This draft of NSED's 2007/2008 accountability report reflects BCI results from 2005, as 2006 data is not yet available for all the indicators used in the index. It is anticipated that the 2006 results will be available later in 2008*]

**Where are we now?** In its seventh year, the BCI demonstrates that Nova Scotia had the most competitive business climate in Atlantic Canada. In addition to continuing its lead in Atlantic Canada, Nova Scotia improved to 4<sup>th</sup> place on the national ranking.

Outcome	Create a competitive provincial climate for economic growth			
Measure	Base Year	2007/2008 Target	Performance Results* 1999 through 2005	Data Source
Competitiveness of Nova Scotia business climate compared to other provinces	National: 3 <sup>rd</sup> Atlantic: 1 <sup>st</sup> (BCI 1999)	National: 3 <sup>rd</sup> Atlantic: 1 <sup>st</sup>	National Ranking/Atlantic Ranking**  1999: 3 <sup>rd</sup> / 1 <sup>st</sup> 2000: 4 <sup>th</sup> / 1 <sup>st</sup> 2001: 4 <sup>th</sup> / 1 <sup>st</sup> 2002: 5 <sup>th</sup> (tie) / 1 <sup>st</sup> 2003r: 4 <sup>th</sup> / 1 <sup>st</sup> 2004: 5 <sup>th</sup> / 1 <sup>st</sup> <b>2005r: 4<sup>th</sup> / 1<sup>st</sup></b> r=revised based on updated Statistics Canada data for 2005	Business Climate Index*

\* The format and approach to the Business Climate Index are currently under review.

\*\* Note that the data for this outcome measure is on a 2 year delay. Not all indicators for the BCI have been reorted yet for 2006. 2006 & 2007 information will be reviewed and available later in 2008 and 2009 respectively.

**Where do we want to be in the future?** Nova Scotia’s goals are to maintain the best business climate in Atlantic Canada and improve our national ranking. *Opportunities for Sustainable Prosperity (OfSP)* identifies means by which Nova Scotia will work to achieve these outcomes.

**Core Business Area 2  
Increased capacity for economic growth**

NSED assists specific communities, and the province as a whole, in building economic capacity in three main areas - financial capital, human and knowledge capital, and infrastructure. Capacity building efforts may target specific industries, strategic goals (e.g. innovation), or communities of interest.

**Outcome: Increased provincial capacity for economic growth**

**Measure 1:** Atlantic ranking of Nova Scotia development capacity.

**Intended Outcome:** Development capacity refers to the quality of social and physical infrastructure supporting economic performance.

**What does this measure tell us?** The measure tells how Nova Scotia ranks in development capacity in comparison with other provinces across Canada. This measure is based on a series of indicators that include human, financial, and technical resources as well as infrastructure and

amenities.

**Where are we now?** For the eighth year in a row, Nova Scotia had the best development capacity ranking in Atlantic Canada. Nova Scotia also had the third best ranking in the nation.

Outcome	Increased capacity for economic growth			
Measure	Base Year	2007/2008 Target	Performance Results* 1999 through 2006	Data Source
Atlantic ranking of Nova Scotia development capacity	Atlantic: 1 <sup>st</sup> (BCI 1999)	Atlantic: 1 <sup>st</sup>	Atlantic ranking/National ranking**  1999: 1 <sup>st</sup> / 4 <sup>th</sup> 2000: 1 <sup>st</sup> / 4 <sup>th</sup> 2001: 1 <sup>st</sup> / 4 <sup>th</sup> 2002: 1 <sup>st</sup> / 4 <sup>th</sup> 2003: 1 <sup>st</sup> / 2 <sup>nd</sup> 2004: 1 <sup>st</sup> / 4 <sup>th</sup> 2005: 1 <sup>st</sup> / 3 <sup>rd</sup> <b>2006: 1<sup>st</sup> / 3<sup>rd</sup></b>	Business Climate Index*

\* The format and approach to the Business Climate Index are currently under review.

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

**Where do we want to be in the future?** To maintain the best development capacity ranking in Atlantic Canada. Nova Scotia will pursue that goal through the implementation of the Community Development Policy and by continuing to support our regional development authorities, industry sector groups and communities of interest to build regional capacity.

**Measure 2: Percentage of Nova Scotians with high speed internet available to them**

**Intended Outcome:** To build a broadband network to ensure access for all Nova Scotians by the end of 2009. At the end of the 2007/2008 fiscal year, the target was to have 92% of Nova Scotians with the ability to access high-speed internet.

In 2007 new, more refined data became available after an extensive exercise to identify and map all unserved civic addresses in Nova Scotia was undertaken by NSED. This was done with assistance from NSED field officers and municipal staff. This exercise confirmed Industry

Canada data that the number of Nova Scotians with high speed access to the internet on June 1<sup>st</sup>, 2007 was 80 percent. Consequently, the base year was adjusted downwards.

**What does this measure tell us?** The measure describes the percentage of Nova Scotians who currently have access to high-speed internet.

**Where are we now?** After clarifying the number of unserved civic addresses in Nova Scotia, and issuing tenders for service providers to begin engineering and planning work, construction of the wireless network is underway at a number of sites across the province. The project is on target for its goal that every Nova Scotian will have access to broadband by the end of December 2009.

Outcome	Increased capacity for economic growth			
Measure	Base Year	2007/2008 Target	2010 Target	Data Source
Percentage of Nova Scotians with high speed Internet available to them	80% (June 2007)***	92%	100% (December 2009)	Industry Canada, with additional data from NSED field office, RDA and municipal government sources

\*\*\*Base year data reflects a change from NSED's 07/08 business plan, which reported existing Industry Canada data. Since the release of the 07/08 Business Plan, more refined data have become available.

**Where do we want to be in the future?** Nova Scotia's goal is that by the end of 2009, all residents will be able to subscribe to broadband internet.

**Measure 3: Number of new market penetrations (exports) by service firms.**

**Intended Outcome:** A growth of export culture and export activities among service firms by expanding into new markets.

**What does this measure tell us?** This measure indicates the amount of service based firms, per year, who are breaking into new markets.

**Where are we now?** In 2007/2008, 27 service firms entered new markets.

<b>Outcome</b>	<b>Increased capacity for economic growth</b>				
<b>Measure</b>	<b>Base Year</b>	<b>2007/2008 target</b>	<b>2010 Target</b>	<b>Performance Results</b>	<b>Data Source</b>
Number of new market penetrations (exports) by service firms	11 (2005/06)	15	60 (cumulative)	2006/07: 32 <b>2007/08: 27</b>	SEP quarterly reports; mission reports

**Where do we want to be in the future?** In the province’s export growth strategy, the vibrant service industry in Nova Scotia was identified as a sector with tremendous growth potential. As such, these service firms must look globally to reach their potential. Nova Scotia’s goal by 2010 is to have a cumulative total of 60 new market penetrations by service firms.

**Core Business Area 3**  
**Corporate technology and information management**

NSED works to develop the Government of Nova Scotia’s corporate objectives in the areas of technology and information strategies. It achieves this by working closely with other departments and nurturing an environment that utilizes technology to effectively share information across government and assist in improving government administration. By developing a culture that values the use of technology and information management, NSED helps grow effective and sustainable governance for Nova Scotia.

**Outcome 1:** Corporate technology and sustainable corporate administration via the application of information and technology

**Measure 1: Number of Nova Scotia public service entities participating in SAP program (cumulative)**

**Intended Outcome:** An improved and sustainable corporate administration via the application of information technology.

**What does this measure tell us?** An increased number of public sector entities participating in the SAP Public Sector Program is an indicator of efficiency through system coordination.

**Where are we now?** In 2007/2008, 41 public service entities participated in the program

Outcome 1 of 3	An improved and sustainable corporate administration via the application of information and technology				
Measure	Base Year	2007/2008 Target	Trend	Performance Results	Data Source
Number of NS public service entities participating in SAP program (cumulative)	39 (2005/06)	Maintain and increase by at least one entity	This is new data resulting from the SAP Project	41 (2007/2008)	SAP PMO records

**Where do we want to be in the future?** To have increased participation in the SAP Public Sector Program through the successful Wave 1 implementation of SAP within District Health Authorities.

**Measure 2: Number of SAP modules implemented (cumulative)**

**Intended Outcome:** An improved and sustainable Corporate administration via the application of information technology.

**What does this measure tell us?** An increased number of public sector entities implementing SAP modules in the SAP Public Sector Program is an indicator of efficiency through system coordination.

**Where are we now?** In 2007/2008, a total of eleven SAP modules were implemented.

<b>Outcome 1 of 3</b>	<b>An improved and sustainable corporate administration via the application of information and technology</b>				
<b>Measure</b>	<b>Base Year</b>	<b>2007/2008 Target</b>	<b>Trend</b>	<b>Performance Results</b>	<b>Data Source</b>
Number of SAP Modules implemented (cumulative)	8 (2005/06)	Maintain and increase by at least one module	This is new data resulting from the SAP Project	11 (2007/2008)	SAP PMO records

**Where do we want to be in the future?** To have increased participation in the SAP Public Sector Program by implementing the Occupational Health and Safety module.

**Measure 3: Number of SAP users**

**Intended Outcome:** An improved and sustainable corporate administration via the application of information technology.

**What does this measure tell us?** An increased number of public sector entities participating in the SAP Public Sector Program is an indicator of efficiency through system coordination.

**Where are we now?** There are approximately 6017 SAP users withing the Nova Scotia Public Sector. As well, there are approximately 52,000 employees being paid using SAP.

<b>Outcome 1 of 3</b>	<b>An improved and sustainable corporate administration via the application of information and technology</b>				
<b>Measure</b>	<b>Base Year</b>	<b>2007/2008 Target</b>	<b>Trend</b>	<b>Performance Results</b>	<b>Data Source</b>
Number of SAP users	3975 (2006/07)	Increase SAP user base	This is new data resulting from the SAP Project	6,017 (2007/2008)	SAP PMO records
Number of Employees and Pensioners paid using SAP	52,000 (2006/07)			52,000 (2007/2008)	

**Where do we want to be in the future?** To continue to see increased participation in the SAP

Public Sector Program. This will happen through implementation of SAP in District Health Authorities.

**Outcome 2:** An environment that enables the increased sharing of information and technology resources among government departments and agencies

**Measure: New endeavours undertaken in support of shared resources and a collaborative environment**

**Intended Outcome:** To maintain and increase the opportunities for departments to participate in government wide initiatives that share resources, be they information, software, hardware, skills or experience.

**What does this measure tell us?** This measure tracks the collaboration of cross departmental initiatives to share resources.

**Where are we now?** In 2007/2008, there were five endeavours identified: Enterprise Architecture Forum, Business Working Group, Solutions Working Group, Security, Privacy and Confidentiality Working Group, and the Better Outcomes for Citizens Conference.

Outcome 2 of 3	An environment that enables the increased sharing of information and technology resources among government departments and agencies				
Measure	Base Year	2007/2008 Target	Trend	Performance Results	Data Source
New endeavours undertaken in support of shared resources and a collaborative environment	3 (2006/07)	New Data	This is new data resulting from the Enterprise Architecture Project.	5 (2007/2008)	Enterprise Architecture Project Records

**Where do we want to be in the future?** To implement an Enterprise Architecture Program that will: align the strategic planning processes of business and IM/IT; ensure the design of effective, efficient and secure programs; increase business and IM/IT agility; foster sharing of resources across departments; and maximize the return of IM/IT investment for the Province of Nova Scotia.

**Outcome 3:** A public service that understands and values the importance of managing information as a corporate resource

**Measure 1:** Number of government employees who have participated in new IM training program

**Intended Outcome:** The IM Strategy and Framework vision is that all provincial government employees manage information as a strategic business resource and public trust on behalf of Nova Scotians. This outcome ensures that government employees understand their responsibility for managing information and know where to go to get more information (in other words, have a sufficient grasp of IM to realize its relevance to their own jobs and its importance to government overall).

**What does this measure tell us?** This measure will tell us how many staff have taken the mandatory IM orientation program. It is anticipated that by taking the mandatory program staff will be better informed and will understand their responsibilities to adhere to IM policy and frameworks.

**Where are we now?** Although the release of the IM Strategy and Framework has raised awareness of IM in general, to date, only government employees with a specific IM role have a good understanding of IM and their responsibilities for it. Fifteen IM staff participated in a pilot training session in late 2007/08.

Outcome 3 of 3	A public service that understands and values the importance of managing information as a corporate resource.				
Measure	Base Year	2007/2008 Target	Trend	Performance Results	Data Source
Number of government employees who have participated in new IM training program	0 (2006/07)	New Data	This is new data resulting from new IM Project initiatives.	15 (2007/2008) ( Pilot of training program)	Corporate IM Program Office records

**Where do we want to be in the future?** In the future we want all employees to take the orientation program to gain an understanding of the fundamentals of information management and their responsibility for incorporating IM policies and practices into their everyday work life.

**Measure 2: Number of government departments and agencies who have departmental IM programs of some nature**

**Intended Outcome:** To ensure government departments are responding to the need for better information management by establishing IM programs.

**What does this measure tell us?** This measure will allow us to gauge departmental response to the creation of departmental IM programs.

**Where are we now?** Several government departments have responded by establishing IM programs, with each department developing and creating its own program structure.

Outcome 3 of 3	A public service that understands and values the importance of managing information as a corporate resource.				
Measure	Base Year	2007/2008 Target	Trend	Performance Results	Data Source
Number of government departments and agencies who have departmental IM programs of some nature	10 (2006/07)	New Data	This is new data resulting from new IM Project initiatives.	12 (2007/2008)	Corporate IM Program Office records

**Where do we want to be in the future?** IM programs across government need to move towards more common IM structures. At minimum, there should be a structure suitable for large departments and a viable model for use within smaller departments.

**Measure 3:** Number of IM positions assigned roles in government

**Intended Outcome:** This outcome is to ensure we have sufficient IM capacity within the Nova Scotia Government to meet the challenges and realize the vision of Information Management.

**What does this measure tell us?** This measure will allow us to determine increases in capacity within the various IM disciplines.

**Where are we now?** Although all staff play a role in managing government information, it is the IM professionals who use their knowledge, skills, and abilities to advance IM programs. Nova Scotia’s community of IM professionals is relatively small. In 2005 it appeared that government had 32 employees who could be identified as pure IM professionals and 18 of those were within the Department of Health. This number has grown slightly over the past two years.

<b>Outcome 3 of 3</b>	<b>A public service that understands and values the importance of managing information as a corporate resource.</b>				
<b>Measure</b>	<b>Base Year</b>	<b>2007/2008 Target</b>	<b>Trend</b>	<b>Performance Results</b>	<b>Data Source</b>
Number of IM positions assigned roles in government	32 (2006/07)	New Data	This is new data resulting from new IM Project initiatives.	35 (2007/2008)	Corporate IM Program Office records

**Where do we want to be in the future?** Additional IM capacity is essential if we are to advance the IM agenda. We want to augment our IM ranks and ensure the IM professional is recognized with an appropriate classification and career path.

**Core Business Area 4  
Procurement Services**

**Outcome 1:** A procurement process that is open, fair, transparent and obtains best value for province

**Intended outcome :** Procurement Services is committed to ensuring that the government’s requirements for goods, services, and construction are met through an open and fair process that provides the highest degree of competition and value to the province.

**Measure 1: Percentage of expenditures for goods, services and construction obtained through the competitive bid process**

**What does this measure tell us?** This measure tells us the percentage of government goods, services, and construction that have been obtained through the competitive bid process.

**Where are we now?** In 2007/2008, the average percentage of government goods, services, and construction obtained through the competitive bid process was 89%.

Outcome 1 of 2	A procurement process that is open, fair, transparent and obtains best value for the Province				
Measure	Base Year	2007/2008 Target	Trend	Performance Results	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% <b>2007/08 89%</b>	89% (2007/2008)	SAP

**Where do we want to be in the future?** The target for 2008/09 is to have 90% or greater of goods, services, and construction obtained through the competitive bid process.

**Measure 2: Average number of bids received per competition through the competitive bid process**

**What does this measure tell us?** This measure tells us the average number of bids that we have received per competition. It provides us with a perspective on what the supplier response has been to the public tendering process.

**Where are we now?**

In 2007/2008, the average number of bids received per competition was 4.6.

<b>Outcome 1 of 2</b>		<b>A procurement process that is open, fair, transparent and obtains best value for the Province</b>			
<b>Measure</b>	<b>Base Year</b>	<b>2007/2008 Target</b>	<b>Trend</b>	<b>Performance Results</b>	<b>Data Source</b>
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 <b>2007/08 4.6</b>	4.6 (2007/2008)	SAP

**Where do we want to be in the future?** The goal is to have an increasing trend in the average number of responses received for each competition through the public tendering process.

**Measure 3: Average lapse time between tender issue and closing dates**

**What does this measure tell us?** This measure provides us with the average time lapse between the day a tender is publicly available and the closing dates. It is an indicator of whether vendors have reasonable notice to bid on opportunities.

**Where are we now?** In 2007/2008, the average time lapse was 20.1 days

<b>Outcome 1 of 2</b>		<b>A procurement process that is open, fair, transparent and obtains best value for the Province</b>			
<b>Measure</b>	<b>Base Year</b>	<b>2007/2008 Target</b>	<b>Trend</b>	<b>Performance Results</b>	<b>Data Source</b>
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 <b>2007/08 20.1</b>	20.1 (2007/2008)	SAP

**Where do we want to be in the future?** To maintain a minimum lapse time between tender issue and closing date of 15 days in order to give suppliers time to respond to tenders.

**Measure 4: Number of formal complaints received from suppliers**

**What does this measure tell us?** This measure provides us with the number of formal complaints received by the Director of Procurement Services during the year. It provides us perspective on supplier satisfaction with public procurement.

**Where are we now?** The number of formal complaints received in 2007/2008 was one.

<b>Outcome 1 of 2</b>		<b>A procurement process that is open, fair, transparent and obtains best value for the Province</b>			
<b>Measure</b>	<b>Base Year</b>	<b>2007/2008 Target</b>	<b>Trend</b>	<b>Performance Results</b>	<b>Data Source</b>
Number of formal complaints received from suppliers	8 (2005/2006)	<10	2005/06 8 2006/07 2 <b>2007/08 1</b>	1 (2007/2008)	Procurement Services

**Where do we want to be in the future?** We want to maintain a minimum number of complaints to ensure satisfaction with public procurement.

**Outcome:** A procurement process that promotes the use of sustainable procurement best practices for the acquisition of goods, services, and construction

**Measure: Number (or percentage) of tenders containing evaluation criteria related to sustainable procurement**

**Intended Outcome:** In 2007, the Province of Nova Scotia enacted the *Environmental Goals and Sustainable Prosperity Act (EGSPA)*, which requires the development and adoption of a Sustainable Procurement Policy by December 31<sup>st</sup>, 2009. Implementation of the policy is expected to begin in 2009. The intended outcome of this measure is an increase in the number of tenders with sustainable considerations used in evaluation criteria.

**What does this measure tell us?** During 2007/2008, tracking of this measure began in anticipation of the new Sustainable Procurement Policy. The decision was made to track the use of environmental considerations and 3<sup>rd</sup> party environmental certification in tender specifications that are processed through Procurement Services (e.g. tenders that are over \$5,000 for goods and, tenders over \$10,000 for services or construction) as they are the best defined and easiest to track aspects of sustainable procurement

**Where are we now?** Changes were made to forms used for data entry and systems to accommodate tracking of environmentally preferable considerations and the use of 3<sup>rd</sup> party environmental considerations in tender specifications.

<b>Outcome 2 of 2</b>	<b>A procurement process that promotes the use of sustainable procurement best practices for the acquisition of goods, services, and construction</b>			
<b>Measure</b>	<b>Base Year</b>	<b>Trend</b>	<b>Performance Results</b>	<b>Data Source</b>
Number (or percentage) of tenders containing evaluation criteria related to sustainable procurement.	07/08 (New Measure)	To be established with baseline data collected after 07/08.		Procurement Services

**Where do we want to be in the future?** It is anticipated that in 2008/09 further changes will be made to this measure with the ongoing implementation of the Sustainable Procurement Policy. The collection of information for this measure has been delayed until this measure can be revised to reflect the objectives and intended outcomes of the Sustainable Procurement Policy. It is expected that new outcomes will be incorporated into the 2009/2010 Business Plan when the policy becomes effective.