

**Nova Scotia Economic Development
2008-09 Business Plan**

April 2008

Nova Scotia Economic Development
Business Plan 2008-09

Table of Contents

1.	Message from the Minister	3
2.	Message from the Deputy Minister	4
3.	Vision	5
4.	Mission	5
5.	Link to Corporate Path	5
6.	Planning Context	6
7.	Strategic Goals	7
8.	Core Business Areas	
	8.1 Economic Development	8
	8.2 Corporate Technology and Information Management	12
	8.3 Procurement Services	17
9.	Strategic Priorities for 2008-09	20
10.	Human Resources Strategy	24
11.	Financial Context and Budget	25

April 2008

1. Message from the Minister

I am pleased to present the 2008-09 Business Plan on behalf of Nova Scotia Economic Development. We are helping to create the necessary conditions for a thriving Nova Scotia that will be one of the best places to live, work and raise families now and for future generations. We are taking a leadership role to build vibrant communities for a sustainable and prosperous economy.

We recognize that government's role is to build partnerships, support community leadership and provide resources to empower our communities to lead for success. In this role, our partnership with the federal and municipal governments and our 13 Regional Development Authorities, help create healthy communities across the province. This model for community and rural development is recognized internationally; we continue to respond to interest from other Canadian provinces, the United States and beyond.

Many businesses in our communities need capital investment to grow. Strategic investments through the Nova Scotia First Fund, Technology Seed Investment Fund, the Nova Scotia Business Fund, the Community Economic Development Investment Fund, the Industrial Expansion Fund (IEF) and others, help businesses in Nova Scotia grow and prosper. The IEF is key to helping industries involved in innovation and technology and contributing to a prosperous and sustainable business climate for Nova Scotia. Our partnerships with key provincial government agencies, the Atlantic Canada Opportunities Agency, Service Canada, and with the Nova Scotia Association of Regional Development Authorities, are also key to creating and maintaining jobs in this province.

We are resourceful, innovative and accessible. Our focus on trade helps to ensure global competitiveness and creates an attractive marketplace for new business and sector growth. Part of this growth means making our province the most connected jurisdiction in all of North America by ensuring that high-speed Internet access is available to every individual, hospital, school and business in Nova Scotia by the end of 2009.

There's no question we are faced with challenges such as out migration, the shift from a resource to a knowledge-based economy and the high value of the Canadian dollar. Part of the solution involves educating our youth to compete, retaining our talented workforce, attracting immigrants and appealing to our expatriates to return home.

Nova Scotia Economic Development is working with other government departments and our partners to create a competitive business climate and economic prosperity for our province.

Hon. Angus MacIsaac
Minister

April 2008

2. Message from the Deputy Minister

Working towards environmental sustainability, economic and social prosperity province-wide requires collaboration across government. Our economic growth strategy, *Opportunities for Sustainable Prosperity*, aligns these important attributes and has a vision for making Nova Scotia a world leader in recycling resources, minimizing waste, tapping the potential of our people and emphasizing our five building blocks. Strengthening our financial, natural, built, human and social capitals is key to fostering a strong business climate for Nova Scotia.

The Environmental Goals and Sustainable Prosperity Act (the Act) sets Nova Scotia on a course to have one of the cleanest and most sustainable environments by 2020. At Nova Scotia Economic Development (NSED), we will continue to complement the act's 21 specific goals by leading *Opportunities for Sustainable Prosperity*, working closely with the Department of Environment to establish a Secretariat for sustainable initiatives across government, and we will introduce a sustainable procurement policy in 2009. This policy will ensure that environmental, economic and social aspects are considered for government purchases of goods, services and construction. We will also build on the success of 2007 Power of Green Conference by hosting a second conference in October 2008.

Two notable pilot programs launched in 2007, build on our economic growth strategy and are being evaluated to ensure success. We received 35 applications for the Nova Scotia Business Development Program, which helps small business get started and existing businesses expand. We will also roll out a new business retention and expansion program province-wide. The Research and Development Co-operative Education Program for university students, stimulates innovation and further fosters research and development in Nova Scotia's private sector; 25 students participated in this pilot program.

As part of the framework for the Community Development Policy, we will implement a community development training program in 2008 for provincial government employees to help create and support pro-community leadership and culture within the public service. We have also developed a government-wide information management strategy and framework, and we will launch an innovative web portal for greater collaboration and an effective, efficient government.

In our efforts to increase trade and enhance Nova Scotia's position in the global marketplace, we will complete a study on trends affecting our economy. We recognize that adapting to change is key to the future global competitiveness of business in Nova Scotia. We will also develop a strategic framework for aerospace and defence to further strengthen and invest in emerging technology, and support programs and partnerships. These initiatives will help to create winning conditions for Nova Scotia businesses to compete globally.

The dedication and professionalism of our employees at NSED and the support of our partners is vital to our contributions to help create a prosperous economy.

Paul Taylor
Deputy Minister

April 2008

3. **Vision**

Nova Scotia Economic Development (NSED) works to achieve 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."

4. **Mission**

NSED is the focal point within the province for developing and advancing Nova Scotia's economic development and innovation, information technology and information management, and procurement strategies.

5. **Link to Corporate Path**

In its role as lead government department for the implementation of *Opportunities for Sustainable Prosperity*, that NSED supports the Government Corporate Path, direction and priorities – creating winning conditions, seizing new opportunities, and building for individuals, families and communities.

6. **Planning Context**

As Nova Scotia moves into the 21st century, it does so with many assets: a competitive business climate, a well-trained workforce, internationally recognized educational institutions, prime geographic location, and a modern telecommunications and transportation infrastructure. These and other factors have contributed to the province's economic growth over the past few years.

However, we live in a global economy and face challenges ahead. Rising economic powers such as China and India, compete for an increasing share of global markets, and Nova Scotia businesses must be flexible and quick to adapt to this changing global marketplace. We also face challenges closer to home. Our population is aging, our birth rate is dropping, and we compete with the world, including other Canadian provinces, to maintain a skilled workforce. We must be productive and build on our strengths as a province if we are to achieve sustainable prosperity.

The concept of "sustainable prosperity" was introduced in the province's economic growth strategy - *Opportunities for Sustainable Prosperity*. This strategy takes a holistic approach to economic growth, integrating economic, environmental and social systems.

To achieve sustainable prosperity, we must eliminate waste of all kinds, build on our assets, adapt to change, innovate, encourage diversity, find the highest uses for our resources, and support, develop and nurture our people. *Weaving the Threads*, Nova Scotia's social prosperity framework, launched in the fall of 2007, recognizes the strong connections between social and economic prosperity. Sustainable prosperity is the link that brings it all together.

In the spring of 2007, the Government of Nova Scotia again made a strong commitment to sustainable prosperity with the proclamation of the *Environmental Goals and Sustainable Prosperity Act*. This act recognizes the benefits of integrating environmental sustainability and economic prosperity. Through this legislation, Nova Scotia will strive to become a world leader by having one of the cleanest and most sustainable environments by 2020. The Act establishes specific time-bound environmental targets, to be achieved within the context of economic performance at or above the national average. *Opportunities for Sustainable Prosperity* is referenced in the Act as a means to achieve this.

April 2008

7. **Strategic Goals**

NSED's strategic goals are:

1. To move Nova Scotia closer to sustainable competitiveness

- Strengthen leadership, coordination and implementation of strategies, policies, and initiatives in the key areas identified in *Opportunities for Sustainable Prosperity*, considering, in particular, financial, natural, built, human and social capitals - to maximize the benefits of the work of the Nova Scotia government.
- Support innovation and productivity through sustainable development in key provincial industries and businesses to help expand and grow the economy of Nova Scotia.
- Facilitate Nova Scotia businesses in maximizing opportunities around the world by working collaboratively with trade partners.
- Support regional economic and community development in partnership with provincial and community development organizations, the private sector, government partners and other 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**

NSED has three core business areas that support and pursue the mission and goals of the organization, implement the province's economic growth strategy, *Opportunities for Sustainable Prosperity*, and pursue the corporate direction established by the Government of Nova Scotia. These include economic development, corporate technology and information management, and procurement.

8.1 Economic Development

At NSED, our approach to economic growth emphasizes sustainable competitiveness leading to sustainable prosperity. The province's economic growth strategy, *Opportunities for Sustainable Prosperity*, is intended to shape people's thinking and decisions, both inside and outside of government about economic development. This means focusing on the long-term, not the quick fix. It means understanding that the world is changing and adapting to that change. It also means understanding that the route to sustainable prosperity involves working together towards a common vision and purpose.

To that end, NSED leads and coordinates the cross-government implementation of *Opportunities for Sustainable Prosperity*, taking a holistic approach that integrates economic, social and environmental considerations to ensure that the province strategically invests in the basic building blocks that support those systems - our financial, built, natural, human and social capitals. The strategy brings together many diverse interests through a multi-department/agency steering committee, led by NSED.

NSED also works in partnership with community organizations, regional development authorities, and other levels of government to support sustainable regional economic and community development within the province. Through a network of regional offices, the department helps communities and business organizations participate actively in their own economic development and capitalize on strengths and opportunities to grow the rural economy. The department recently added to its suite of student employment programs, the Private Sector Research and Development (R&D) Co-operative Employment Program. The objective of this program is to stimulate private sector innovation among Nova Scotia companies engaged in R&D and provide on the job opportunities for university students enrolled in co-operative education programs in the fields of science, business and engineering.

The Industrial Expansion Fund (IEF) is another method that the Government of Nova Scotia uses to support economic development in the province. It is key to helping industries involved in innovation and technology and contributing to a prosperous and sustainable business climate. Administered by NSED, 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 to further the goals outlined in *Opportunities for Sustainable Prosperity*.

NSED demonstrates policy excellence and capacity through ongoing research and analysis on key issues impacting the Nova Scotia economy. Examples include accessibility of a highly qualified workforce in light of demographic shifts, a focus on trade to ensure competitiveness of local firms, enhanced productivity for continued economic growth, and strong industry sectors. The department also plays a leadership role in developing focused strategies and initiatives in response to policy priorities, often working collaboratively with partners.

Key areas include supporting innovation and commercialization, encouraging

April 2008

world-class research among universities, building community capacity, and bringing together policy makers and industry leaders to discuss the objectives of sustainable economic growth.

NSED measures its progress by focusing on two major outcomes: a competitive climate for economic growth and building capacity for economic growth.

April 2008

Core Business Area	Economic Development
---------------------------	-----------------------------

Outcome 1	A competitive climate for economic growth
------------------	--

Measure	Base Year	2007/08 Target	Trend**	Strategic Actions to Achieve Target	Data Source
Competitiveness of Nova Scotia business climate compared to other provinces	National: 3 rd Atlantic: 1 st (1999- BCI)	National: 3 rd Atlantic: 1 st	National 1999 3 rd 2000 4 th 2001 4 th 2002 6 th 2003 7 th 2004 6 th 2005 5th Atlantic 1999 1 st 2000 1 st 2001 1 st 2002 1 st 2003 1 st 2004 1 st 2005 1st	Implement <i>Opportunities for Sustainable Prosperity</i> . Continue with the Business Retention and Expansion project.	Business Climate Index*

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

**Note that the data for this outcome measure is on a 2 year delay. 2006 & 2007 information will be reviewed and available later in 2008 and 2009 respectively.

April 2008

Core Business Area	Economic Development
---------------------------	-----------------------------

Outcome 2	Increased capacity for economic growth
------------------	---

Measure	Base Year	2008/09 Target	2010 Target	Trend	Strategic Actions to Achieve Target	Data Source
Atlantic ranking of Nova Scotia development capacity	Atlantic: 1 st (1999-BCI)	Atlantic: 1 st	Atlantic: 1 st	Atlantic** 1999 1 st 2000 1 st 2001 1 st 2002 1 st 2003 1 st 2004 1 st 2005 1st	Continue with regional economic development strategy work. Launch First Nations' Participation in the Economy fund. Launch public sector training in community-led development.	Business Climate Index* - Development Capacity.
Percentage of Nova Scotians with high speed Internet access available to them	80% (June 2007)***	92%	100% (December 2009)	n/a	Continue to build the broadband network in Nova Scotia.	Industry Canada
Number of new market penetrations (exports) by service firms*	11 (2005/06)	20	60	New data	Continue funding Service Export Program; Launch trade study.	SEP quarterly reports; mission reports.

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

**Note that the data for this outcome measure is on a two-year delay; 2006 & 2007 information will be reviewed and available later in 2008 and 2009 respectively.

*** Base year data reflects a change from NSED's 07/08 business plan, which reported existing Industry Canada data. Since 07/08, more refined data has become available. This will be explained in the 07/08 accountability report.

April 2008

8.2 Corporate Technology and Information Management

Through the Corporate Information Strategies (CIS) Division, NSED provides leadership and direction on information technology and information management (IT/IM) for the Government of Nova Scotia. This is accomplished through the development of corporate strategies, policies, architectures, standards and best practices, as well as providing advice, support and guidance on IT/IM matters. This work supports government in meeting its corporate goals and delivering its programs and services. CIS works collaboratively across government departments and agencies with several activities extending into the municipal, health and education sectors.

Examples of typical initiatives include:

SAP Public Sector Program

- Work with departments and agencies to ensure successful projects by providing lessons learned from previous projects, providing access to standards and best practices, conducting and facilitating quality reviews, and supporting the use of project tools;
- Promote awareness of the SAP solutions and evaluate where the SAP solutions may be used to help meet their business requirements;
- Establish a sustainable SAP environment by providing timely access to qualified affordable resources within the public sector.

Information Management (IM)

- Enhance the Corporate Information Management Program including rollout of the IM Strategy and Framework recommendations.
- Strengthen the IM governance and improve collaboration through marketing and awareness-raising campaigns, policy mandates, leadership and promotion of the IM Forum, and the development of corporate offerings such as enterprise content management.
- Develop and support of IM policies, tools, and practices including: a corporate information management policy, an IM requirements analysis tool, and an information asset directory.

Enterprise Architecture (EA)

- Develop an EA framework to provide a unifying structure for the EA Program.
- Further develop the EA Forum and its Working Groups. The EA Forum is a cross departmental committee that enables collaboration among IT, IM and business practitioners.
- Develop a business architecture discipline within government. Business architecture will provide confidence that program operations are aligned with strategic goals and that supporting IT/IM services are efficient, effective, and secure.

April 2008

General Corporate IT/IM Initiatives

- Evaluate the potential for a corporate Business Intelligence initiative to harness the strategic value of government's information assets
- Develop and implement an HR Strategy for IT/IM professionals
- Monitor the evolution of the Corporate Disaster Recovery Framework

Through the work of the CIS Division, NSED seeks to achieve the following outcomes:

An improved and sustainable corporate administration via the application of information and technology

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

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

Outcomes and the means by which NSED will measure its progress in corporate technology and information management are outlined on the following pages.

April 2008

Core Business Area	Corporate Technology and Information Management
---------------------------	--

Outcome 1 of 3	An improved and sustainable corporate administration via the application of information and technology.
-----------------------	--

Measure	Base Year	2008/09 Target	Trend	Strategic Actions to Achieve Target	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.	Add Health Public Sector Organizations to the SAP client base. Provide the SAP client base with access to new modules: business intelligence, portals, occupational health and safety, training and event management, and retail.	SAP Program Management Office (PMO) records
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.		SAP PMO records
Number of SAP users	3975 (2006/07)	Increase SAP user base.	This is new data resulting from the SAP Project.		SAP PMO records
Number of Employees and Pensioners paid using SAP	52,000 (2006/07)				

April 2008

Core Business Area	Corporate Technology and Information Management				
Outcome 2 of 3	An environment that enables the increased sharing of information and technology resources among government departments and agencies				
Measure	Base Year Target	2008/09 Target	Trend	Strategic Actions to Achieve Target	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.	Continued roll-out of SAP portal Approval and implementation of infrastructure shared services. Enterprise Architecture initiative.	Enterprise Architecture Project Records.

April 2008

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

Measure	Base Year Target	2008/09 Target	Trend	Strategic Actions to Achieve Target	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.	Offer IM Orientation Program. Begin developing additional IM training modules.	Corporate IM Program Office records.
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.	Implementation of IM Strategy and Framework Communications Plan and continued IM awareness raising.	Corporate IM Program Office records.
Number of IM positions assigned roles in government	32 (2006/07)	New Data	This is new data resulting from new IM Project initiatives.	Continued implementation of IM strategy recommendations	Corporate IM Program Office records.

April 2008

8.3 **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, procurement solutions for complex business needs. Procurement Services ensures that the procurement of goods, services, construction, and facilities follows principles specified in the Province of Nova Scotia Procurement Policy. The mandate of Procurement Services is to maintain an open and fair process that provides the highest degree of competition and value to the province, while ensuring fair treatment of Nova Scotia suppliers at home as well as in other jurisdictions.

Through Procurement Services, NSED works in pursuit of 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 NSED measures this progress are outlined on the following pages.

April 2008

Outcome 1 of 1	A procurement process for goods, services, and construction that: -is open, fair, and transparent -obtains best value for the province -incorporates sustainable procurement considerations				
Measure	Base Year Target	2008/09 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%	<ul style="list-style-type: none"> •Educate government employees about Procurement Policy •Review procurement-related documentation to ensure ease of understanding and consistency 	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	<ul style="list-style-type: none"> •Continue to hold Reverse Trade Shows, and community and sector specific workshops •Liaise with local architects and engineers and encourage the use of Nova Scotia product specifications in government building designs •Expand the number of jurisdictions exchanging tender information on the Canada Tender Exchange 	SAP

April 2008

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	<ul style="list-style-type: none"> •Monitor periods of competition to comply with the Atlantic Procurement Agreement and the Agreement on Internal Trade 	SAP
Number of formal complaints received from suppliers	8 (2005/06)	<10	2005/06 8 2006/07 2	<ul style="list-style-type: none"> •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. 	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"> •Develop a Sustainable Procurement Policy for the Province of Nova Scotia •Partner with the Supplier Development Program to learn more about sustainable products and services developed and produced within Nova Scotia •Showcase and recognize best practices accepted within the Government of Nova Scotia 	Procurement Services

April 2008

9.) NSED Strategic Priorities for 2008-09

1. Continue to lead implementation of the provincial economic growth strategy, *Opportunities for Sustainable Prosperity* and together with the Department of Environment, lead the implementation of the *Environmental Goals and Sustainable Prosperity Act (EGSPA)*.

a.) Establish and lead a secretariat to support sustainability

In 2008-09, NSED will work with the Department of Environment to establish and lead a secretariat for sustainability initiatives across the provincial government. Working under the direction of the Deputy Ministers Forum on Sustainable Prosperity, this secretariat will link and coordinate the implementation of the goals of the *EGSPA* and the priority actions of the province's economic growth strategy, *Opportunities for Sustainable Prosperity*.

b.) Host a second Power of Green Conference

The 2007 Power of Green conference, co-hosted by NSED and Nova Scotia Environment and Labour, brought together some of the world's top experts to share advanced thinking on sustainable economic growth and prosperity. This successful conference highlighted the vital connection between the health of the economy, the environment, and our people. The 2008 Power of Green Conference will further emphasize steps to build a society that works on a cycle of growth and renewal by eliminating waste and encouraging diversity and creativity.

2. Develop a Sustainable Procurement Policy

A Sustainable Procurement Policy reinforces the province's recognition of the important role public procurement plays in contributing to the sustainable prosperity of the Province of Nova Scotia. A policy will be developed to coordinate existing efforts in the short-term and provide direction for making sustainable procurement the norm for provincial acquisition of goods and services over the long-term.

The significant change to move towards sustainable procurement will require a multi-year implementation plan beginning in early 2009. The plan will define an incremental approach that leverages existing sustainable procurement efforts, and adopts best practices to ensure integration of sustainable procurement in day-to-day operations.

April 2008

3. Expand implementation of the Community Development Policy

a.) Establish a Mi'kmaq Community Development Fund

NSED will establish and lead the management of a multi-partner Mi'kmaq Community Development Fund dedicated to increasing Mi'kmaq communities' participation in the Nova Scotia economy. It will focus on projects that build Mi'kmaq capacity to access the labour market, develop the Mi'kmaq cultural tourism sector, and encourage youth entrepreneurship and skills development.

b.) Establish a public sector community development training program

The community development training program will explore government's emerging role as enabler, partner and facilitator. It will examine conditions and methodologies for dynamic collaboration and for building capacity within government to support community-led development.

4. Support business development by expanding the Business Retention and Expansion (BRE) project to the remainder of Nova Scotia

BRE is a community-based approach to collecting information in order to create a better understanding of business in local areas. Over the past two years, 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, has been piloting a BRE project in seven areas of Nova Scotia. Six new Regional Development Authorities (RDAs) will join the expanded program in 2008/09.

In addition to creating a better understanding of business conditions, BRE also develops custom solutions to business impediments to growth that have been identified by the BRE account executives. In 2007-08, NSED piloted a new Nova Scotia Business Development program. The program will be continued in 2008, and will run through March 31, 2009. This program encourages business start-ups and provides help through qualified consultants for business operators to review and assess their practices and develop new approaches. Government assistance will be available to help businesses access training and recruitment services, market research and business plan development, advertising and promotional planning, and fiscal management tools.

April 2008

5. Continue implementation of Broadband for Rural Nova Scotia

High-speed broadband access to the Internet is a business and consumer necessity in today's global marketplace. Broadband is also essential to the efficient and effective delivery of provincial social programs. The Broadband for Rural Nova Scotia pilot project (Tidnish to Port Howe) was implemented in early 2007 and successfully completed in June 2007. A Request for Proposals (RFP) process for the rest of the project began in June. On December 5, 2007, contracts were signed with two Internet service providers to roll-out high-speed access to the Internet to the unserved areas of the province. This important initiative is on track to achieve its goal of province-wide sustainable broadband coverage by the end of 2009, making Nova Scotia one of the most connected jurisdictions in North America.

6. Expand Economic Policy Initiatives

a.) Productivity and Innovation

Within the stated priority of enhanced productivity, OfSP recommends encouraging businesses to adopt best practices and make timely investments in the use of new technologies and designs. These steps can improve performance and lead to new products and processes, contributing to the increased competitiveness of Nova Scotia firms. This year, the department will complete a focused assessment of barriers to technology adoption in the private sector and how best to work towards removing those barriers. The assessment will also include identified best practices and identify initiatives as part of a tool kit to enhance innovation and productivity in small and medium sized enterprises (SMEs) in Nova Scotia. Initiatives may include knowledge transfer, assistance for SR&ED applications, improving linkages with research institutions, technology adaptation and encourage green business case for competitiveness. Initiatives will be undertaken on a case by case basis using established criteria built around sustainable prosperity; they are expected to assist SME's in improving productivity through innovation to deal with challenges such as the high value of the Canadian dollar, globalization and pending demographic shifts.

b.) Trade

There is a growing interconnectedness and an expanding flow of information, technology, capital, goods, services and people around the world. The ability of Nova Scotian companies to adapt to this changing environment is key to their future competitiveness and to the province's economic prosperity. The department will complete a study of the internal and external trends that are affecting the international dimensions of Nova Scotia's economy; of particular interest, is how local firms best fit within global value chains.

April 2008

7. 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. In 2007/08, NSED began 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. In the coming year, NSED will continue this work in the Strait area, as well as expanding it to other parts of Nova Scotia. In the Annapolis Valley (Hants, Kings, Annapolis and Digby Counties) efforts will focus on regional economic planning from the perspective of environmental sustainability. Another initiative will begin with Lunenburg and Queens Counties with a specific focus on forestry and later will expand to the entire region of South Western Nova Scotia.

8. Develop an Aerospace and Defence Strategic Framework for Nova Scotia

The aerospace and defence sector is an important part of Nova Scotia's economy and economic future. NSED works with aerospace and defence industries to build on the successes the sector has achieved to date and to help grow its international reputation for quality products.

In 2008-09, NSED will build on its policy leadership role and develop a strategic framework for working with the aerospace and defence sector. The framework will consider emerging technologies, the conditions needed for Nova Scotia companies to successfully compete globally, support for skills development, certification and partnership programs, and promote Nova Scotia as the Atlantic Gateway "Aerospace and Defence" province. The framework will focus on five key elements of the sector, aerospace, defence, civil aviation, space, and marine security.

April 2008

10.0 Human Resource 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 2008-09, NSED will continue with the Employee Recognition Initiative it established in 2006 and will continue to play an active role in the Government's French language initiative, and GoverNext. Employee health and wellness will also continue to be promoted through departmental activities, and support for employee participation in Public Service Commission workshops and programs associated with work-life balance.

April 2008

11.0 Financial Context and Budget

Economic Development			
	2007-2008 Estimate	2007-2008 Forecast	2008-2009 Estimate
Program & Service Area	(\$thousands)	(\$thousands)	(\$thousands)
Total Program Expenses:			
Senior Management and Support Services	4,650	4,575	4,193
Community and Rural Development	9,861	14,640	9,877
Corporate Information Strategies	2,793	2,561	2,922
Decision Support	14,095	14,109	14,155
Economic Strategies and Initiatives	17,951	23,221	32,290
Investment	25,052	39,501	26,122
Procurement Services	1,960	1,905	2,086
Total Program Expenses	76,362	100,512	91,645
Provincial Funded Staff (FTEs)	122	113	132