



OPPORTUNITIES
FOR PROSPERITY:
2005
PROGRESS
REPORT



NOVA SCOTIA
Economic Development

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INTRODUCTION

Progress has been noticeable in Nova Scotia since the launch of the government's economic growth strategy, Opportunities for Prosperity (OfP), in 2000.

OfP outlined fundamental directions that by 2010 will make Nova Scotia the best place in Canada to live, work, do business and raise families. Our job as government is to build an energetic economic climate that will create jobs and opportunities for Nova Scotians.

During its first years of implementation, the strategy enabled Nova Scotia to enjoy the highest level of economic growth behind only one other province, Alberta. For the first time in four decades, Nova Scotia has balanced the budget and has kept it balanced for four consecutive years.

Nova Scotia had the best job-creation rate in the country last year — through the expansion of existing business and industry, the creation of new Nova Scotia businesses and attracting new business to the province. We are now known as one of the most competitive places in the world to do business. National and international business leaders recognize our workforce as highly educated, which has enabled the province to attract many leading IT and other firms.

By working together, we have created a strong economic environment for success. The result of this has been to create almost 43,000 new jobs, raise income levels by over 13 per cent and drop the unemployment rate to its lowest in 30 years — 7.2 per cent. And for the first time since the 1960s, the province's net direct debt has gone down.

When we launched Opportunities for Prosperity, the strategy filled a need to secure the greatest possible long-term gain for Nova Scotians. OfP continues to direct our efforts today, as we build on our progress with the many strategies developed since 2000 to enhance our skilled workforce through training and immigration, to expand the scope of innovation at our companies and to protect and sustain Nova Scotia communities. Together, we are making a continual attempt to ensure that Nova Scotia truly is a place where we can live better.

At the same time, we are checking our course in light of changes over the past five years. These have included the composition of industries and sectors, population demographics, the evolution of tax structures, fluctuations in exchange rates, transformations in emerging markets and other external forces; all of which affect the way we do business.

An updated version of the strategy, *Opportunities for Sustainable Prosperity*, will build on the original vision. It will focus on how Nova Scotia will manage these changes to deliver the long-term prosperity we envision. The strategy for the next phase of our growth will specifically chart the changes in course that are required to replace outdated tactics or capitalize on new opportunities. This document serves as a progress report on specific achievements to date, based on the strategic directions set out in the original OfP.

STRATEGIC DIRECTIONS

Reporting on progress

In 2000, the province undertook extensive consultations with Nova Scotians. Together, we identified seven strategic directions for the province to follow. OfP then laid these out as a framework for action aimed at enhancing the building blocks of our economy. OfP proposed to help us:

1. improve the business climate
2. put in place and maintain strategic infrastructure
3. promote innovation
4. develop a labour force to take advantage of new opportunities
5. attract more investment
6. promote exports
7. strengthen regional capacity

These seven key directions serve as the tools to build up our vital economic sectors — both the foundation industries and new industries and sectors.

To pursue ongoing, broadly-based prosperity, Nova Scotia has adopted a market-focused, externally driven approach, based on the consultations with Nova Scotians. The consultations underscored the complexity of economic growth, which in turn demanded that government be open, inclusive and collaborative with all sectors of Nova Scotia society. Guided by these core values, we have taken the lead in some cases over the past five years and partnered in other cases, whichever is most appropriate to the needs of the situation.

The pages which follow provide an account of how we are doing and where we have achieved a measure of success in building up the sectors and in making Nova Scotia the better place we envision.

1. BUSINESS CLIMATE

Make it easier for business to start and grow, creating and jobs

Deficit and Debt

Balance the budget by 2002-03 to begin to reduce the debt while maintaining key government services

Action:

- Erased massive deficits and balanced the budget in 2002-03.
- Produced balanced budgets for four consecutive years.
- For the first time since the 1960s, province's net direct debt has gone down.

Taxes

Produce the most attractive business tax structure in region by 2005 and look for ways the tax system can support economic development

Action:

- According to the Nova Scotia Business Climate Index, in 2001 we ranked 4th in Canada in terms of attractiveness of taxes and our fiscal environment.
- In 2004, the province cut personal income tax by 10 per cent for low income families.
- In 2005, the province announced a decrease in taxes for large corporations from 0.3 per cent to 0.2 per cent over a four year period.
- The small business tax threshold was increased to 400 employees from 350.
- Eliminated business occupancy assessment tax (2005-2006)

Regulations

Implemented Red Tape Reduction Task Force and began economic audit process

Action:

- The Red Tape Reduction Task Force evaluates any new law or regulation, or changes to existing laws or regulations, to ensure there is a minimum of red tape.
- Began routine economic audits on the impact of regulations on economic development.
- Eliminated four commissions; various boards merged.

Entrepreneurship

Strengthen entrepreneurial culture through partnership

Action:

- In 2001, there were about 20,600 businesses in Nova Scotia with employees. By 2004, more than 21,700 businesses with employees were active in our province. Sixty-five per cent were businesses led by women. African Nova Scotia-owned business increased by 40% from 1996 to 2001.
- To ensure the business community is investment-ready and able to grow through good entrepreneurial and management skills, Nova Scotia provides and monitors annual funding to a variety of entrepreneurship organizations including:

Black Business Initiative

- 161 loans issued for a value of \$1.7 million leveraging \$1.8 million.
- Business created and maintained 489 full and part time jobs.
- BBI has worked with over 150 businesses, helping increase the rate of African Nova Scotian entrepreneurship



1. BUSINESS CLIMATE

Centre for Entrepreneurship Education and Development (CEED)

- CEED engages over 20,000 people annually with its programs both in school and out of school.
- Provided \$2.4 million in loan funds to 195 businesses and leveraged \$700,000.
- 60 businesses annually are started with help from CEED.

Entrepreneurship Forum (EF)

- Over 100 clients are helped annually.
- Clients helped by the EF saw sales and jobs increase by over 50%.

Entrepreneurs with Disabilities Network

- Increased membership to over 900 members and encouraged 87 new business start-ups
- Engaged the group in networking and training opportunities.
- The Supplier Development Program was created to support entrepreneurship and to expand Nova Scotia businesses. Provincial public sector procurement is worth an estimated \$1 billion a year in Nova Scotia, with Nova Scotian firms accessing 80 per cent of that pie. Procurement initiatives such as Supplier Development aim to help Nova Scotia firms increase their share of goods, services and construction in the public sector.



Aboriginal and Treaty Rights

Continue to work with Nova Scotia Mi'kmaq and the federal government to resolve key issues

- In 2002, Nova Scotia, the federal government and the Mi'kmaq of Nova Scotia signed an umbrella agreement, a broad negotiation process to consider constitutionally protected rights of the Mi'kmaq with respect to treaty rights, aboriginal rights and Mi'kmaq assertions of aboriginal title.
- In 2003, Nova Scotia, Canada and the Mi'kmaq began discussions about a "Framework Agreement". The agreement creates a road map of how we will move forward to resolve outstanding issues regarding Aboriginal and treaty rights.

2. INFRASTRUCTURE

Put in place the strategic infrastructure to stimulate economic development

Highways

10-year plan to rehabilitate and upgrade highways

Action:

- Multi-year plan to expand Nova Scotia's 100-series highway system — this year, twelve highway projects underway with a total forecasted expenditure of \$52,100,000.
- Investment in highways exceeds revenue generated by fuel taxes.
- Rural highway maintenance work including asphalt patching, ditching and graveling, shoulder repairs, brush cutting and guardrail installation is being carried out through Road Improvement Money program. The funding to the program will double by the end of 2007-2008.
- Continuing with the five-year steel-truss bridge-replacement program. More than \$10-million-worth of projects will be completed in 2005-2006.

Ports

Develop ports of Halifax, the Strait, and Sydney

Action:

- Halifax Gateway Council — private sector stakeholders from the four modes of transportation; road, rail, air and shipping/ports. The council has drafted a strategic plan to focus on infrastructure development and financing, government policy, and market development. Funding has been provided by ACOA and Transport Canada in addition to the private sector. The council's vision is "To become North America's preferred eastern gateway for the economic and social benefit of Atlantic Canada". The province, through OED and TPW, is working with the council in support of its efforts.
- The Strait-area offshore facility - the province invested \$1 million in this \$6 million facility to provide new infrastructure on site, which will help this busy facility to prosper.
- \$23 million in cruise passenger spending expected in 2005. Halifax Port Authority is working to attract vessels that embark passengers from the Port of Halifax; an added bonus to the economic impact the cruise business already provides. The Port of Halifax has a total annual income impact of almost

\$700 million and an employment impact of over 9,000 direct and indirect jobs.

- A delegation of the Halifax Port Authority and container terminal operators, Cerescorp Inc., and Halterm Ltd., visited Japan, Korea, Taiwan, and China in spring 2005 to promote Halifax's deep-water port and cargo services with the aim of increasing business.
- Halterm Limited entered into a new three-year service agreement with China Shipping (North America) Holding Co. Ltd. to provide weekly container handling services in the Port of Halifax (2005).
- At the end of 2004, the 500,000th container of the year moved through the Port of Halifax marking the 5th consecutive year that the port has handled over one-half million container units.
- In Sydney, the province invested \$1 million in Laurentian Energy, located in Port Edward, to enhance its offshore fabrication capabilities.

Harbours

Establish priorities for maintaining strategic harbours

Action:

- The province, through TPW, has provided 50% (ie. \$5K) of the cost to retain a consultant to help establish the Atlantic Canada Marine Ports Association. This is a group of the independent, smaller seaports that is being spearheaded by Strait of Canso Superport Corp. It is expected the association will help to articulate the priorities for the member ports.



2. INFRASTRUCTURE

Airports

Develop Halifax International Airport's status as regional hub, and Yarmouth and Sydney airports as key assets for economic development

Action:

- Halifax International Airport passenger traffic increased by 9.1 per cent in 2004.
- Air cargo business had a significant jump of 6.6 per cent over 2003.
- In December 2004, the airport attained approval for US preclearance effective October 2006.
- Air Terminal Building Expansion is a \$90-million investment to expand aviation facilities and services.
- Yarmouth and Sydney airports continue to operate independently.

Municipal Infrastructure

Implement the infrastructure partnership among Canada, Nova Scotia and municipal governments, with priority on water and sewage-treatment facilities

Action:

- Canada-Nova Scotia Infrastructure Program is nearing completion with 141 projects in excess of \$204.2 million. Provincial contribution of \$60.0 million.
- Federal gas tax transfers were negotiated and Nova Scotia is receiving \$145 million over the next 5 years.

IT & Communications

Building on the Information Economy Initiative and other provincial/federal collaborations, use government leverage to ensure Nova Scotians have digital connections second to none by 2003

Action:

- In 2005, OED helped to expand the high-speed broadband network to approximately 200 more Nova Scotia communities through seven federal/provincial projects under Industry Canada's Broadband for Rural and Northern Development Program.

- Over 80 percent of Nova Scotian's communities are now served by high-speed network connections.
- The province is working to expand a high-capacity, high-speed research network infrastructure, which also connects Dalhousie, St. Francis Xavier, Acadia and Cape Breton University, to promote commercialization of products and services by researchers working in partnership with local business.
- Centres of IT Excellence have been established at Dalhousie University, Acadia University, and Cape Breton University.
- Institute for Teaching and Technology has been established at Acadia University as a centre of excellence for application of IT at all educational levels

Environment

Preserve and protect natural environment as an asset for long-term growth

Action:

- New environmental air-quality regulations have been implemented to protect the environment and human health. These regulations will reduce Nova Scotia's contribution to smog and reduce our contribution to acid rain.
- Drinking Water Strategy completed. All municipal water utilities in the province now have consistent approvals that require them to meet clear province-wide standards for water treatment and operator certification.
- About 1,800 small public drinking water suppliers are now registered with the Department of Environment and Labour, and are required to monitor their water quality and report problems to the department.
- Education documents have been prepared to help private well owners understand their role in protecting and testing their water. Forty per cent of Nova Scotians rely on private wells.

3. INNOVATION

Strengthen the innovation system in Nova Scotia

Federal investment

Work with federal initiatives involving research, related infrastructure, and other innovation

Action:

- Over \$25 million invested in Nova Scotia-based research at our universities, colleges and hospitals since 2001 through the Nova Scotia Research and Innovation Trust Fund.

Technology adoption

Help businesses invest in new technologies to improve performance, adopt best practices and lead to new products and processes

Action:

- InNOVAcorp helps early stage Nova Scotia companies commercialize their technologies and succeed in the global marketplace. The organization's High Performance Incubation (HPi) model uses incubation facilities, mentoring and investment to help entrepreneurs overcome traditional hurdles to business growth.
- Prototype Boat Builders Credit Facility is a \$1.5 million fund designed to promote innovative designs or prototype boat building.



R&D

Establish a strategy to identify and increase research and development among businesses and in other areas such as environmental sustainability

Action:

- Recent major expansion of Ocean Nutrition Canada production facilities at InNOVAcorp's Knowledge Park is a substantial boost for Nova Scotia's emerging life sciences cluster.
- The Premier's Advisory Council on Innovation was established in 2003 and has delivered a series of recommendations regarding R&D matching funding.
- An update of the province's economic growth strategy is under development and will include a strategy for sustainable growth. (Target release in 2006).
- Nova Scotia AgriTECH Park is forming stronger links to the life sciences sector through environmental food safety, science and innovation.
- Nova Scotia Energy 2004 Research & Development Forum brought together more than 200 representatives of industry, government and academia to discuss energy-sector research and ways to coordinate R&D capabilities.
- Nova Scotia is in partnership with New Brunswick and five jurisdictions in the United States to study the feasibility of using tidal-flow generators in the Bay of Fundy.

3. INNOVATION



Commercialization

Establish a direct link between business need and support for academic research

Action:

- InNOVAcorp operates an incubation/mentoring facility that links business need and academic research, helps entrepreneurs develop the skills and practices necessary to grow their companies through the various stages of growth, and leads to new products and processes for export.
- Early-stage Commercialization Fund (2005) was established to support commercialization efforts at our universities.
- The Nova Scotia AgriTECH Park serves as the commercialization wing of the Nova Scotia Agricultural College. The 16-acre campus provides a fertile environment necessary to assisting knowledge-based companies grow and develop innovative products, services and technologies within the agri-food and seafood sectors.



4. LABOR FORCE

Ensure the labour force is able to take advantage of opportunities

Matching employment opportunities and employment

Work with business, labour and educational institutions to match training to jobs

Action:

- The Skills Nova Scotia Annual Report was developed to provide detailed information on a number of activities that help business and educational institutions match training to jobs.
- The Skills Nova Scotia Framework outlines the goals and objectives the province has set to guide and coordinate skill development activities. These activities help Nova Scotians prepare for, find and maintain employment.
- Labour Market Framework Agreement for Persons with Disabilities - Programs and services have been established to assist Nova Scotians with disabilities to participate in the labour market. Programs include skills development, encouraging employer readiness, career counseling, campus-based support and at-work support.
- Energy Training Program for Students (2002) offers wage subsidies to local employers to hire and train students. More than 100 students have been placed with over 30 local firms to date.
- Pengrowth/Nova Scotia Energy Scholarship Program (March 2005) is a \$2-million fund partnership between the province (\$500,000) and Pengrowth Corporation (Sable offshore energy proponent) to help students starting careers in the energy sector.
- The province has made a \$123-million investment in the Nova Scotia Community College system.
- A Memorandum of Association with the province's universities will cap tuition increases for three years and guarantee funding to the universities. The MOU recognizes that universities are a one-billion dollar industry vital to the province's economy.
- The Nova Scotia School for Adult Learning continues to provide opportunities for approximately 4,900 adults each year to improve their literacy and essential skills and/or obtain the Nova Scotia High School Graduation Diploma for Adults.
- The Workplace Education Initiative continues to support approximately 50 workplaces a year to provide about 128 essential skills education programs to approximately 1100 participants at their work sites.
- Piloting innovative initiatives such as the One Journey - Work and Learn project, a labour market attachment project that combines essential skills education with specific industry skills training and leads to employment.
- Improving the province's apprenticeship system with programs like essential skills supports for apprentices, the development of Blue Seal business skills endorsement, virtual delivery of training, mentorship programming, and Youth Apprenticeship help attract people into the trades, better support them during their apprenticeship, and ultimately, increase the number of certified trades people available for work in Nova Scotia.



- NSBI is working with partners to implement a program that will attract expatriates with IT skills back to the region.

4. LABOR FORCE

Youth

Focus on education, experience and information to address youth employment concerns

- Public schools are being refocused and re-energized by multi-year Learning for Life education plans.
- The Student Employment Program provides employment opportunities to post-secondary students through the Student Career Skills Development Program and the Cooperative Employment Program. Since 2001 more than 2770 jobs were created for students to receive career-related work experience. During the same time period, 998 students received cooperative employment positions in their field of study.



Immigration

Finalize an agreement with the federal government to attract more skilled workers and entrepreneurs to the province

Action:

- The Provincial Nominee Program (2002) was created with the federal government to boost the number of business immigrants and skilled workers who can fill job skill shortages. Nova Scotia has begun to grow our population of entrepreneurs, skilled wage earners and consumers. This, in turn, will create business, employment growth and opportunity.
- Drafted an Immigration Strategy (2005).
- Dedicated more resources to immigration with the opening of a new Office of Immigration (2005) and created the Portfolio of Minister of Immigration.
- Due to strong interest, the province has asked the federal government to expand the program — to 300 Nominees and their families a year from 200.

Employers

Increase the skills of business owners and managers

Action:

- Nova Scotia Business Inc. has Business Advisory Teams in six offices across the province. Services include consulting and mentoring, efficiency-improvement, quality control, business-planning, market intelligence, opportunity-identification, export-readiness and other coaching.

5. INVESTMENT

Investment framework

Attract anchor companies, use lending and financial incentives, reduce business taxes, help develop local venture-capital capability

Action:

- Prototype Boat Financing Program offered by the province provides assistance to boat builders through a \$1.5 million fund to cover up to 75% of the costs to design and build prototypes.
- The Film Tax Credit has been granted a 10-year extension and the credit was increased from 30 per cent to 35 per cent, with frequent-film bonuses of five per cent for companies shooting two films in a two-year period. Spending on film production in the province regularly surpasses the \$100-million mark.
- Community Economic Development Investment Funds (CEDIFs) are an evolving program with more funds starting each year. There are currently 26 active funds with more awaiting approval. Since the government of Nova Scotia introduced CEDIFs in 2000, about 2,650 Nova Scotians have invested more than \$16 million in assets.
- InNOVAcorp's venture capital fund, the Nova Scotia First Fund, was topped up by \$8 million in 2003-2004. The fund currently manages 16 investments and has leveraged more than \$100 million in the last decade. Current assets under management are over \$17 million.
- The payroll rebate program offered by Nova Scotia Business Inc. had a return on investment to the province of over \$67 million. Through its incentives and programs, NSBI's efforts have led to the retention or creation of over 16,000 jobs, with a payroll impact of over \$500 million dollars.
- Since 2000, the province has contributed \$118.4 million to OED's Industrial Expansion Fund (IEF), with an employment impact of 3,400 jobs and total project values in excess of \$343 million.
- The province has invested \$12 million into the \$98 million Cape Breton Growth Fund. This money has helped leverage investments in tourism, manufacturing and key community infrastructure and led to creation of more than 3,000 jobs.
- Credit Union Loan Guarantee Program was expanded in 2005, from \$6 million in guarantees to \$25 million. This program has enabled loans of about \$9.3 million to 129 businesses, creating more than 240 new jobs and maintaining more than 600 jobs.
- The Nova Scotia Business Fund supports growth-oriented companies with financial services that can range from loans to equity financing.
- Changing the regulations governing Labour Sponsored Venture Capital Corporations (LSVCCs) have encouraged an indigenous venture-capital industry in the province and reduced the amount of capital flowing out of it. One of the benefits from this change has been a much greater level of interaction between the Atlantic provinces.

Cluster development

Work with key partners to create industry clusters

Action:

- Lending and financial incentives have been assisting cluster development in sectors where we have strengths, such as in life sciences and the information technology industry.
- InNOVAcorp's long-term vision of developing a technology cluster (Knowledge Park) in Dartmouth's Woodside Industrial Park took a significant first step forward when the first major park tenant, Ocean Nutrition Canada, was secured.
- Once in place, the LNG facility in the Strait Area will provide strategic infrastructure for further energy-related projects and attract complementary businesses.
- Nova Scotia AgriTECH Park in Truro has become the college's commercialization wing. The park forms stronger links to the life-sciences sector through its focus on environmental food safety, science and innovation
- NSBI's Nearshore Strategy is attracting a cluster of international IT firms, such as CGI, Support Soft, Keane and Research In Motion (RIM).

5. INVESTMENT

- \$25 million invested in Nova-Scotia-based research at our universities, colleges and hospitals since 2001 is creating a cluster of expertise and potential commercial ideas.

Marketing Nova Scotia

Market unique strengths and opportunities directly to potential investors, at home and outside Nova Scotia

Action:

- Brand Nova Scotia is a strategic alignment of business partnerships and marketing initiatives that will help tell the world about the Nova Scotia difference, attract more investors, tourists, immigrants and expatriates — resulting in new business and new growth.

Internal Investment

Make it easier for Nova Scotians to invest at home

- The province's Community Economic Development Investment Fund (CEDIF) program encourages Nova Scotians to keep their investment dollars working in their communities. Each fund is a pool of capital raised in a community through the sale of shares. The money is then invested in new or existing local businesses.

Business Retention and Expansion (BRE)

Business growth through a focused business retention and expansion strategy

- With a new business development approach, NSBI's Business Advisory Team (BAT) works with businesses to identify challenges to business success and opportunities for business expansion.
- In June 2004, the Greater Halifax Partnership (GHP) launched a Business Retention and Expansion program. The program includes a database with a tracking component to identify companies at risk and an action team of 22 partners. As of February 2005, 515 companies had been visited representing 47,500 jobs or 23% of HRM's labour force. Since June 2004 the program has helped the Partnership to create or maintain 1,700 jobs.

6. EXPORTS

Actively encourage Nova Scotia exports

Export promotion

Launch Nova Scotia trade plan

Action:

- A discussion paper on export development, “Going Global, Staying Local” was created to help nearly small — and medium — size exporters find international markets, funding and the training needed to succeed.
- Delivered trade-education programs, including the series, “Doing Business in...” to promote opportunities in new markets.
- The Service Export Strategy was developed to recognize the unique challenges faced by small- and medium-sized enterprises (SMEs) when exporting services. The Service Export Program was launched to help Nova Scotia exporters get their service exports to market.

Trade missions

Help SMEs identify opportunities in key markets

Action:

- Provincial government departments and agencies participated in about 25 trade missions and market development activities per year with industries to support the development and advancement of exports.
- Export assistance programs such as Export Prospector and the Agri-Food Industry Development Fund provide resources to assist companies with market development.

Broadened trade focus

Expand export activity across Nova Scotia

Action:

- 200 projects were approved across the province through the \$23-million International Business Development Agreement -- four Atlantic provinces, educational institutions and industry associations work cooperatively on these projects.
- Trade Team Nova Scotia (TTNS) is a federal/provincial/private-sector umbrella group that promotes trade and Nova Scotia exporters. The group benefits from input from the province’s

Regional Development Authorities (RDAs).

- A Provincial Trade Committee coordinates the export-development work of Nova Scotia government departments.
- Rexport is a tool developed by NSBI to keep contact information current for partners in trade development.

Market intelligence

Find opportunities to diversify our exports and to trade in new markets

Action:

- Competitive Intelligence (CI) programs, which research business economy, were developed in conjunction with five major international trade shows in various sectors. CI training was provided for provincial trade staff.
- The Trade Intern Program helps MBA students work in a market research capacity in Canadian Consulates, Embassies and High Commissions world wide.
- Multilateral Development Projects provides training sessions on how to work with development agencies and international financial institutions including strategies for winning proposals.

Key sectors

Expand export base of key sectors in growth strategy

Action:

- Started the Service Exporter Program (2005) which targets firms that primarily export services and provides financial assistance to support final stages of the sales process.
- Launched EduNova, a cooperative industry association for higher education institutions and private training organizations whose role is to facilitate international student recruitment and international contract sourcing.

6. EXPORTS

Export readiness

Prepare more businesses and first-time exporters for success

Action:

- The Export USA Road Show, sponsored by Trade Team Nova Scotia, prepares businesses and first-time exporters for successfully engaging in international trade.
- The province funded education programs to increase the export capability of new exporters through the International Business Development Agreement (\$23-million in agreements).
- Department of Energy is working with industry and federal government to help export-ready companies find opportunities that match their capabilities.
- Developed the “Exporter Typology,” which is a tool to help identify promising new exporters.
- Delivered Export 101 sessions to small groups of companies presented around Nova Scotia to give the basics of export strategy and one-on-one counseling

Brand Nova Scotia

Mount an initiative to promote Nova Scotia products and services at home and abroad

Action:

- Launched the Brand Nova Scotia Initiative in March 2005 to convey Nova Scotia’s desirability as source of quality goods and services and our attractiveness as a location for investment, tourism, and immigration.

7. REGIONAL CAPACITY

Support regions as they take charge of their own futures

Policy framework

Build comprehensive policy based on recent experience

Action:

- In 2004, the province launched the Community Development Policy to guide government departments as they help Nova Scotia communities lead their own development.

Planning

Prepare regional strategies linked to the economic growth strategy

Action:

- The 12 Regional Development Agencies (RDAs) across the province link their business plans to the provincial growth strategy.

Opportunities identification

Help regions identify and assess new business development opportunities

Action:

- Office of Economic Development and Nova Scotia Business Inc. work with RDAs and other regional partners to identify opportunities for investment-attraction across the province. By leading economic development at the local level, the RDAs are able to offer valuable support including the ability to develop skills inventory, work on industrial development issues, help upgrade labour qualifications and assist with securing funding.
- The Supplier Development Program supports entrepreneurship with the goal to expand Nova Scotia businesses. The program created \$1 billion in business opportunities for Nova Scotia companies through three key elements: reverse trade shows, a directory of contacts, and an electronic notification system.
- Strong demand for the Credit Union Small Business Loan Guarantee Program recently led the government to increase the available funds from \$6 million to \$25 million to finance start-up and expansion activity by local businesses.

- Nova Scotians are investing in community economic development funds (CEDIFs) in record numbers, testifying to the growing ability of business to identify and take advantage of business opportunities. Since being introduced in 2000, CEDIFs have attracted more than \$16 million in investments from 2,650 Nova Scotians. The program reduces financial barriers that limit the private sector's ability to act when they see an opportunity.

Community capacity

Communities in transition

- Government is providing support for projects led by the community. In Shelburne, for example, the conversion of the former Shelburne Youth Centre, and the transitioning of the military base.
- The province supported a major study to identify opportunities in the cod fishery on the southwest shore.
- The collective efforts of Team Guysborough members have resulted in building considerable capacity among citizens in the local community of Canso, enabling local development groups to move forward with their own plans to stabilize and diversify the local economy.

Regional Development Agencies (RDAs)

Continue decision-making transfers from government to broadly representative regional development agencies and support their work

Action:

- A network of 12 RDAs across the province is charged with attracting new businesses and investments to their communities, mainly in rural Nova Scotia.
- Provincial MOU in 2004 with RDAs confirmed ongoing support by the province.
- Improvements in governance among the RDAs and training, has been provided for all new RDA Board Members (led by the Association of RDAs), and best practices are shared and adopted.

7. REGIONAL CAPACITY

- The Nova Scotia RDA Association's ISO 9001-2000 project in 2004-05 has enabled the RDAs to attain this highly regarded international standard (it means something in any language). The Association itself is currently finalizing its ISO 9001-2000 registration process.
- Since 2003, the Office of Economic Development has provided core funding (\$260,000) to Le Conseil de développement économique de la Nouvelle-Ecosse (CDENE). CDENE is mandated by the Acadian and francophone community in Nova Scotia to coordinate economic diversification of the five Acadian and francophone regions of the province. The province provided funding to several regional communities' projects during the World Congress of Acadians in Summer 2004 as well as support for the Francophone Economic Forum (March, 2004)

Communities of interest

Identify barriers to participation in economic development by communities with shared concerns

Action:

- The Black Business Initiative (BBI) has worked with over 150 businesses, helping increase the rate of African Nova Scotian entrepreneurship. BBI raised \$240,000 under the CEDIF Program to help take businesses to the next level. There were 161 loans issued for a value of \$1.7 million leveraging \$1.8 million. Business created and maintained 489 full and part time jobs. Almost 80 clients annually participate in training programs.
- The province has been supportive of Nova Scotia First Nations who have made significant advances in economic development including Millbrook First Nation in Colchester County and the Mi'kmaq community of Membertou in Cape Breton Regional Municipality.
- The Departments of Community Services, Education and Health are committed to strengthening programs for persons with disabilities. Programs and services are supported by more than \$15-million in annual cost-shared funding from the province and federal government. In 2004 \$1 million was provided to go to vocational day programs for persons with intellectual, mental health and/or physical challenges. Another \$1 million will be used to create similar grants for work activity programs for people with barriers to employment.
- The inaugural "Les Lauriers de la PME", highlighting the accomplishments of three francophone entrepreneurs, was held in September 2005. Sponsored by the CDENE, the event celebrated the strong heritage of entrepreneurship in Acadian communities.

Cape Breton

Help Cape Breton lead the way in speeding the transition to a new economy, using government and business support as required

Action:

- Cape Breton and Nova Scotia Railway — the province is investing \$10 million over five years to secure the future of the line and new regional opportunities for Cape Breton business.
- \$12 million provincial investment in the \$98 million Cape Breton Growth Fund managed by the Government of Canada — the fund helped leverage investments in tourism, manufacturing and key community infrastructure creating more than 3,000 new jobs.
- NSBI worked in partnership with organizations to help Cape Breton companies grow, as well as to attract new companies and build up new sectors — some examples include: Dynagen, Techlink, MacLeod Resources, PharmEng, Federal Gypsum, EDS, and Bear Head LNG.

VITAL ECONOMIC SECTORS

Vital economic sectors such as ocean and land resources, agriculture, and tourism and culture are crucial to the future of our economy. Each has benefited from a sound strategic plan and significant progress has been made to ensure the future growth of these sectors. The expansion of sectors like the digital economy, energy, advanced manufacturing, the learning industry and life sciences will offer opportunities for continued growth.

1. OCEAN RESOURCES

Continue to find opportunities to develop the existing and secondary ocean resource industries and collaborate on infrastructure and regulations

Action:

- The ocean-industries sector has roughly doubled its contribution to Nova Scotia's economy between 1996 and 2001 due to export competitiveness.
- The Department of Agriculture and Fisheries worked to increase added-value production of Nova Scotia food products and enhance quality-development initiatives in the food sector. More than 20 projects completed since launch of program in 2001.
- In an effort to establish baseline data on infrastructure of the seafood-processing sector, a federal/provincial study titled "The Economic Value of the Nova Scotia Ocean Sector" was conducted in 2005. This study will help government make decisions about future policy directions related to Nova Scotia's ocean industries.
- The Department of Agriculture and Fisheries, in partnership with the Aquaculture Association of Nova Scotia (AANS), published and distributed the discussion document "Long-term Planning for Aquatic Farming in Nova Scotia" to industry stakeholders. The document and results of consultation and public comments will form the basis of a new aquaculture development strategy and implementation plan.
- The province created and implemented an aquaculture planning tool for aquaculturists wanting to establish business in Guysborough County. Agriculture and Fisheries received three proposals from interested mussel farmers who wish to expand their farms or establish new farms in Guysborough County.
- The province partnered with industry on projects to address barriers to commercialization and new product development in life sciences and health products including pharmaceuticals and nutraceuticals from seafood products and seafood and agri-food bio-products.
- An Investment Options/Access to Capital project in 2004 was initiated to identify both private and public sources of capital investment and sources of funding for agri-food and seafood businesses. The project improved the quality and availability of business information in key investment areas and assisted investors in the agri-food and seafood sectors to access non-traditional sources of investment capital.
- The Offshore Resource Revenue Agreement (February 2005) made Nova Scotia the principal beneficiary of our own offshore resource revenues. The agreement guarantees the province 100 percent of our offshore revenues without threat of a federal clawback.
- Every dollar received in proceeds from the offshore agreement — more than \$830 million — will be used to pay down the province's debt, freeing up about \$40-50 million a year to improve education, health care and social programs.
- The Atlantic Energy Roundtable was convened in 2002. A federal/provincial agreement in 2005 was established to encourage offshore petroleum development by improving regulatory efficiency and approval times.
- The province signed a Memorandum of Understanding with the federal government (Freshwater Fish Habitat Memorandum) to improve efficiency in managing freshwater recreational fisheries.
- In 2004, a new Fisheries Enforcement Strategy was implemented to address illegal fishing, buying and selling activities in collaboration with federal and provincial agencies. The new policy places license conditions on buyers and establishes a license sanction process for the Registrar of Licensing.
- The province worked with the Canadian Council of Fisheries and Aquaculture Ministers (CCFAM) on a national marketing campaign to highlight the recreational value of sportfishing.

1. OCEAN RESOURCES

- The Atlantic Canada Food Export Partnership with federal, provincial and private-sector partners provides industry leadership in planning and implementing trade development initiatives for Atlantic- region food-industry members.
- Established in 2004, the Department of Agriculture and Fisheries and NSBI now jointly manage a \$1.5 million Prototype Boat Credit Facility to provide technical and management services for the construction of innovative new sailing vessels for fishery and recreational boating industry.
- Provided funding through the Canada/Nova Scotia Economic Diversification Agreement to support marketing, promotion, research and development, new designs, education, training and the Nova Scotia Boat Builders Association office. The support helped to diversify the boat building industry and succeeded in continuing commercial fishing vessel construction and generating new opportunities in the recreational, sportfishing and sailing yacht markets. It also helped increase sales to the US market. Over the past five years, Nova Scotia boat building sales have increased over 80 percent. The value of boat building has increased from \$50 million in 2000 to \$90 million in 2004.
- Commercial Fishing - fisheries management and science advisory committees review stock information and formulate harvest plans. Provincial participation brings expertise to the table to protect the resource and the interests of Nova Scotia fishermen. Participation has brought fish resources to Nova Scotia communities and allowed fishermen to manage their own portion of some fish resources.
- Sport Fishing - enhanced sport fish habitat renewal and access to the fish resource through a new program that provides funds to the Adopt-A-Stream program and other habitat renewal initiatives.
- Access to Capital - continued to provide fish harvesters and aquaculture industries with long-term stable, cost effective funding through the Nova Scotia Fisheries and Aquaculture Loan Board.
- Availability of Trained Workers — worked with the Nova Scotia Community College and the boat building industry to establish a training program for a new generation of boat builders. This involves a training agreement that was signed in 2004 with the New Zealand boatbuilding industry to ensure Nova Scotia has enough highly skilled boatbuilders to meet growing demand.
- Worked with government partners and industry groups to improve professional and safety standards in commercial fish-harvesting sector.
- The Department of Energy and the Department of Agriculture and Fisheries worked with fish-harvesting industry representatives and consulted with jurisdictions like Norway and Scotland on how their successful fisheries coexist with their mature oil and gas industry. Recommendations were made on how to address the issues and challenges of two industries sharing the same marine areas.

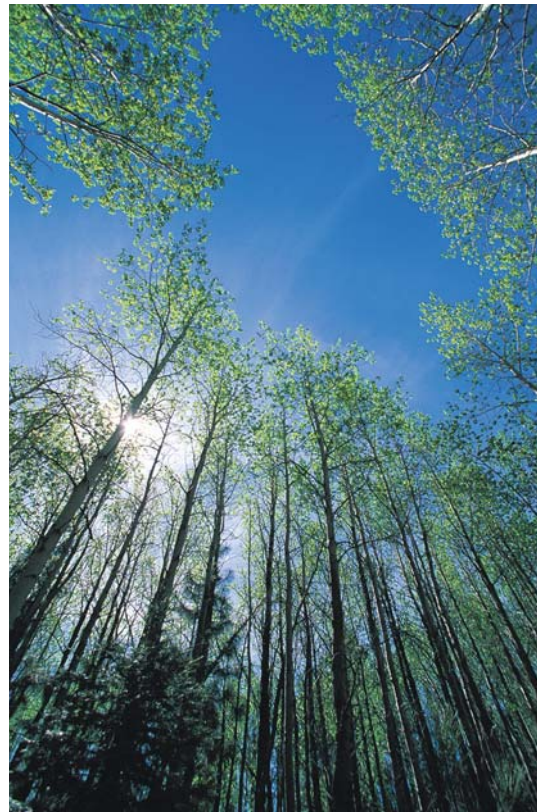


2. LAND RESOURCES

Resource-based industries and businesses will continue to provide considerable economic value, especially in rural areas

Action:

- A Framework for the Implementation of Sustainable Forest Management (Nova Scotia's Code of Forest Practice) was completed, approved and released to the public. The code of forest practice is intended to provide direction to forest land owners and operators on forest management practices which lead to sustainable forests and forest use.
 - Registration and Statistical Returns Regulations — under the Forests Act, the regulations provide for the collection of information on primary forest products so that harvest levels are known. A wood buyers registry was established to maintain this information.
 - Forest Sustainability Regulations — under the Forests Act, regulations supports the sustainability of the province's forests. Registered wood buyers are responsible for either undertaking silviculture programs (care and cultivation of forests), or for contributing to a Sustainable Forestry Fund. The amount of silviculture or the size of the contribution to the Fund is relative to the amount of primary forest products that a registered wood buyer acquires.
 - Wildlife Habitat and Watercourses Protection Regulations — under the Forests Act, regulations provide the requirements for the protection of wildlife habitat and watercourses when forestry operations are being carried out on forest land.
 - Ducks Unlimited Greenwing Legacy Project is a 5,000 square foot interpretive centre at the Shubenacadie Provincial Wildlife Park. This centre will increase public awareness about the benefits wetland ecosystems provide to the environment.
 - The province supports industry efforts to achieve certification of sustainable forestry practices, in recognition of the increasing importance of certification to consumers and to a company's competitive position in the global market.
 - In support of a continuing coal industry in the province, a tender call for the Donkin coal resource was issued in December 2004. Proposals were evaluated and Xstrata Donkin Coal Development Alliance was the successful applicant.
- The government recognizes the value of the province's mineral sector and has promoted responsible resource development, efficient resource extraction, and the sustainable reclamation of mine sites in the province.
 - The province is undertaking the development of strategies in four areas related to our land resources: biodiversity, forests, minerals, and provincial parks. When completed, the strategies will provide government with a current policy framework that supports sustainable natural resource management, the conservation of a healthy natural environment and current and new economic opportunities linked to these resources.
 - Economic impact studies of mineral and forestry sectors will provide information on current labour-force characteristics and skills, and help government work with the private sector to ensure a future supply of labour for the resource sectors, which provide skilled, well paid jobs in rural areas.



3. AGRICULTURE

Strengthen exports, forge stronger links with related sectors and address environmental challenges

Action:

- Developed the Atlantic Canada Food Export Partnership with federal, provincial and private-sector partners providing industry leadership in planning and implementing trade-development initiatives for Atlantic-region food-industry members.
- Market research and a four-year Memorandum of Understanding was signed between the Atlantic provinces to develop the potential of organic producers, processors, wholesalers and retailers in both domestic and international markets.
- The Department of Agriculture and Fisheries entered into an agreement with Ducks Unlimited Canada to deliver environmental and biodiversity programs to the agriculture sector.
- In 2003, a four-year Memorandum of Understanding was signed to form the Atlantic Canadian Organic Regional Network (ACORN) on market research to evaluate organic producers, processors, wholesalers and retailers in domestic and international markets.
- National Greenhouse Gas Mitigation Program — The Department of Agriculture and Fisheries established outreach programs to create farm-level demonstrations of climate change management and technologies.
- The province established AgriTECH Park at the Nova Scotia Community College Truro campus. It has become the college's commercialization wing, which encourages stronger links to the a life sciences sector through focus on environmental food safety, science and innovation.
- Projects were initiated under the National Water Supply Program in 2004 to enhance environmentally-friendly farming practices through the federal Greencover Technical Assistance program. This will lead to increased opportunities for better water use in rural areas and will help agricultural producers improve water management.
- The province initiated an Investment Options/ Access to Capital project in 2004 to identify both private and public sources of capital investment and sources of funding for agri-food and seafood businesses. The project improved the quality

and availability of business information in key investment areas and assisted investors in the agri-food and seafood sectors to access non-traditional sources of investment capital.

Growth strategies include:

- **Wild Blueberry:** Developed a strategic plan for the wild blueberry industry. This strategy is currently being implemented and will contribute to industry growth.
- **Wine:** Completed a wine industry marketing strategy. The strategy focused on increasing the consumption of Nova Scotia wines.
- **Value-added:** Completed a strategy to maximize the department's efforts to increase the level of value-added products, services, and advanced manufacturing activity in Nova Scotia's agri-fish sectors. Recommendations include how to approach industry sectors, which inputs should be provided, and how the department can coordinate inputs from other stakeholders.
- **Tree Fruit/Apples:** Partnered with the Nova Scotia Fruit Growers Association and industry stakeholders on an on-going basis to implement the Nova Scotia Tree Fruit Industry Vitalization Strategy. The strategy is an aggressive marketing, branding and orchard renewal initiative to advance the market share of Nova Scotian tree fruit, particularly apples, in domestic and international markets.



3. AGRICULTURE

- **Signed the Canada-Nova Scotia Implementation Agreement for the Agricultural Policy Framework (APF) in 2003. Programs delivered under the APF include:**

1. Environmental Farm Plans (EFPs)

Enrolled approximately 670 farms in the Environmental Farm Plan (EFP) initiative to date. This represents 27 percent of all farms in Nova Scotia using a base of 2400 registered farms. The enrollment also means 51,000 hectares of commercial farmland are covered by EFPs. The EFP initiative builds on scientific research and innovative technology, and incorporates nutrient management planning, revised manure management guidelines, and on-farm water management. EFPs lead to improved environmental performance on farm and improved management of natural resources associated with farmland (air, water, soil, and biodiversity).

2. Farm Investment Fund (FIF)

Continued to support sustainable growth in farm businesses through the Farm Investment Fund (FIF). In 2004-05, the FIF provided investment in business and human resources development, land development, water management, regulatory compliance and agro-environmental projects. A total investment of \$5,173,163 was committed for 2470 projects from 886 approved applications. Funding through the FIF increased investment in the primary and processing sectors of the agri-food industry.

3. Agri-Food Industry Development Fund (AFIDF)

Continued to encourage an entrepreneurial market-driven approach in the agriculture and food industries, including adaptation, economic growth and rural development in Nova Scotia through the Agri-Food Industry Development Fund (AFIDF). In 2004-05, a total investment of \$737,316 was committed for 284 projects in business development, public awareness of agriculture and food, market development and expansion and regulatory compliance. Funding through the AFIDF increased the adoption of innovative processes in the primary and processing sectors of the agri-food industry.

4. Technology Development (TD) Program

Continued to support the development and adaptation of agricultural technologies and knowledge that enhance the competitive position of the Nova Scotia agri-food industry through the Technology Development (TD) Program. Investment of \$1,131,580 was committed to 34 technology development projects. Funding through the TD program increased technology development, introduction and transfer in primary and processing sectors of the agri-food industry.

5. Regulatory Compliance Food and Farm Safety Initiative

Provided assistance to provincially inspected on-farm slaughter facilities to meet provincial inspection licensing requirements by supporting the implementation of food safety components through the Regulatory Compliance Food and Farm Safety Initiative. In 2004-05, \$309,765 was committed to regulatory compliance and delivered through the FIF and AFIDF. Funding through the Regulatory Compliance Food and Farm Safety Initiative strengthened food safety systems throughout the meat-processing sector of the agri-food industry.

6. Renewal Chapter Initiatives

Implemented key development initiatives under the renewal chapter of the Canada-Nova Scotia Implementation Agreement including:

- *an industry planning process with Pork Nova Scotia;*
- *research on future development challenges facing the Nova Scotia vegetable industry; and*
- *an agreement to assist with economic analysis and development of opportunities involving apple bio-products.*

The results of the renewal activities have supported more effective industry development planning among key groups and individuals.

4. TOURISM, CULTURE AND HERITAGE SECTORS

Develop the economic and export potential of Nova Scotia's tourism, culture and heritage sectors

Action:

- In 2003, \$1.273 billion spending in the tourism industry generated 33,400 direct and indirect jobs, \$498 million in direct and indirect wages and salaries, and \$96 million in provincial taxes.
- A \$10 million additional investment in 2004-2005 in tourism marketing, product development, and regional tourism initiatives to enhance Nova Scotia's tourism products and services, and marketing efforts in 2005-2006, and beyond.
- In 2001, the culture sector contribution to the GDP was estimated at \$1.2 billion, with 28,000 direct and indirect jobs dependent on culture activities.
- The province secured a \$3 million investment over four years to support the industry's Music Sector Strategy.
- In 2004, supported over 80 projects undertaken by cultural producers through its Industries Program. Investments of \$454,777 leveraged industry investment of over \$3.4 million.
- The department provides about \$7 million a year to over 80 museums in the province, including the 27 museums in the Nova Scotia museum system, and supported 13 heritage development projects with \$137,941.
- Supported the identification of Joggins and Grand Pre as possible World Heritage sites.



5. ENERGY

Work to maximize benefits from all aspects of this industry

Action:

- Created a provincial Department of Energy and developed an Energy Strategy.
 - Developing an Energy Act to consolidate existing legislation and modernize the provincial approach.
 - Developed the Offshore Resources Revenue Agreement in February, 2005, which made Nova Scotia the principal beneficiary of its own offshore-resource revenues, guaranteeing 100 percent of provincial-source petroleum revenues, including royalties.
 - Anadarko Petroleum Corporation, one of world's largest independent oil and gas production companies, is constructing a \$650-million liquefied natural gas (LNG) terminal and re-gasification plant at Bear Head. NSBI has worked as the project manager for the Bear Head LNG opportunity on behalf of the province. The province generated \$4.62 million in revenue from the sale of the land to Bear Head LNG to build and operate the LNG terminal and re-gasification plant.
 - Once the Bear Head LNG facility is operational, it will provide 7.5 million US\$ over 10 years to a fund for developing local business opportunities generated by the re-gasification terminal.
 - An agreement between Bear Head LNG and Maritimes and Northeast Pipeline for transportation services is expected to result in an expanded pipeline to enable gas to reach markets.
 - An offshore production facility (Sable Offshore Energy Project) is a strategic piece of infrastructure for further energy related projects.
 - Progress has been made on the engineering side of offshore oil and gas and related onshore industries/ disciplines to capitalize on excess capacity created.
 - A cooperative R&D process is in place and more is being done to study the impact of seismic testing on industries such as fishing.
- The Department of Energy, OTANS, ACOA, the federal Export Development Corporation, DFAIT and Industry Canada are cooperating to help match exporting and export-ready energy-sector companies with export opportunities.
 - The province is promoting onshore and offshore petroleum exploration and development opportunities in Nova Scotia, North America and Europe.
 - Nova Scotia, New Brunswick and five US jurisdictions are partnering on a study of tidal-flow generation in Bay of Fundy.



6. DIGITAL ECONOMY

Continue to support this fast-growing and important information and communications technology sector

Action:

- A technology cluster exists and is thriving in Nova Scotia, which is demonstrated by the formation of an industry association (ITANS) and the success of many local firms.
- NSBI created a dedicated Nearshore Application Development campaign to present Nova Scotia as the ideal location for nearshore outsourcing in the application-development and business-process sectors. The goal is to make Nova Scotia a location of choice for international IT outsourcers and their customer base. IT positions require higher skill-sets and therefore are higher-paying positions.
- Companies like CGI, SupportSoft, Keane, and Research In Motion (RIM) are expanding centres in Nova Scotia to serve their US client base and see Nova Scotia as cost-effective location with a welcoming business climate, strong educational facilities and high quality workforce.
- Nova Scotia's IT industry has grown and matured to such an extent that senior players are now being brought together to help map out future growth for the industry from the solid gains made in the first few years of Opportunities for Prosperity.
- The province has partnered with the federal government and community groups to extend Broadband connectivity. A \$450,000 provincial investment levered \$9 million in seven broadband projects in rural Nova Scotia in Industry Canada's Broadband for Rural and Northern Development program.
- Two hundred more Nova Scotia communities gaining access to high-speed internet services as result of individual community projects. Eighty percent of province is connected. The province will continue to work with federal and municipal governments and the private sector to help connect other small communities.



7. ADVANCED MANUFACTURING

Preserve and protect the manufacturing industry in Nova Scotia

Action:

- Nova Scotia's aerospace sector is sharing in the Maritime Helicopter Program, which is expected to inject more than \$1 billion in to Nova Scotia's economy.
- Aerospace and Defence Industries Association of Nova Scotia (ADIANS) and the Province of Nova Scotia led trade missions to France.
- Atlantic Alliance Aerospace Team is a new alliance formed to help create strategic partnerships with international companies. The Atlantic region has more than 10,000 skilled aerospace and defence workers employed by 280 firms that offer maintenance, repair and overhaul, software development and systems integration.
- Since 2000, the province has contributed \$14.9 million to advanced-manufacturing projects through the Industrial Expansion Fund, which supports the province's commitment to Nova Scotians to support rural development, export growth and the development of the advanced manufacturing sector.
- Nova Scotia is Canada's fifth-largest exporter of environmental goods and services.
- Phase Four of Halifax Harbour cleanup is now complete and moving ahead with future phases. Through the Halifax Harbour cleanup and the Sydney tar ponds remediation there are opportunities to develop expertise that can be exported.



8. LEARNING INDUSTRY

Prepare Nova Scotians to take their places in their own economy

Action:

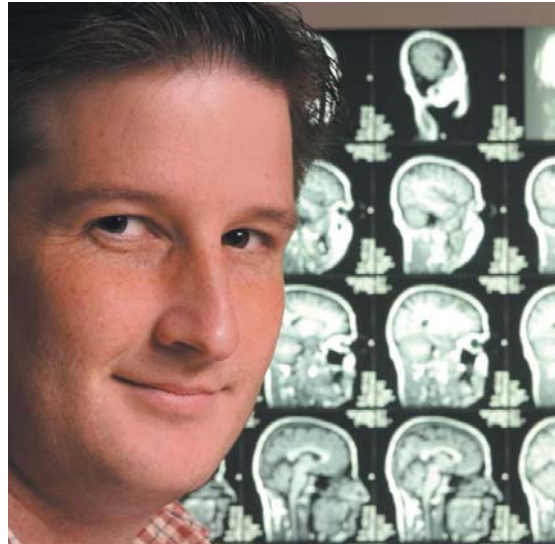
- Established EduNOVA, Canada's first education and training industry association. EduNova is an education export alliance that uses a cooperative approach to maximize international student recruitment and to identify and bid on externally funded international training contracts. EduNova will provide a focal point for coordinating Nova Scotia's education marketing initiatives, offering training and capacity building to members, communicating export priorities and supplying sector information to government.
- A Nova Scotia based e-learning consortium, made up of public and private e-learning providers, now exists as an informal local network tapping in to the Canadian e-Learning Enterprise Alliance. Members of the e-learning consortium have had discussions with EduNova regarding membership. Nova Scotia has tremendous potential to export e-learning programs and know-how.
- EduNova received \$457,000 in operational funding from ACOA and \$50,000 in organizational funding from OED with OED also providing office space for two years. The business plan calls for EduNova to generate revenue through international student recruitment and externally funded international training contracts.

9. LIFE SCIENCES

Help this small knowledge-based sector reach its potential of significant long-term benefits to the economy

Action:

- BioNova developed a comprehensive commercialization and access to capital strategy for the life sciences sector.
- Federal government (ACOA/NRC), provincial government (OED/InNOVAcorp/NSBI) and BioNova are mapping commercialization assets in the life sciences sector in the province to identify assets which can be used for commercialization and make use of university outcomes.
- The province supported major expansion in a number of high growth companies in the life sciences and biotech sector. Major progress has been made in commercializing new technologies originating from our universities. Ocean Nutrition, Kytogenics, MedMira and ImmunoVaccine have penetrated new international markets and their products are recognized as world class.
- InNOVAcorp's incubation facilities, mentoring services and investment instruments have fostered commercialization in a small core of anchor life sciences companies, including Ocean Nutrition Canada, EastMed, Medusa Medical Technologies, DNA Technologies, ImmunoVaccine Technologies and Kytogenics Pharmaceuticals.
- The province is helping to create 520 jobs, many in rural Nova Scotia, thanks to investments in a world-class company that specializes in the innovative use of fish and seaweed extracts. Ocean Nutrition Canada will build a \$21.5-million manufacturing facility in Dartmouth with provincial support, as part of phase one of the company's expansion in Nova Scotia.
- Through contributions to the Nova Scotia Research Innovation Trust and the Nova Scotia Health Research Foundation, the province contributed to the building of major infrastructure for R&D and capacity building among our research community.



MAKING IT HAPPEN

To help the economy grow, the public and private sectors have distinct roles to fulfill. The government put in place a two-pronged approach: one focuses on “business” activities and the other on “government” activities.

Nova Scotia Business Inc. — the province’s private sector led development agency — is encouraging business growth throughout the province by helping existing businesses expand and by attracting new investment to Nova Scotia.

- Jobs retained and created: over 16,000.
- Total payroll impact: More than \$500 million.
- Since NSBI opened its doors, the average gross salary of new jobs through the investment attraction team at NSBI is \$33,000. In 2004-05, the average salary was \$53,000, significantly higher than the average for the province.
- Conducted about 10 trade missions per year.
- Through the Business Advisory Team alone, held over 2,400 meetings with Nova Scotia companies with a view to supporting expansion and encouraging exports.
- In 2004-05, helped generate \$30.3 million in total export sales by Nova Scotia companies.

Nova Scotia Economic Development — manages government activities in support of economic development.

- In August 2005, the unemployment rate was the lowest in 30 years: 7.2 per cent. Almost 42,000 more Nova Scotians have jobs today compared to six years ago.
- Employment levels have increased in all five regions of the province over the past few years and we are experiencing record low unemployment rates.
- Employment increased to 446,300 compared to 441,600 in 2000.
- Credit Union Loan Guarantee Program — established in 2003 with a three-year, \$6 million in

guarantees. It was expanded in 2005 to \$25 million, which is expected to enable \$91 million in loans over a ten-year period. Current jobs as a result of the loan guarantee program is 621 and 246 new jobs. As of April, 2005 funds have raised and invested \$13.7 million of capital into local businesses.

- Community Economic Development Investment Program (CEDIFs) - The number of funds, dollars raised and invested, and number of investors, continues to rise by about 20 per cent a year.

In partnership with other departments and governments, with businesses, and with communities, the Office of Economic Development provides corporate leadership by helping to create the conditions for a productive and sustainable economy throughout Nova Scotia.

- Procurement - This department provides a variety of electronic tools for vendors to use to access information on the goods and services required by the Province of Nova Scotia or to develop business opportunities with the province.
- Nova Scotia Boatbuilders Association Prototype Boat Credit Facility - This program gives members the opportunity to develop new products for export as well as for the fishery and recreational markets.
- Credit Unions of Nova Scotia — Small Business Financing Program — This program is a joint initiative that helps establish new businesses and empower entrepreneurs with the support they need to create and maintain employment for themselves and others.
- Community Economic Development Investment Funds - Nova Scotia Economic Development administers the CEDIF program, which is a fund created to operate or invest in a business or businesses in a community.

NEXT STEP

In partnership with other departments and governments, and with businesses and with communities, the Office of Economic Development provides corporate leadership in helping to create the conditions for a productive and sustainable economy throughout Nova Scotia.

This progress report outlines the opportunities identified in 2000, and highlights our progress. We did not detail every accomplishment since the launch of the provincial growth strategy. Rather, we chose to emphasize the key areas that we think have been fundamental to our long-term growth.

Our economic environment has changed since 2000. Some of the same opportunities remain but others have appeared. The province has evolved in its approach to the economy through the development of strategies related to Opportunities for Prosperity.

Our updated growth strategy, *Opportunities for Sustainable Prosperity*, will build on the foundation established in the original strategy and continue to pursue the goal of sustainable economic growth for Nova Scotia.