

Atlantic Canada Opportunities Agency

ANNEX

for

2003-2004
Estimates

Part III - Report on Plans and Priorities

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Table 4: Summary of Transfer Payments

(\$ millions)	Forecast Spending 2002-2003	Planned Spending 2003-2004	Planned Spending 2004-2005	Planned Spending 2005-2006
Grants				
Development	2.0	2.0	2.0	2.0
Total Grants	2.0	2.0	2.0	2.0
Contributions				
Development	266.3	352.9	345.0	334.6
Total Contributions	266.3	352.9	345.0	334.6
Other Transfer Payments				
Development	7.1	5.0	3.4	2.8
Total Other Transfer Payments	7.1	5.0	3.4	2.8
Total Grants, Contributions and Other Transfer Payments	275.4	359.9	350.4	339.4

Table 5: Details of Transfer Payments Programs

(\$ millions)	Forecast Spending 2002-2003	Planned Spending 2003-2004	Planned Spending 2004-2005	Planned Spending 2005-2006
Development				
<i>Business Development Program (BDP)</i>	125.4	127.9	127.9	127.9
<p><u>Objective:</u> To increase the number of successful business start-ups and the successful expansion and modernization of SMEs.</p> <p><u>Planned Results:</u> Increased survival rates of assisted start-ups, increased sales, increased productivity and increased number of jobs.</p> <p><u>Milestones:</u> Results are monitored regularly through the Agency's Client Relationship Information Management System (CRIMS). A quality assurance review and results-based management accountability framework (RMAF) is scheduled for fiscal year 2003-2004. Also, a quality assurance audit will be completed during fiscal year 2003-2004. More information on the BDP can be found at the following Web site: http://www.acoa-apeca.gc.ca/e/financial/business.shtml.</p>				
COOPERATION Program				
	31.9	24.8	5.0	0.9
<i>Canada/Newfoundland Comprehensive Economic Development Agreement</i>				
	17.7	13.1		
<p><u>Objective:</u> Development of strategic sectors, markets and trade, entrepreneurship and innovation, and community economic development.</p> <p><u>Planned Results:</u> Further development of strategic sectors, development of new products and strengthened SME technical capabilities, and implementation of strategic economic plans by the 20 economic zone boards.</p> <p><u>Milestones:</u> A monitoring report is prepared annually. Results are tracked in the CRIMS. An audit is scheduled for 2003-2004 with a final evaluation planned for fiscal year 2004-2005.</p>				

Development (Continued)

Canada/Nova Scotia COOPERATION Agreement on Economic Diversification

3.1	4.1		
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Objective:

To create quality, sustainable jobs and profitable, world-class companies that are export oriented. To build on the potential of strategic sectors and enhance the sustainability of communities.

Planned Results:

An increase in the number of sustainable jobs, improved competitiveness of firms as measured by increased exports, increased skills of individuals, development of new businesses and sustainability of communities.

Milestones:

An evaluation and audit is scheduled for 2003-2004.

Canada/New Brunswick Regional Economic Development Agreement

9.4	6.7	4.1	
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Objective:

To contribute to the expansion of the economic base of New Brunswick.

Planned Results:

Increased opportunities for private sector investment and entrepreneurship, expanded competitive ability of the province through investment in key sectors, as well as sustainable job growth.

Milestones:

A business case analysis is employed to identify measurable economic benefits for supported projects and establish a schedule for monitoring benefits; and benefits are tracked in CRIMS. A final evaluation and audit is scheduled for 2003-2004.

All other COOPERATION Agreements

1.7	0.9	0.9	0.9
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Community Futures

8.1	10.8	10.8	10.8
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Objective:

To provide financial and technical assistance to SMEs in rural areas.

Planned Results:

New and expanded SMEs and additional jobs.

Milestones:

Results are monitored and reported quarterly. An evaluation is in progress and is scheduled for completion in fiscal year 2003-2004.

Development (Continued)

Atlantic Investment Partnership Initiative	51.0	145.0	154.4	153.7
<i>Atlantic Innovation Fund (AIF)</i>	20.0	86.0	86.0	93.0
<i>Strategic Community Investment Fund (SCIF)</i>	20.0	35.0	35.0	30.8
<i>Trade and Investment</i>	5.0	7.0	7.1	7.1
<i>Tourism</i>	1.0	3.0	4.0	3.0
<i>Entrepreneurship and Business Skills Development</i>	5.0	14.0	22.3	19.8

Objective:

To stimulate stronger economic growth in Atlantic Canada by making strategic investments in five areas: innovation; community economic development; trade and investment; tourism; and entrepreneurship and business skills development.

Planned Results:

The AIF will focus on assisting projects in the area of the natural, applied and social sciences as well as in the humanities, where these are linked explicitly to the development of technology-based products, processes or services or their commercialization, and thereby strengthen the region's system of innovation.

Community economic development will focus on rural communities and will support strategic initiatives that enable communities to adopt new technologies, enhance the competitiveness of their industrial base, and develop their economic infrastructure.

Trade, Tourism and Investment initiatives seek to expand sales to international markets and attract foreign direct investment and strengthen trade education and skills development.

Entrepreneurship and business skills development is intended to increase the number of Atlantic Canadians who choose to start their own businesses, improve the ability of existing businesses to compete and grow successfully, and improve the innovation and technical competencies of Atlantic Canada's SMEs.

Milestones:

ACOA will perform evaluations in accordance with the Results-based Management and Accountability Frameworks (RMAFs) established for these programs. A formative evaluation for AIF and SCIF are planned for completion in 2003-2004. A program management audit of the AIF and SCIF was completed in 2002-2003, and a compliance audit for these initiatives will be completed in 2003-2004.

More information on the AIP Initiative can be found at the following Web sites:

<http://www.acoa-apeca.gc.ca/e/financial/aif/index.shtml>.

<http://www.acoa-apeca.gc.ca/e/financial/scif.shtml>.

<http://www.acoa-apeca.gc.ca/e/business/trade/index.shtml>

<http://www.acoa-apeca.gc.ca/e/business/entrepreneurship.shtml>

Development (Continued)

Canadian Fisheries Adjustment and Restructuring Initiative

15.0	3.7		
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Canada/Newfoundland Agreement for the Economic Development Component of the Canadian Fisheries Adjustment and Restructuring Initiative	9.2		
Canada/Nova Scotia Economic Development Component of the Canadian Fisheries Adjustment and Restructuring Initiative	5.6	3.1	
All other	0.2	0.6	

Objective:

Economic Development Component. To help affected rural communities to become more self-reliant by diversifying and expanding their economies.

Planned Results:

Creation of longer-term employment opportunities through economic development initiatives, and communities will be strengthened and diversified and less dependent on seasonal industries and income support programs.

Milestones:

An evaluation is scheduled for completion in fiscal year 2003-2004.

Infrastructure Canada Programs

36.2	42.1	48.3	42.7
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Canada/Newfoundland Agreement	9.3	15.0	14.5	15.1
Canada/Prince Edward Island Agreement	2.8	2.5	3.4	1.4
Canada/Nova Scotia Agreement	13.6	12.7	17.0	12.6
Canada/New Brunswick Agreement	10.5	11.9	13.4	13.6

Objective:

Improve Canadians' quality of life through investments that enhance the quality of the environment, support long-term economic growth and improve community infrastructure.

Planned Results:

Improvements and additions to green municipal infrastructure, local transportation infrastructure, infrastructure in support of tourism and affordable housing.

Milestones:

An interim evaluation will be undertaken and an audit is scheduled for completion in fiscal 2003-2004. A final evaluation is planned for fiscal 2006-2007.

More information on Infrastructure Canada Programs can be found at the following Web sites:

<http://www.acoa-apeca.gc.ca/e/financial/infrastructure.shtml>.

<http://www.infrastructurecanada.gc.ca/>

Development (Continued)				
Other Program				
Atlantic Policy Research Initiative	0.7	0.6	0.6	0.6
Total Grants and Contributions	268.3	354.9	347.0	336.6
Other Transfer Payments				
Other Transfer Payments	7.1	5.0	3.4	2.8
Statutory Liabilities:				
<i>Small Business Loans Act (SBLA)</i>	4.4	2.5	1.2	0.7
<i>Canadian Small Business Financing Act (CSBFA)</i>	2.6	2.1	2.1	2.0
<i>Canadian Small Business Financing Act Regulation (CSBFAR)</i>	0.1	0.4	0.1	0.1
Liabilities for loan or credit insurance pursuant to the <i>Government Organization Act, Atlantic Canada, 1987</i>				
<u>Objective:</u>				
The objective of the <i>Canada Small Business Financing Act</i> is to encourage participating lending institutions to increase the availability of loans for the establishment, expansion, modernization and improvement of small businesses.				
Total Grants, Contributions and Other Transfer Payments	275.4	359.9	350.4	339.4

Table 7: Non-respondable Revenue

(\$ millions)	Forecast Revenue 2002-2003	Planned Revenue 2003-2004	Planned Revenue 2004-2005	Planned Revenue 2005-2006
Development				
Repayable contributions	51.9	50.0	50.0	50.0
All other	6.0	9.0	9.0	9.0
Total Non-respondable Revenue	57.9	59.0	59.0	59.0

More information on Non-respondable Revenue from Repayable Contributions can be found at the following Web site:

<http://www.acoa-apec.ca/e/financial/repayable/index.shtml>.

Table 8: Net Cost of Program – 2003-2004 Estimates

(\$ millions)	Total
Net Planned Spending (Main Estimates plus Adjustments)	439.2
<i>Plus: Services received without Charge</i>	
Accommodations provided by Public Works and Government Services Canada (PWGSC)	3.3
Contributions covering employer's share of employee insurance premiums and expenditures paid by TBS	2.8
Workers' compensation coverage provided by Human Resources Development Canada	-
Salary and associated expenditures of legal services provided by Justice Canada	-
	6.1
<i>Less: Non-responsible revenue</i>	(59.0)
2003-2004 Net cost of Program	386.3

Table 9: 2003-2004 Review Plan - Audits and Evaluations

A. TRANSFER PAYMENTS		
I. Strategic Priorities and Supporting Programs	Priority	Comments
1. COMMUNITY-BASED ECONOMIC DEVELOPMENT		
AUDITS		
Young Entrepreneurs ConneXion Seed Capital and Counselling Program – <i>Compliance Audit</i>	Medium	
Strategic Community Investment Fund (SCIF) – <i>Compliance Audit</i>	High	
EVALUATIONS		
Strategic Community Investment Fund (SCIF) – <i>Formative Evaluation</i>	High	Results-based Management and Accountability Framework (RMAF) requirement
2. INNOVATION		
AUDITS		
Atlantic Innovation Fund (AIF) – <i>Compliance Audit</i>	High	
EVALUATIONS		
E-Commerce Strategy – <i>Evaluation</i>	High	
3. ACCESS TO CAPITAL AND INFORMATION		
EVALUATIONS		
Business Development Program (BDP)- <i>Quality Assurance Review</i>	High	Focus on non-commercial projects where greatest weaknesses in project management exist
RESULTS-BASED MANAGEMENT ACCOUNTABILITY FRAMEWORK – RMAFs		
Business Development Program (BDP)	High	On assumption that program is extended into 2004
II. Other “Core” Programming		
AUDITS		
Canada-Newfoundland Comprehensive Economic Development Agreement – <i>Compliance Audit</i>	Medium	
III. Non “Core” Programming		
Infrastructure Canada – <i>Compliance Audit</i>	Medium	
B. Policies and Corporate Administration		
I. Strategic Priorities and Supporting Programs		
Management Information Systems - <i>Assurance</i>	High	
Audit of the Contracting Function - <i>Assurance</i>	High	To provide assurance that Agency management of contracts is performed in accordance with Agency and Government policies and regulations.