



Atlantic Canada Opportunities Agency

**2001-2002
Estimates**

Part III – Report on Plans and Priorities

Canada

The Estimates Documents

Each year, the government prepares Estimates in support of its request to Parliament for authority to spend public monies. This request is formalized through the tabling of appropriation bills in Parliament. The Estimates, which are tabled in the House of Commons by the President of the Treasury Board, consist of three parts:

Part I – The Government Expenditure Plan provides an overview of federal spending and summarizes both the relationship of the key elements of the Main Estimates to the Expenditure Plan (as set out in the Budget).

Part II – The Main Estimates directly support the *Appropriation Act*. The Main Estimates identify the spending authorities (votes) and amounts to be included in subsequent appropriation bills. Parliament will be asked to approve these votes to enable the government to proceed with its spending plans. Parts I and II of the Estimates are tabled concurrently on or before 1 March.

Part III – Departmental Expenditure Plans which is divided into two components:

- (1) **Reports on Plans and Priorities (RPPs)** are individual expenditure plans for each department and agency (excluding Crown corporations). These reports provide increased levels of detail on a business line basis and contain information on objectives, initiatives and planned results, including links to related resource requirements over a three-year period. The RPPs also provide details on human resource requirements, major capital projects, grants and contributions, and net program costs. They are tabled in Parliament by the President of the Treasury Board on behalf of the ministers who preside over the departments and agencies identified in Schedules I, I.1 and II of the *Financial Administration Act*. These documents are to be tabled on or before 31 March and referred to committees, which then report back to the House of Commons pursuant to Standing Order 81(4).
- (2) **Departmental Performance Reports (DPRs)** are individual department and agency accounts of accomplishments achieved against planned performance expectations as set out in respective RPPs. These Performance Reports, which cover the most recently completed fiscal year, are tabled in Parliament in the fall by the President of the Treasury Board on behalf of the ministers who preside over the departments and agencies identified in Schedules I, I.1 and II of the *Financial Administration Act*.

The Estimates, along with the Minister of Finance's Budget, reflect the government's annual budget planning and resource allocation priorities. In combination with the subsequent reporting of financial results in the Public Accounts and of accomplishments achieved in Departmental Performance Reports, this material helps Parliament hold the government to account for the allocation and management of public funds.

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Minister of Industry

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List of Acronyms

ABDI	Aboriginal Business Development Initiative
ABSN	Aboriginal Business Service Network
ACTP	Atlantic Canada Tourism Partnership
AIF	Atlantic Innovation Fund
AIP	Atlantic Investment Partnership
BDP	Business Development Program
CAS	Consulting Advisory Services
CBDC	Community Business Development Corporation
CBSC	Canada Business Service Centre
CED	Community Economic Development
CEDQ	Canada Economic Development for Quebec Regions
CFAR	Canadian Fisheries Adjustment and Restructuring Initiative
CFI	Canadian Foundation for Innovation
CSA	Canadian Space Agency
CSBFA	Canada Small Business Financing Act
FDI	Foreign Direct Investment
FTE	Full Time Equivalent
GDP	Gross Domestic Product
GOL	Government On-Line
IBDA	International Business Development Agreement
IFI	International Financing Institute
IPC	Investment Partnerships Canada
IRB	Industrial and Regional Benefits
JEDI	Joint Economic Development Initiative
NRC	National Research Council Canada
RDA	Regional Development Agency
REDC	Regional Economic Development Commission
SBLA	Small Business Loans Act
SDS	Sustainable Development Strategy
SME	Small- and Medium-Sized Enterprise
UCS	Universal Classification System

Section I - Messages

Minister's Portfolio Message

Our vision of Canada is a country that is strong and dynamic, a leader in the global knowledge-based economy, and a country where all Canadians have the opportunity to benefit from economic and social prosperity.

That is why the government is investing in knowledge and innovation — fundamental contributors to our quality of life. Through strategic investments in skills development, knowledge creation and new technologies, the government is committed to expanding Canada's knowledge base, innovation and research capacity, and accelerating Canada's leadership in the new economy.

The government's strategy of investing in knowledge and innovation is already helping to create new businesses, products, processes and jobs. The fifteen organizations within the Industry Portfolio contribute to economic growth, which leads to a higher quality of life and social well-being for all Canadians.

With over forty percent of the federal government's science and technology funding and many of the key micro-economic levers at its disposal, the Industry Portfolio is instrumental in promoting innovation through science and technology; helping small- and medium-sized enterprises grow; encouraging trade and investment; and promoting economic growth in Canadian communities.

I am pleased to present the *Report on Plans and Priorities* for the Atlantic Canada Opportunities Agency (ACOA) which describes for Canadians the expected achievements over the next three years. These plans illustrate ACOA's continued commitment to

The Industry Portfolio is...

Atlantic Canada Opportunities Agency
Business Development Bank of Canada*
Canadian Space Agency
Competition Tribunal
Copyright Board Canada
Canada Economic Development for Quebec Regions
Canadian Tourism Commission*
Enterprise Cape Breton Corporation *
Industry Canada
National Research Council Canada
Natural Sciences and Engineering Research Council of Canada
Social Sciences and Humanities Research Council of Canada
Standards Council of Canada*
Statistics Canada
Western Economic Diversification Canada

**Not required to submit Reports on Plans and Priorities*

working in partnership with the people of Atlantic Canada to build a more dynamic regional economy. ACOA carries out this mandate through a variety of policies, programs and services designed to improve the climate for growth in the region. Specifically, ACOA will work to: improve the growth and competitiveness of small- and medium-sized enterprises; provide more economic opportunities for rural Atlantic Canadians; and promote greater economic activity in the region through national policies sensitive to the needs of Atlantic Canada.

Through organizations like the Atlantic Canada Opportunities Agency, we will work together to build on the strengths and opportunities that exist throughout Canada.

The Honourable Brian Tobin

Minister of State's Message

The Government of Canada recognizes and accepts its responsibility to address regional disparities; and to use its resources to help reduce unemployment and improve productivity.

ACOA, as a Federal Agency with direct responsibility for economic development in Atlantic Canada, carries out this responsibility by assisting in the creation of small- and medium-sized businesses, and by helping them overcome barriers to growth; by helping communities better chart their own economic destinies; and by fostering a more entrepreneurial environment throughout the region.

But the world is changing and regional economies are increasingly built on knowledge-based industries that compete in a global economy. The Government of Canada — recognizing that Atlantic Canada must become more innovative as well as more entrepreneurial if it is to close the economic gap with the rest of the country — recently announced the \$700 million Atlantic Investment Partnership (AIP).

The Atlantic Innovation Fund (AIF), a major component of AIP, is specifically designed to address the innovation gap and represents a significant evolution in the federal government's approach to regional development in the region.

As we face a new set of economic challenges at this point in our history, it is appropriate that regional economic development policy also adapt to the changing circumstances. The AIP will play a significant part in this new approach—it is an important development tool that effectively complements existing programming.

Economic development is a long-term venture – one that I am totally committed to, and one that can only be done in partnership with all the stakeholders of the region. Together, we can build a more competitive, sustainable economy for all Atlantic Canadians.

The Honourable Robert G. Thibault, P.C., M.P.
Minister of State
Atlantic Canada Opportunities Agency

MANAGEMENT REPRESENTATION

Report on Plans and Priorities 2001-2002

I submit, for tabling in Parliament, the 2001-2002 Report on Plans and Priorities (RPP) for the Atlantic Canada Opportunities Agency.

To the best of my knowledge the information:

- C Accurately portrays the Agency's mandate, priorities, strategies and planned results.
- C Is consistent with the disclosure principles contained in the *Guidelines for Preparing a Report on Plans and Priorities*.
- C Is comprehensive and accurate.
- C Is based on sound underlying Agency information and management systems.

I am satisfied as to the quality assurance processes and procedures used for the RPP's production.

The reporting structure, on which this document is based, has been approved by Treasury Board Ministers and is the basis for accountability for the results achieved with the resources and authorities provided.

Name: _____

Michael Horgan, President
Atlantic Canada Opportunities Agency

Date: _____

Section II - Agency Overview

2.1 *What's New*

The Atlantic Investment Partnership (AIP), announced by the Prime Minister on June 29, 2000, is a five-year federal government initiative which will have a significant impact on ACOA's structure and operations. The AIP concentrates on four main areas of economic activity:

- < innovation;
- < trade and investment;
- < entrepreneurship and business skills development; and,
- < community economic development.

The implementation of the AIP will require a high level of cooperation between ACOA, other federal departments, provincial governments, universities, the private sector and communities all across the region.

2.2 *Mandate, Roles and Responsibilities*

a. **Mandate:**

The Agency derives its mandate from Part I of the *Government Organization Act, Atlantic Canada, 1987, R.S., c. G-5.7*, otherwise known as the *Atlantic Canada Opportunities Agency Act*. The Act provides ACOA with a broad mandate for economic development in Atlantic Canada.

ACOA Mandate



To increase opportunity for economic development in Atlantic Canada and, more particularly, to enhance the growth of earned incomes and employment opportunities in that region.

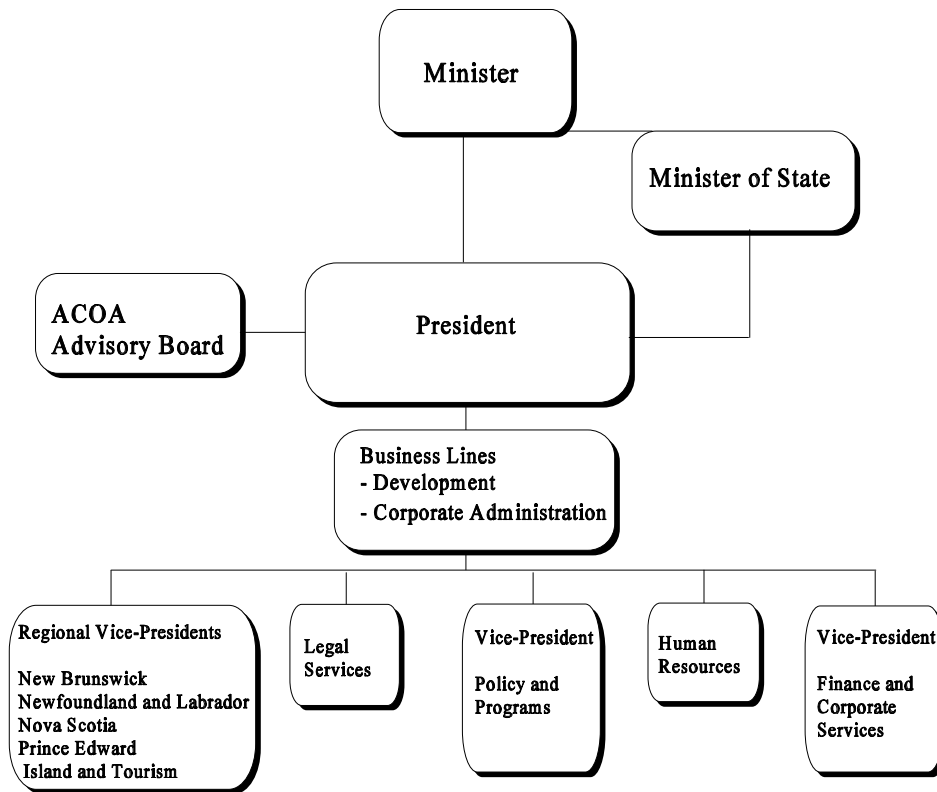
b. Role:

To fulfill its mandate the Agency has two distinct roles:

- a) *ensuring that a wide variety of business development tools and resources serve the diverse needs of the region's emerging and existing entrepreneurs; and,*
- b) *ensuring that all economic development programs and activities in Atlantic Canada are coordinated and designed to improve the climate for business growth generally.*

ACOA works to enhance the competitive strength of SMEs in the Atlantic Region. ACOA embraces the principle of partnership. The Agency has put in place an extensive network, plus the structures necessary to carry out its mandate.

c. Responsibilities



2001-2002 Resources by Responsibility Area (\$ millions)

Business Line	Regions	Policy and Programs	Human Resources	Finance and Corporate Services	All Other*	Total
<u>Development</u> 418 FTEs	239.4	109.9	0.3	4.3	-	353.9
<u>Corporate Administration</u> 121 FTEs	5.1	0.5	1.3	9.5	2.2	18.6
<u>Total Planned Spending</u> 539 FTEs	244.5	110.4	1.6	13.8	2.2	372.5

*Other: Legal Services, President, Minister of State, Minister, Advisory Board

2.3 Agency/Program Objective(s)

a. Agency Objective

The objective of the Atlantic Canada Opportunities Agency is to support and promote new opportunities for economic development in Atlantic Canada, with particular emphasis on small- and medium-sized enterprises (SMEs), through policy, program and project development and implementation and through advocating the interests of Atlantic Canada in national economic policy, program and project development and implementation.

b. Strategic Directions

In operationalizing its mandate and objectives, ACOA has identified a series of strategic priorities. As highlighted in the Key Results Commitments tables in Section III of this report (pages 20-34), ACOA's development activities and results are aligned with and guided by these strategic priorities.

The Strategic Priorities are:

- Ⓒ Policy, Advocacy and Coordination
- Ⓒ Innovation
- Ⓒ Trade, Tourism and Investment
- Ⓒ Entrepreneurship and Business Skills Development
- Ⓒ Community Economic Development
- Ⓒ Access to Capital and Information

Strategic Priorities are linked to clients through the following major programs:

Agency Programs:

- Ⓒ Business Development Program (BDP)
- Ⓒ COOPERATION
- Ⓒ Adjustment Programs
- Ⓒ Community Futures
- Ⓒ Infrastructure Canada Program

For more information on the Agency's strategic priorities and programs, please refer to our website. Hyperlinks are established in the electronic version of this report.

2.4 Planning Context

Economic Overview

Atlantic Canada has experienced good economic growth in recent years. Following a slow recovery from the recession of the early 1990s, growth in the economy of Atlantic Canada exceeded the national pace in both 1998 and 1999. On a provincial basis, GDP growth in 1999 ranged from 3.3% in Prince Edward Island to 6.5% in Newfoundland, compared to a national rate of 4.3%. In part this has been fueled by the region's large energy-related projects. Expansion in the knowledge-based sectors, such as information technology (IT), and increasing trade have also contributed to this growth.

The Atlantic Canadian economy created 66,000 net jobs between 1992 and 1998. Underlying this aggregate picture, 107,000 jobs were created for the more highly educated. Employment growth in high-knowledge sectors in the region over the 1981-1996 period was more than twice that of low-knowledge sectors. This trend will continue into the future.

Over the past decade, pressures have been exerted against Atlantic Canada's rural and resource-based economy by such forces as a groundfish moratorium, fluctuating commodity prices and a globalizing economy where knowledge has become the greatest competitive asset.

While growth in Atlantic Canada is accelerating in the high-knowledge sectors, the region's share of national knowledge-based economy activity appears low, with only 3.7% of national activity in 1997.

Unemployment remains a concern in the region. The unemployment rate for the region averaged 11.2% during the first 11 months of 2000, compared with the national rate of 6.9% for the same period. The participation rate has risen to average 60.7% in the region, while the national rate was 65.9%. In October 2000, the unemployment rate ranged from a low of 9.3% in Nova Scotia to a high of 16.6% in Newfoundland.

Over the past years, innovation has become one of the major forces driving the new economy. Innovation is the rapid development and commercialization of new products and services in new and existing markets. This process requires a robust research and development infrastructure, a dynamic entrepreneurial culture, strong links to world export markets and a healthy private and public sector investment climate. Innovation tends to coalesce around industrial clusters such as the

information technology clusters in California, Massachusetts and Ottawa which link researchers to suppliers, to producers, to marketing specialists, and eventually, to customers.

With its many universities and research institutes, expanding entrepreneurial culture, increasingly export-oriented economy and growing knowledge-based sectors, Atlantic Canada has many of the ingredients required to take advantage of these new economic developments. Indeed, Atlantic Canada's economy is undergoing structural change, while continuing to benefit from a strong resource sector. It is experiencing a transition from a primarily resource dependent economy to one that is increasingly being driven by innovation, technology and growth in non-resource sectors.

At 0.9% of GDP in Atlantic Canada, the rate of Research and Development (R&D) and technology adoption compares to the national rate of 1.6%. In terms of skills development, education levels should be increased in Atlantic Canada so that they are more in line with national levels. In terms of trade development, the number of exporters from Atlantic Canada should be increasing at a rate comparable to the national level.

Rural areas are also being influenced by the knowledge-based economy and are adapting by applying the innovation process to more traditional, resource-based industries, and by concentrating efforts at developing new sectors such as advanced manufacturing or aquaculture. Whatever the strategy chosen, rural communities need the tools and the resources to be able to plan and take control of their economic future. This process, known as community economic development, has allowed various Atlantic Canadian communities to participate in their own economic development.

Given that productivity growth in Atlantic Canada has not kept pace with national gains, Atlantic Canada could benefit significantly from improvements in research and development, innovation and technology adoption, and educational attainment and worker training.

Challenges

The primary challenge facing Atlantic Canada is its transition to a knowledge-based and globalized economy. Each province has identified its own particular challenges which relate to the larger one facing the region.

In **New Brunswick**, the primary challenge is helping SMEs become more productive and competitive, through increased entry into foreign markets, an increased level of innovation, improved skills in marketing and general management practices, finding and managing capital and developing and attracting appropriately skilled personnel

(matching the labour force to high growth sectors). Collaborative and strategic efforts are required to develop joint priorities with the provincial government and other organizations.

Prince Edward Island's main challenge is to make the transition to a more export-oriented economy focussed on value-added processing and diversified manufacturing. The Island's economy is still heavily dependant on traditional resource-based industries such as agriculture where fluctuating commodity prices can have a major effect on entire communities. While the tourism industry has grown substantially since the opening of the Confederation Bridge, total tourism expenditures have remained relatively unchanged at \$300 million annually, for the past two years.

Newfoundland and Labrador's principal economic challenges are in countering the province's significant population drop, in assuring a balance in economic development opportunities for urban and rural areas, to encourage diversification, both within and outside of natural resource-based industries, and to address skills issues in the labour market (out-migrants are younger and better trained).

Nova Scotia's primary economic challenges include addressing rural economic development needs, developing solutions for the productivity gap by building on research strengths and expertise in life sciences, and assisting SMEs in commercializing technology, maximizing the benefits from oil and gas development, addressing skills shortages in the high technology industries and supporting quality improvements to the province's tourism product.

By bringing these various provincial challenges into an Atlantic perspective, there emerge four distinct challenges which face the region as it moves into a more knowledge-based economy: the innovation challenge, the trade and investment challenge, the entrepreneurship and skills development challenge and the rural and community economic development challenge. The Atlantic Investment Partnership (AIP) is a significant component of the federal government's response to these challenges in Atlantic Canada.

Economic Development Framework

Building on ACOA's mandate to enhance the growth of earned incomes and employment opportunities, the Atlantic Investment Partnership (AIP) has been designed to increase Atlantic Canada's competitiveness and productivity in a knowledge-based and globalized economy. The AIP is a new five-year initiative designed to stimulate stronger economic growth and create long-term employment opportunities. It will build partnerships with the research community, the private sector, and communities across Atlantic Canada.

The AIP's main themes will become the basis for ACOA's new economic development framework. A series of new partnerships is intended to bring the resources of the federal government to bear on developing the economy of Atlantic Canada.

Partnership for Innovation

The Atlantic Innovation Fund will invest \$300 million in the region's innovation infrastructure, particularly Atlantic universities and research institutions. It will be implemented in partnership with all stakeholder groups including universities, research facilities, government, the private sector and associations in order to strengthen the capacity of the region to develop and commercialize new technologies. The National Research Council Canada (NRC) will invest up to \$110 million over the next five years to expand and strengthen its network of research centres in Atlantic Canada. These centres focus on specific economic development and investment opportunities in the region, and are important elements of the innovation infrastructure needed to support growth in these leading-edge technology sectors.

Partnership for Trade and Investment

The Partnership for Trade and Investment provides new measures to encourage increased exports from the region and to increase foreign direct investment (FDI) in Atlantic Canada. This component will reinforce the Government's recent initiatives in support of increasing Atlantic-U.S. trade and investment, contribute to the development of trade skills in business, initiate a new regional foreign direct investment strategy, and augment the region's international tourism trade.

Partnership for Entrepreneurship and Skills Development

The Partnership for Entrepreneurship and Skills Development will respond to the challenges facing Atlantic Canadian businesses and new entrepreneurs. It will provide more entrepreneurial opportunities and services for young people and women, help small business owners and their staffs acquire the latest in business and technological skills, and help provide career opportunities for Atlantic youth within the region.

Partnership for Community Economic Development

The Government of Canada will invest up to \$135 million in a new Partnership for Community Economic Development. This investment provides a clear demonstration of the Government's continued commitment to communities in Atlantic Canada. It will strengthen economic planning at the local level and improve access to funding for strategic community level projects. This partnership builds upon investments through Infrastructure Canada which strengthens basic services in rural areas to improve the quality of life and encourage economic diversification.

2.5 Agency Planned Spending

(\$ millions)	Forecast Spending 2000-2001	Planned Spending 2001-2002	Planned Spending 2002-2003	Planned Spending 2003-2004
Total Main Estimates	330.2	351.7	346.3	308.7
Adjustments *	(38.7)	66.7	66.2	69.6
Net Planned Spending	291.5 **	418.4	412.5	378.3
Less: Non-respendable revenue	50.0	50.0	50.0	49.0
Plus: Cost of services received without charge	4.0	4.1	4.0	4.0
Net cost of Program	245.5	372.5	366.5	333.3

Full Time Equivalents	489	539	539	539
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*Adjustments are to accommodate approvals obtained since the Main Estimates and are in respect of programming to be carried out under the Atlantic Investment Partnership initiative.

**Reflects the best forecast of total net planned spending to the end of the fiscal year.

Section III - Agency Plans, Results, Activities and Resources

3.1 Business Line Details

ACOA has one primary Business Line, *Development*. A second Business Line has been established to capture the *Corporate Administration* costs.

Development Business Line

a. Business Line Objective:

The objective of ACOA's Development business line is:

To increase opportunity for economic development in Atlantic Canada and, more particularly, to enhance the growth of earned incomes and employment opportunities in the region.

b. Business Line Description:

This business line includes the Agency's program policy, planning and delivery functions directly related to the mandate of the organization. These functions are to provide Canadians with:

- 1) improved growth and competitiveness of Atlantic small- and medium-sized enterprises (SMEs), leading to increased productivity, earned incomes and job creation;
- 2) economic opportunities for rural Atlantic Canada through community economic development; and,
- 3) greater economic activity in Atlantic Canada through national policies sensitive to the needs of the region.

c. Net Planned Spending and Full Time Equivalent (FTEs):

Forecast Spending 2000-2001		Planned Spending 2001-2002		Planned Spending 2002-2003		Planned Spending 2003-2004	
\$ millions	FTE	\$ millions	FTE	\$ millions	FTE	\$ millions	FTE
275.4	379	399.8	418	394.4	418	360.4	418

3.2 Key Results Commitments, Planned Results, Related Activities and Resources

to provide Canadians with:	to be demonstrated by:	Strategic Priority:
<p>Improved growth and competitiveness of Atlantic small- and medium-sized enterprises, leading to increased productivity, earned incomes and job creation.</p>	<ul style="list-style-type: none"> C Employment and new business start-ups as a result of access to capital for Atlantic SMEs. C Increased opportunities for people to learn the process of becoming an entrepreneur and starting a business through entrepreneurship education and training. C Participation in programs addressing the special entrepreneurship needs of groups such as Aboriginal peoples and youth. C Enhanced SME owner/operator management skills. C Development and commercialization of new technologies; enhanced technology skills and growth of strategic sectors. C More SMEs exporting; more export-ready SMEs; existing exporters selling more and to diversified markets. C Increased profitability, investment and wages in the tourism sector resulting from higher quality in-demand products that operate over longer seasons. C Increase in foreign direct investment (FDI) in the Atlantic region. 	<ul style="list-style-type: none"> C Access to Capital and Information C Entrepreneurship and Business Skills Development C Innovation C Trade, Tourism and Investment
<p>Economic opportunities for rural Atlantic Canada through community economic development (CED).</p>	<ul style="list-style-type: none"> C Support to rural communities in developing and implementing strategic and operational plans to create self-sustaining, economically viable communities. C Expanded access to government business services (financing, counselling and information). C Increased number of loans and resultant jobs created and maintained in rural areas as a result of SME counselling and financing services by Community Business Development Corporations (CBDCs). C Communities' self-development and alternative employment in areas affected by the closure of the Atlantic groundfish fishery. 	<ul style="list-style-type: none"> C Community Economic Development
<p>Greater economic activity in Atlantic Canada through national policies sensitive to the needs of the region.</p>	<ul style="list-style-type: none"> C Coordinated action by key stakeholders on a contemporary policy framework for economic development resulting in productivity growth and improved competitiveness. C Active pursuit and promotion of Atlantic Canada's interests in respect of national policies, programs, issues and procurement. C Coordination of economic development activities and functions in Atlantic Canada. 	<ul style="list-style-type: none"> C Policy, Advocacy and Coordination

Access to Capital and Information	Resources (\$millions)		
	2001-2002	2002-2003	2003-2004
	54.4	56.4	56.4

<u>Key Results Commitment</u>	
Employment and new business start-ups as a result of Access to Capital for Atlantic SMEs.	
Planned Result:	Key Activities:
<ul style="list-style-type: none"> < new employment < new business start-ups < new sales < increased productivity (value added per employee) 	<ul style="list-style-type: none"> <i>C invest through ACOA's Business Development Program (BDP) in approximately 800 Atlantic SMEs annually to help them create and maintain jobs for Atlantic Canadians</i> <i>C maintain ACOA's Consulting Advisory Services (CAS) and place more emphasis on counselling/mentoring, skills development/productivity improvements, and specific initiatives under trade and innovation strategic priorities</i> <i>C examine and promote venture capital and microcredit options to address financing gaps</i>

Entrepreneurship and Business Skills Development	Resources (\$millions)		
	2001-2002	2002-2003	2003-2004
	28.6	35.1	26.1

Key Results Commitment

Increased opportunities for people to learn the process of becoming an entrepreneur and starting a business through entrepreneurship education and training.

Planned Result:	Key Activities:
<p>< increased intent to start a business among students and young people by 2002-2003</p>	<p>Public School Level:</p> <ul style="list-style-type: none"> <i>C annually, involve up to 500 teachers and public school age students in extracurricular events and activities designed to provide an orientation to entrepreneurship</i> <i>C support Regional Economic Development and Schools project (NF)</i> <i>C develop and implement entrepreneurship education programming for Nova Scotia's francophone and anglophone schools (NS)</i> <p>Post-Secondary Level:</p> <ul style="list-style-type: none"> <i>C pilot entrepreneurship clubs for students on 10 college campuses, continue to in-service college instructors, and implement community-based business plan competitions</i> <i>C pilot entrepreneurship development centre at one university (NB)</i> <i>C expose 1,300 university students to entrepreneurship programming (NS, NS-CB)</i>

Entrepreneurship and Business Skills Development (continued)

Key Results Commitment

Participation in programs addressing the special entrepreneurship needs of groups such as Aboriginal peoples and youth.

Planned Result:	Key Activities:
<ul style="list-style-type: none"> < enhanced awareness of entrepreneurship as a career option among young people (by 2002-2003) < increased number of young adults and women starting businesses 	<p>Aboriginal Peoples:</p> <ul style="list-style-type: none"> ℄ <i>expand and support the “Open for Business Network” to serve the Aboriginal Community (NS) and encourage economic development projects in Aboriginal communities (NB)</i> <p>Youth:</p> <ul style="list-style-type: none"> ℄ <i>conceive and implement wide-ranging awareness and developmental initiatives for 15 to 29 year olds</i> ℄ <i>host forum for Young Entrepreneurs</i> ℄ <i>continue to support “Youth Ventures Program” for summer employment (NF, NS-CB)</i> ℄ <i>continue to support Chair in Technology Entrepreneurship (NF)</i> <p>Women:</p> <ul style="list-style-type: none"> ℄ <i>develop and implement a business development program for women entrepreneurs across the region</i> ℄ <i>women in business pan-Atlantic conference and trade show</i> ℄ <i>continue to support Newfoundland and Labrador Organization of Women Entrepreneurs (NF)</i>

Entrepreneurship and Business Skills Development (continued)

Key Results Commitment

Enhanced SME owner/operator management skills.

Planned Result:	Key Activities:
<ul style="list-style-type: none"> < increased use of management training products < increased awareness of the benefits of good management practices < enhanced coordination of skills development activities across the region, in partnership with provincial governments, industry associations and others 	<p>Business Support services - to help those at various stages of development improve their management skills:</p> <ul style="list-style-type: none"> <i>C enhance innovation in SMEs through activities which fill technological gaps by providing managerial skills support</i> <i>C create activities which develop technology skills and address critical SME technical and technology management constraints</i> <i>C develop a community-based business skills growth strategy (NS) and undertake 2 pilots to explore sectoral approach to training (e.g., manufacturing) (NB)</i> <p>Research - to contribute to better understanding of entrepreneurship, business skills and SME trends in the region:</p> <ul style="list-style-type: none"> <i>C research the skills bias effect of knowledge-based growth</i> <i>C report on the state of entrepreneurship, small business, and skills levels in SMEs</i>

<h1>Innovation</h1>	Resources (\$millions)		
	2001-2002	2002-2003	2003-2004
	55.3	88.3	84.4

Key Results Commitment
 Development and commercialization of new technologies; enhanced technology skills and growth of strategic sectors.

Planned Result:	Key Activities:
<ul style="list-style-type: none"> < new partnerships for technology development and commercialization - 20 per year < new products and processes commercialized < start-ups of technology-based SMEs < increase in the number of SMEs and linkages between SMEs in key sectors < increased numbers of technically skilled people/increased SME technology management, technical and R&D capacity < increased sales of new products/services/processes and SME adoption of state-of-the-art technologies < increased awareness and use of e-commerce by SMEs in Atlantic Canada 	<p>Strengthen Innovation Systems through activities such as:</p> <ul style="list-style-type: none"> <i>C work with universities/federal research labs (e.g., Atlantic Veterinary College [PEI] and agrifood research [NS]) in supporting models for Testing/Commercializing Research</i> <i>C support Strategic Technology Networks such as the Newfoundland Alliance of Technical Industries (NATI) (NF); Telecom Applications Research Alliance (TARA) (NS); Knowledge Economy Partnership (KEP) (PEI); and the NB Environmental Industry Association (NB)</i> <i>C support awareness building/information sharing through seminars, newsletters and information sessions</i> <i>C support Information Technology sector through Operation ONLINE (NF)</i> <p>Support and develop Strategic Sectors through activities designed to strengthen emerging clusters in key sectors (e.g., aquaculture, ocean industries, biotechnology, information technology).</p> <p>Build SME Innovation Capacity through:</p> <ul style="list-style-type: none"> <i>C improving SME access to risk-oriented innovation financing</i> <i>C new product development sessions (Stage Gate) (NB)</i> <p>Implement ACOA's e-commerce strategy to encourage and assist SMEs acquire enabling technologies and associated knowledge to conduct e-commerce.</p>

Trade	Resources (\$millions)		
	2001-2002	2002-2003	2003-2004
	19.6	17.3	22.4

Key Results Commitment

More SMEs exporting; more export-ready SMEs; existing exporters selling more and to diversified markets.

Planned Result:	Key Activities:
<ul style="list-style-type: none"> < increased number of potential exporters committed to exporting and meeting basic export readiness/skills requirements - 300 per year 	<p>Provide regional trade information and support awareness of exporting as a growth option through:</p> <ul style="list-style-type: none"> <i>C trade awareness sessions and trade information/mentoring for small communities; trade promotion campaign</i> <i>C conferences/seminars complemented by dissemination of trade research and sector/market information</i>
<ul style="list-style-type: none"> < increased number of new (first-time exporters) - 80 per year 	<ul style="list-style-type: none"> <i>C supporting the Annual Export Awards Program (NF)</i> <i>C targeting posts and buyers abroad and International Financing Institutes (IFIs) to increase awareness of Atlantic export capabilities</i>
<ul style="list-style-type: none"> < sector export strategies - 2 per year 	<p>Develop sector export strategies and implement activities related to the strategy.</p> <p>Support skills development through approaches such as:</p>
<ul style="list-style-type: none"> < existing exporters equipped with necessary information and skills and targeting new export markets - 50 per year 	<ul style="list-style-type: none"> <i>C targeting potential exporters for training by maintaining current information on SMEs who are potential exporters</i> <i>C providing customized trade training to new and existing exporters by identifying needs and tailoring training to skills requirements</i> <i>C providing one-on-one counselling for export-ready firms to enhance the success potential of first-time export market entry</i>
<ul style="list-style-type: none"> < existing exporters successfully securing new export markets - 40 per year 	<ul style="list-style-type: none"> <i>C partnering with the Alliance of Manufacturers and Exporters in delivering export awareness seminars (NF)</i>

Trade (continued)

Planned Result:	Key Activities:
<p>< existing exporters successfully securing new export markets - 40 per year</p>	<p><i>C</i> developing trade consultant/trade counsellor expertise and training the trainers in rural areas on how to train potential exporters</p> <p><i>C</i> conducting the Export Partnering Program in cooperation with universities and SMEs (NB)</p> <p>Reducing the risk associated with exporting by:</p> <p><i>C</i> using the Business Development Program's (BDP) Trade Development and Marketing Element to support export development</p> <p><i>C</i> supporting pan-Atlantic international business development activities under the International Business Development Agreement (IBDA)</p>

Tourism	Resources (\$millions)		
	2001-2002	2002-2003	2003-2004
	46.3	47.0	47.9

Key Results Commitment

Increased profitability, investment and wages in the tourism sector, resulting from higher quality in-demand products that operate over longer seasons.

Planned Result:	Key Activities:
<ul style="list-style-type: none"> < concentrated investment and tourism development in strategic product and geographic areas < conversion from traditional resource-based activities to tourism in communities demonstrating sustainable competitive advantages < products that grow in quality, productivity, yield and appeal resulting in greater experiences and enhanced customer satisfaction 	<p>Product readiness - product enhancement, packaging and shaping of emerging tourism products including:</p> <ul style="list-style-type: none"> <i>C identification of strong candidate “Sustainable Tourism” communities through a new screening model and mentoring through the Bouctouche Best Practices program</i> <i>C strategic work with sub-sectoral product groupings such as Bay of Fundy, L’Acadie, Golf, Cruise and Lighthouses, etc.</i> <i>C help operators, associations and product groups to develop better strategic products</i> <p>Product development including:</p> <ul style="list-style-type: none"> <i>C assistance to infrastructure and private sector operators</i> <i>C working with federal departments in development of priority projects such as Beaubears Island, Redbank and Aboriginal Heritage Gardens (NB)</i> <p>Communicate the need to focus on quality and wide deployment of benchmarking/standards development and skills enhancement initiatives including:</p> <ul style="list-style-type: none"> <i>C Mystery Shopping, Best Practices missions, Grading, certification and training programs</i>

Tourism (continued)

Planned Result:	Key Activities:
< more customers who visit at off-peak times of year	Direct promotion of Atlantic Canada as a travel destination both domestically and internationally including:
< ability to reach more markets with greater impact	<i>C research examining market opportunities</i>
< increased export tourism receipts	<i>C strategic guidance and assistance in such areas as brand development and marketing implementation</i>
< move effective use of federal and other partners' (provinces, private sector) resources	Policy, Advocacy and Coordination including:
< improved access to capital through an enhanced stature for the tourism sector	<i>C informing lenders about highest productivity products and strategic locations for investment</i>
	<i>C informing potential partners on opportunities in tourism</i>
	<i>C long-term strategic planning through partnerships such as the Nova Scotia Tourism Partnership Council</i>

Investment	Resources (\$millions)		
	2001-2002	2002-2003	2003-2004
	4.8	4.9	5.0

Key Results Commitment	
Increase in foreign direct investment (FDI) in the Atlantic region.	
Planned Result:	Key Activities:
<ul style="list-style-type: none"> < corporate investment, intelligence and leads < increased Pan-Atlantic investment initiatives 	<p>Strengthen investment partnerships through:</p> <ul style="list-style-type: none"> <i>C liaison and advocacy with Investment Partnerships Canada (IPC)</i> <i>C greater cooperation between the provinces and ACOA in investment promotion and research</i> <i>C partnering with the provincial government in delivery of the Ambassador Program designed to attract foreign investment in Newfoundland and Labrador</i> <p>Develop and provide general information about the region as a prospective investment site and profile the region as part of investment missions:</p> <ul style="list-style-type: none"> <i>C provide cooperative ACOA/provincial presence at missions, conferences, Agency events</i> <i>C develop an ACOA investment website to provide information for site selectors/corporate investors</i> <p>Identify and analyse the key factors influencing investment by foreign corporations in Atlantic Canada and developing information/awareness materials:</p> <ul style="list-style-type: none"> <i>C conduct a Foreign Investment Study to determine why foreign corporations have established/invested in the region and key factors influencing attraction</i> <i>C analyse and promote non-cost investment attraction factors</i>

Community Economic Development	Resources (\$millions)		
	2001-2002	2002-2003	2003-2004
	121.0	68.7	51.2

Key Results Commitment

Support to rural communities in developing and implementing strategic and operational plans to create self-sustaining economically viable communities.

Planned Result:	Key Activities:
<ul style="list-style-type: none"> < increased use of integrated community planning < job creation and strategic infrastructure development < 475 loans per year to young entrepreneurs 	<p>Strengthen community planning through ongoing partnership with Regional Economic Development Agencies.</p> <p>Build community capacity by:</p> <ul style="list-style-type: none"> <i>C continuing to work with the Newfoundland and Labrador Federation of Municipalities to build economic development capacity within municipal governments (NF)</i> <p>Project support through:</p> <ul style="list-style-type: none"> <i>C support to community-based economic development organizations</i> <i>C investing in key initiatives (e.g., shellfish aquaculture, tourism) for the development and diversification of the economy of the Acadian Peninsula (NB)</i> <i>C continued financial support for Young Entrepreneurs ConneXion SEED Capital Program</i>

Community Economic Development (continued)

Key Results Commitment

Expanded access to government business services
(financing, counselling and information).

Planned Result:	Key Activities:
<ul style="list-style-type: none"> < increased number of government services/programs accessible at the local level, particularly in rural areas and Aboriginal communities 	<p>Develop an information network (Aboriginal Business Service Network - ABSN) with local Aboriginal communities and Regional Economic Development Agencies, in partnership with provincial governments.</p> <p>Expand the outreach efforts of Atlantic Canada Business Service Centres (CBSC) to improve access to business information.</p> <p>Provide direct service to SMEs and economic development leadership through the network of ACOA district offices and partnership arrangements.</p>

Key Results Commitment

Increased number of loans and resultant jobs created and maintained in rural areas as a result of SME counselling and financing services by Community Business Development Corporations (CBDCs).

Planned Result:	Key Activities:
<ul style="list-style-type: none"> < jobs created and maintained in rural areas < approximately 10,000 enquiries/information requests and counselling sessions annually 	<p>Continue partnership and financial support to CBDCs:</p> <p><i>C 1,100 loans to SMEs annually</i></p> <p><i>C facilitate the development of a loan management information system</i></p>

Community Economic Development (continued)

Key Results Commitment

Communities' self-development and alternate employment in areas affected by the closure of the Atlantic groundfish fishery
(Canadian Fisheries Adjustment and Restructuring [CFAR] initiative).

Planned Result:	Key Activities:
<ul style="list-style-type: none"> < increased community leadership in areas related to economic development < sustainable SME and job creation in areas other than the traditional fish harvesting and processing occupations 	<p>Develop strategic plans with/for regions/communities affected by the downsizing of the fishery:</p> <ul style="list-style-type: none"> <i>C ongoing consultation with community leaders and stakeholders in delivering the economic development component of CFAR (NS)</i> <p>Support community self-development through:</p> <ul style="list-style-type: none"> <i>C Community Capital Funds with communities playing a role in decision making for commercial projects (NF)</i> <i>C investment in strategic economic infrastructure, non-commercial activities, and selected key capital infrastructure projects</i> <i>C access to capital for SMEs to diversify the economy and encourage innovation or competitiveness</i>

Policy, Advocacy and Coordination	Resources (\$millions)		
	2001-2002	2002-2003	2003-2004
	6.7	6.7	6.7

Key Results Commitment	
Coordinated action by key stakeholders on a contemporary policy framework for economic development resulting in productivity growth and improved competitiveness.	
Planned Result:	Key Activities:
<ul style="list-style-type: none"> < a sound basis for coordinated action by key economic stakeholders in Atlantic Canada < credible rationale for a regional economic development strategy < intelligence required to strategically seek out regional opportunities 	<p>Develop a diagnostic of the Atlantic economy, which reflects the perspective of business, government and private sector stakeholders.</p> <p>Develop an integrated policy research framework in support of Atlantic economic development and undertake:</p> <ul style="list-style-type: none"> <i>C policy research with direct participation by stakeholders as a basis to form strategies, build consensus and cooperation, and advocate and defend regional requirements</i> <i>C research and analysis on regional and provincial economic trends and performance, regional sector capabilities, emerging sectors and resource sector opportunities and SME requirements in the Atlantic region (e.g., rural and coastal development issues)</i>

Policy, Advocacy and Coordination (continued)

Key Results Commitment

Active pursuit and promotion of Atlantic Canada's interests in respect of national policies, programs and issues and procurement.

Planned Result:	Key Activities:
<ul style="list-style-type: none"> < alignment between national policies and programming and regional development circumstances < improved access to federal contracts for Atlantic firms to build the industrial capacity of the region < secure significant Industrial and Regional Benefits (IRBs) for Atlantic firms on major defence procurements 	<p>Inform and advise federal policy makers, decision makers and other stakeholders through:</p> <ul style="list-style-type: none"> <i>C increased knowledge of the capacity and circumstances of the Atlantic economy and firms</i> <i>C interpretations, and recommended positions and interventions to federal policy makers on proposed policies/programs/initiatives</i> <p>Increase opportunities for business prospecting and participation in space projects by:</p> <ul style="list-style-type: none"> <i>C working with Atlantic companies and the Canadian Space Agency (CSA) staff on space related contracts/projects</i> <i>C conducting prime contractor tours of regional facilities and information sessions on regional company capabilities</i>

Key Results Commitment

Coordination of economic development activities and functions in Atlantic Canada.

Planned Result:	Key Activities:
<ul style="list-style-type: none"> < policies and programs of federal departments which have a greater impact on economic growth in Atlantic Canada 	<p>Coordinate policy activities in the Atlantic region through:</p> <ul style="list-style-type: none"> <i>C forums such as Federal Regional Councils and their policy Committees, the federal-provincial Harmonization Committee and other interdepartmental and intergovernmental consultations, meetings and forums</i> <i>C briefings and information exchange</i>

Corporate Administration Business Line

a. Business Line Objective:

The objective of ACOA's Corporate Administration business line is:

To ensure that ACOA's resources are efficiently and effectively managed and that administrative systems and services are in place to support management decision making, accountability and operational control.

b. Business Line Description

This business line includes: the executive offices of the Minister, the Minister of State and the President; personnel, finance, systems and other administrative support services provided at Head Office and in regional offices; internal audit activities; legal services; and the Head Office communications activities not related to specific programs.

c. Net Planned Spending and Full Time Equivalent (FTEs):

Forecast Spending 2000-2001		Planned Spending 2001-2002		Planned Spending 2002-2003		Planned Spending 2003-2004	
\$ millions	FTE	\$ millions	FTE	\$ millions	FTE	\$ millions	FTE
16.1	110	18.6	121	18.1	121	17.9	121

Corporate Administration

Key Results Commitment

To ensure that ACOA's resources are efficiently and effectively managed and that administrative systems and services are in place to support management decision making, accountability and operational control.

Planned Result:

Key Activities:

< recommendations for improving the effectiveness of ACOA's programs and services	< conduct review studies, evaluations and audits of ACOA programming and services
< increased awareness and understanding of ACOA's rationale, programs and services among both the general public and the Agency's key stakeholders	< ongoing media relations, advertising campaigns, and a variety of other public information products
< ensure representation for all four target groups (Aboriginals, persons with disabilities, women, and visible minorities) in line with external availability throughout all regions of the Agency	< increase the number of under-represented groups to be more reflective of the external population served in any region where these groups remain or become under-represented
< complete the implementation of Universal Classification System (UCS) and manage the impact of the new classification system on the organization and the employees	< simplified and streamlined pay, staffing and classification, and a change management that fosters a smooth transition to the new UCS
< increase the availability of corporate information	< continue to fully interface the program management system and Financial Information Systems

Section IV - Joint Initiatives

4.1 Horizontal Initiatives

a. Sustainable Development Strategy (SDS)

ACOA will build upon the successes of its first Sustainable Development Strategy. The Agency will concentrate on two main goals in the Strategy Update:

1. Promoting sustainable communities and business in Atlantic Canada		
Objectives	Planned Results	Key Activities
To encourage environmentally responsible practices among ACOA clients and stakeholders.	More eco-efficient operations and environmentally conscious decisions by ACOA clients and stakeholders.	All new program applicants receive information on eco-efficiency and have access to eco-efficiency self-assessment tools, and two of ACOA's clients undertake pilot eco-efficiency reviews.
To explore opportunities for environmental industries.	Determine what currently exists within the industries and what role ACOA could play.	A strategy will be prepared for the development of the environmental industries sector by March 2002.
To seek opportunities to collaborate with public and private organizations on common Sustainable Development goals and objectives.	Create partnerships within the public and private sectors to work on common initiatives.	An awareness activity to aid Atlantic youth (15 to 19) will be developed and implemented to link sustainable development to entrepreneurship.

2. Setting an example in the environmental management of ACOA's operations		
Objectives	Planned Results	Key Activities
<p>To make more efficient use of resources.</p> <p>To increase awareness and understanding of what ACOA employees and contracted resources can do to support the goal of sustainable development.</p>	<p>Increase the Agency's capacity to embrace the three "Rs" of sustainable development: Reduce, Re-use and Recycle.</p> <p>Help preserve Atlantic Canada's biophysical resources.</p>	<p>Initiatives to reduce the consumption of paper products.</p> <p>ACOA will increase the number of alliances it has with partners with common Sustainable Development objectives. Ensure that all staff are aware of how they can contribute to Sustainable Development.</p>

b. Government On-Line (GOL)

Government On-Line is the initiative to make the Government of Canada the most electronically connected government in the world to its citizens by 2004 and provide Canadians with electronic access to federal information and services. The vision is to continually improve the quality of interaction between Canadians and their government by enabling Canadians to request and receive services and information when and where it is most convenient for them, wherever they live. Government On-Line will make it easier for citizens and businesses to find what they need through one-stop access points with services and information organized by theme (such as small- and medium-sized business) or type of activity (such as government funding) rather than by government department.

As one of the 28 core departments and agencies, ACOA is participating in activities related to our stated goal of improving the economy of Atlantic Canadian communities through the successful development of business and job opportunities.

Some of these activities and the expected outcomes are:

- < continue to improve on the tier one commitment to provide information on-line on all key programs and services by finding new and innovative means of effective delivery;
- < participate in several committees related to tier two which is to provide key government services over the Internet. The Agency is reviewing current business processes with a view to initiating service transformation in preparation for GOL; and,

- < consult with ACOA client base to better understand the requirements for SMEs in Atlantic Canada for on-line government services.

c. Section 41 of the Official Languages Act

On the national level, ACOA has maintained its participation in the National Committee for Canadian Francophonie Human Resources Development as well as the National Committee of Official Languages Coordinators responsible for the implementation of section 41 of the Official Languages Act.

Consequently, the Agency is working closely with the economic development and employability groups (RDÉÉs) in each of the four Atlantic provinces. In addition to the regular contact maintained with organizations representing Francophones in the four Atlantic provinces and the assistance it provides with the preparation of their action plans, the Agency maintains a close relationship with the four Francophone organizations spearheading economic issues.

Also on the regional level, Agency executives play an active role in the official languages sub-committees of each of the four federal councils of the Atlantic provinces. The Agency also works together with various Francophone organizations in the region to stimulate and nourish the economic development of the Francophone community. To prepare the way for effective collaboration, the Agency ensures that the Francophone reality is an integral part of its economic development research, thus enabling ACOA to better meet the needs of Francophone entrepreneurs. The research conducted by the Agency also looks at entrepreneurship opportunities for young Francophones.

The Agency is also interested in the development of Acadian tourism products and, in this vein, has been preparing, as of the year 2000, for its participation in various activities associated with the World Acadian Congress, scheduled to be held in 2004 in Nova Scotia.

With respect to the local economic development commissions to which it provides funding, ACOA monitors the contribution levels of these organizations to Francophone groups as well as the representation of Francophones on their policy committees. It also ensures that the Canada Business Service Centres, located in each of the four Atlantic provinces, deliver services in both official languages.

d. Federal Government Rural Policy

The Agency continues to support the Federal Government's rural policy. A significant portion of the population in Atlantic Canada lives in rural communities and the economic strength of these communities is an essential element of the economic strength of the region. ACOA recognizes that economic development in these communities requires local involvement as well as Federal Government support.

This local involvement has been a cornerstone of ACOA's community economic development strategy. The Community Business Development Corporations, community controlled non-profit organizations, have been very effective delivery partners in the provision of business capital to rural communities throughout Atlantic Canada. In addition to this partnership, the Agency has considered the needs and opportunities of rural communities in the development of its Atlantic Investment Partnership (AIP) initiative and the delivery of its existing programs. The AIP's Partnership for Community Economic Development targets a substantial portion of its activity to rural development. The Agency's Business Development Program continues to invest heavily in rural initiatives with approximately 70% of assistance directed to rural businesses or economic development organizations.

In Newfoundland and Labrador, ACOA is working with the Newfoundland and Labrador Federation of Municipalities to strengthen capacity, build leadership and encourage skills development. Workshops have been delivered throughout the province to provide municipalities with an understanding of their possible role in economic development. The Canada-Newfoundland and Labrador Business Service Centre Network provides business related information to many rural areas throughout the province.

The Agency remains active in the coordination of Federal Government activity in rural communities. It participates on interdepartmental committees such as the Rural Secretariat's Interdepartmental Working Group at Agriculture and Agrifood Canada and continues to Chair the Rural Teams in Atlantic Canada. Rural Teams have been established in each province to promote cross-departmental cooperation and build partnerships, networks and alliances related to rural issues. Each of ACOA's provincial offices has entered into a Memorandum of Understanding with the Rural Secretariat to have Rural Coordination Officers work with both organizations. The province of Nova Scotia, ACOA and other Rural Team members are active participants in developing and co-ordinating the Nova Scotia Sustainable Communities Initiative, a major pilot project underway in the two rural areas of Annapolis/Fundy and Bras d'Or.

e. Citizen-Centred Service Delivery

The Agency has always been a strong supporter of the Federal Government's Citizen-Centred Service Delivery initiative. Through its regional offices, ACOA has regularly undertaken activities to gauge the satisfaction of its clientele. It has embraced the service improvement objective and has developed a strategic plan for service quality as part of its on-going operations. Under the direction of a corporate committee, initiatives have been undertaken to enable the Agency to measure client satisfaction and implement improvements where applicable.

The strategy focuses on opportunities to continuously improve client service. Satisfaction surveys will continue to be an integral part of this strategy and will be used to measure client expectations and satisfaction levels. The results of these surveys will be instrumental in the formulation of a service improvement plan designed to accomplish a 10% increase in client satisfaction over the next five years.

In an effort to recognize and promote exceptional client service, ACOA has implemented a category in its annual awards program to reward employee efforts of this nature. The first award under this category was presented at the Agency's 1999-2000 awards ceremony.

4.2 *Collective Initiatives*

a. Aboriginal Economic Development

ACOA has been an active member of the Aboriginal Business Development Initiative (ABDI), an Industry Portfolio initiative focussed on service initiatives designed to provide: improved access to general business information for Aboriginal Businesses; customized information products to meet the unique needs of Aboriginal clients; and a strengthened network of Aboriginal business and economic service providers. This has enhanced the Agency's involvement with the Aboriginal communities in Atlantic Canada. ACOA is continuing to build partnerships with Aboriginal communities.

The Joint Economic Development Initiative (JEDI) process in New Brunswick and the Tripartite Forum in Nova Scotia demonstrate effective three-level partnerships which establish a consultation and collaboration process between the federal and provincial governments and the Aboriginal community. ACOA NB, as federal co-chair, assumes a leadership role in JEDI. ACOA NS co-chairs the Economic Development Committee. The main focus of these partnerships is to improve access for the Aboriginal community to existing federal and provincial economic programs and identify and encourage projects aimed at stimulating economic development in their respective Aboriginal communities. In Nova Scotia, ACOA has also partnered in the implementation of a new Federal Committee on Aboriginal Coordination. The purpose of this committee is to support the Federal Council by providing a forum to ensure the communication and exchange of information on matters related to Aboriginal economic and social issues.

Under the Aboriginal Business Development Initiative, ACOA has implemented an Aboriginal Business Service Network (ABSN) that builds on the Atlantic Canada Business Service Centres' (CBSC) information infrastructure and the regional access partner approach. A network of public access workstations and hard copy library materials will be placed in Aboriginal communities and organizations throughout Atlantic Canada. Aboriginal organizations have been included in the development and implementation of this initiative through the Atlantic ABSN Working Committee which includes a broad cross-section of Aboriginal stakeholders.

Currently, 26 communities/organizations have confirmed their participation in the ABSN and have received computer hardware and software. As a second phase to the initiative, the Atlantic CBSCs are collaborating through the ABSN Working Committee on the development of information products, regional web sites and a suite of tools customized to address Aboriginal needs in Atlantic Canada. The remaining communities are expected to join the initiative in the coming year.

b. International Business Development Agreement (IBDA)

The Canada/Atlantic Provinces COOPERATION Agreement on International Business Development (IBDA) is moving ahead with its second extension to continue to harmonize federal and provincial activities in international business development. The objectives, partners, funding and planned results are shown in the following table.

Collective Initiative	Objective	List of Partner(s)	Money allocated by Partners (\$millions)	Planned Results
Canada/Atlantic Provinces Cooperation Agreement on International Business Development (2000-2001 to 2005-2006)	Increased numbers of new exporters, and new markets for existing exporters and increased export sales.	C ACOA	C \$5.6	C 150 new exporters; C 100 new markets for existing/new exporters; C 200 exporters increasing their sales.
		C NB Department of Investment & Exports	C \$0.9	
		C NS Department of Economic Development	C \$0.9	
		C NF Department of Industry, Trade & Technology	C \$0.4	
		C PEI Business Development Inc.	C \$0.2	
		C Department of Foreign Affairs & International Trade	C \$0	
		C Industry Canada	C \$0	
Total:	\$8.0			

c. OECD Territorial Review

The Organization for Economic Cooperation and Development (OECD) Territorial Development Policy Committee will assist Canada in its review of its territorial policies and evaluate their impact at the regional level. This study will assess the impact of Canadian economic, social and spatial policies on its regions in the context of the changes brought by globalization of trade and economic activity. An interdepartmental committee, led by Canada Economic Development for Quebec Regions (CEDQ), will work in cooperation with OECD and other levels of government to analyze trends in regional performance and institutional settings.

Collective Initiative	Objective	List of Partner(s)	Money allocated (\$millions)	Planned Results
Territorial Reviews-OECD	Report on Canada's territorial strategies and policies to reduce regional disparities and enhance comparative advantages.	C (CEDQ - Lead) C ACOA ¹ C WED C Industry Canada and FedNor C Statistics Canada C AAFC C HRDC C INAC Total:	\$0.30	Knowledge of spatial, economic and social policies influencing regional and local development. Understanding of economic and social trends and innovations influencing policies. Identify mechanisms for coordinating sectoral and territorial policies.
		¹ ACOA's Share is \$46,900		

d. Atlantic Canada Tourism Partnership (ACTP)

Collective Initiative	Objective	List of Partner(s)	Money allocated by Partners (\$millions)	Planned Results
Atlantic Canada Tourism Partnership (2000-2001 to 2002-2003)	To increase international tourism expenditures in Atlantic Canada	C ACOA, Canadian Tourism Commission C the four Atlantic Provinces C the Tourism industry Total	\$9.8 \$5.9 \$3.9 \$19.6	Increased tourism revenues over 3 years of: C \$185 million from US visitors C \$12.5 million from European and Japanese visitors

e. Federal Council and Policy Initiatives

ACOA regional Vice-Presidents chair or play key coordinating roles in federal councils in each province. These councils bring together federal department heads in each province. The councils function as an information sharing forum and coordinate interdepartmental activities to help strengthen federal programming in each province.

ACOA chairs the Policy Committee of the Newfoundland and Labrador Federal Council. The Committee is currently conducting, or participating in, research into demographics, the forestry sector, the fishery, innovation, oil and gas, and infrastructure.

Under the NB Federal Council, ACOA will facilitate an active policy network of federal departments which will gather, coordinate and share information, policy and trends to improve program coordination and advocate federal interests in the province.

The Nova Scotia Federal Council will include the development of a strategic framework for the Human Resource Committee, which in turn will do its part towards rejuvenating the federal public service in Nova Scotia and the continued development of a growing communications capacity. With the development of the regional Canada Information Office has come increased capacity for Council to deal with issues surrounding internal and external communications. The Policy Committee has placed attention on Sustainable Communities, Genomics and seabed mapping. In addition to supporting those initiatives, the Committee will work towards the development of a Common Environmental Scan and a “community building” process for the regional policy community.

The Prince Edward Island Council will involve youth from universities and training institutions in a forum to improve public service recruitment practices. The Official Languages Committee plans to support and host an official languages symposium for the Atlantic Region in October of 2001 with the intent to promote bilingual services and enhance federal capacity to deliver services in both official languages. The Communications Committee will structure initiatives for government communicators which will help improve the corporate image of the Government of Canada.

f. Brand Canada Pilot Project

Led by Investment Partnerships Canada (IPC), the Brand Canada Pilot Project is an initiative of IPC, DFAIT, AAFC and ACOA. The pilot will examine determinates of Foreign Direct Investment (FDI) from the perspective of selected senior US executives in two US market areas. These are Boston (Life Sciences and Information and Telecommunications sectors) and Dallas (Information and Telecommunications).

In addition to gaining a clear understanding of the current issues affecting location decisions, the pilot will provide information from US decision makers on their knowledge of Canada and their opinions of Canada as an investment location. This information will be used to design and implement a “Branding” program for Canada within these markets as well as an Atlantic Canada investment promotional campaign for the US.

Section V - Financial Information

Table 5.1: Summary of Transfer payments

(\$ millions)	Forecast Spending 2000-2001	Planned Spending 2001-2002	Planned Spending 2002-2003	Planned Spending 2003-2004
Grants				
Development	0.9	5.0	2.0	2.0
Total Grants	0.9	5.0	2.0	2.0
Contributions				
Development	215.6	338.8	339.9	307.7
Total Contributions	215.6	338.8	339.9	307.7
Other Transfer payments				
Development	7.5	8.0	7.0	5.5
Total other transfer payments	7.5	8.0	7.0	5.5
Total Grants, Contributions and Other Transfer Payments	224.0	351.8	348.9	315.2

Table 5.2: Details on Transfer Payments Programs

(\$ millions)	Forecast Spending 2000-2001	Planned Spending 2001-2002	Planned Spending 2002-2003	Planned Spending 2003-2004
Development				
<i>Business Development Program</i>	111.0	123.0	127.0	127.0
<p><u>Objective:</u> To increase: the number of successful business start-ups; the successful expansion and modernization of SMEs; and the number of jobs.</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>Management Approach:</u> Results are regularly monitored for all large projects and a random sample of smaller projects through the Agency's Benefits Monitoring Tracking System (BMTS); an evaluation is scheduled for fiscal 2001-2002.</p>				
<i>COOPERATION Program</i>				
Canada/Newfoundland Comprehensive Economic Development Agreement	6.7	18.4	17.5	9.4
<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; implementation of strategic economic plans by the 20 economic zonal boards.</p> <p><u>Management Approach:</u> A monitoring report is prepared annually. Results are tracked in the BMTS. A final evaluation is scheduled for fiscal year 2002-2003.</p>				

Table 5.2: Details on Transfer Payments Programs

(\$ millions)	Forecast Spending 2000-2001	Planned Spending 2001-2002	Planned Spending 2002-2003	Planned Spending 2003-2004
Development				
<i>COOPERATION Program (continued)</i>				
Canada/Nova Scotia COOPERATION Agreement on Economic Diversification Agreement	7.6	12.2	11.6	
<p><u>Objective:</u> To create quality sustainable jobs and profitable world class companies that are export oriented; to build on the potential of strategic sectors; and, to enhance the sustainability of communities.</p> <p><u>Planned Results:</u> An increase in the number of sustainable jobs; improved competitiveness of firms as measured by increased exports; increased skills of individuals; new businesses and sustainability of communities.</p> <p><u>Management Approach:</u> A federal-provincial monitoring effort (EDA-MIS) tracks results and these are entered in the BMTS; two interim evaluations have been completed; a final evaluation is scheduled for fiscal 2001-2002.</p>				
Canada/New Brunswick Regional Economic Development Agreement	8.6	10.7	16.0	
<p><u>Objective:</u> To contribute to the expansion of the economic base of New Brunswick.</p> <p><u>Planned Results:</u> Increased opportunities for private sector investment and entrepreneurship; expanded competitive ability of the Province through investment in key sectors; sustainable job growth.</p> <p><u>Management Approach:</u> A business case analysis is employed to identify measurable economic benefits for supported projects and establish a schedule for monitoring benefits; benefits are tracked in the BMTS; an evaluation is scheduled for fiscal 2002-2003.</p>				
All other COOPERATION agreements (excluding pan-Atlantic)	4.8	3.7	1.0	1.0
Total:	27.7	45.0	46.1	10.4

Table 5.2: Details on Transfer Payments Programs

(\$ millions)	Forecast Spending 2000-2001	Planned Spending 2001-2002	Planned Spending 2002-2003	Planned Spending 2003-2004
Development				
<i>Community Futures</i>	10.6	10.6	10.6	10.6
<p><u>Objective:</u> To provide financial and technical assistance to SMEs in rural areas.</p> <p><u>Planned Results:</u> New and expanded SMEs; additional jobs.</p> <p><u>Management Approach:</u> Results are monitored and reported quarterly; an evaluation is to be completed by December 31, 2002.</p>				
<i>Canadian Fisheries Adjustment and Restructuring Initiative</i>				
Canada/Newfoundland Agreement for the Economic Development Component of the Canadian Fisheries Adjustment and Restructuring Initiative	25.2	29.5	0.5	
Canada/Nova Scotia Agreement for the Economic Development Component of the Canadian Fisheries Adjustment and Restructuring initiative	5.6	9.7	4.1	
All Other Agreements	2.7	2.2		
Total:	33.5	41.4	4.6	
<p><u>Objective:</u> Economic Development Component. To help affected rural communities to become more self-reliant by diversifying and expanding their economies.</p> <p><u>Planned Results:</u></p> <ul style="list-style-type: none"> a) creation of longer-term employment opportunities through economic development initiatives. b) communities will be strengthened and diversified and less dependent on seasonal industries and income support programs <p><u>Management Approach:</u> Formative evaluation 2001 Summative evaluation 2002</p>				

Table 5.2: Details on Transfer Payments Programs

(\$ millions)	Forecast Spending 2000-2001	Planned Spending 2001-2002	Planned Spending 2002-2003	Planned Spending 2003-2004
Development				
The Atlantic Groundfish Strategy				
Canada/Newfoundland Economic Renewal Agreements	10.8	4.9		
All other agreements	8.9	0.2		
Total:	19.7	5.1		
<p><u>Objective:</u> To assist communities to lever development projects and develop long-term employment opportunities in response to the downturn in the groundfish industry; to improve the climate for private sector investment and entrepreneurship.</p> <p><u>Planned Results:</u> Increases in jobs and earned incomes; increased export development; strategic infrastructure in the areas of distance education and technology in schools; improved investment climate in targeted areas of aquaculture, tourism and advanced technology industries.</p> <p><u>Management Approach:</u> Annual monitoring reports are prepared and the final evaluation is scheduled for fiscal 2001-2002.</p>				
Infrastructure Canada Programs				
Canada/Newfoundland Agreement	2.2	8.6	9.9	10.0
Canada/Prince Edward Island Agreement	0.6	2.2	2.5	2.5
Canada/Nova Scotia Agreement	2.9	10.9	12.7	12.7
Canada/New Brunswick Agreement	2.4	9.1	10.6	10.6
Total:	8.1	30.8	35.7	35.8
<p><u>Objective:</u> Improve Canadians' quality of life through investments that: enhance the quality of the environment; support long-term economic growth; and, improve community infrastructure.</p> <p><u>Planned Results:</u> Improvements and additions to green municipal infrastructure, local transportation infrastructure, infrastructure in support of tourism and affordable housing.</p> <p><u>Management Approach:</u> An interim evaluation will be undertaken in fiscal 2003-2004 and a final evaluation in fiscal 2006-2007.</p>				

Table 5.2: Details on Transfer Payments Programs

(\$ millions)	Forecast Spending 2000-2001	Planned Spending 2001-2002	Planned Spending 2002-2003	Planned Spending 2003-2004
Development				
All other programs (Adjustment)	5.9	4.4	1.4	1.4
Atlantic Investment Partnership Initiative (amounts planned pending approval by Treasury Board)		83.5	116.5	124.5
Total Grants and Contributions	216.5	343.8	341.9	309.7
Other Transfer Payments				
Statutory Liabilities Under:				
<i>SBLA</i>	7.0	2.0	3.0	1.5
<i>CSBFA</i>	0.5	5.0	3.0	3.0
Loan/credit insurance	0.0	1.0	1.0	1.0
Total:	7.5	8.0	7.0	5.5
<u>Objective:</u> The objective of the Canada Small Business Financing Act 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	224.0	351.8	348.9	315.2

Table 5.3: Non-respensible Revenue

(\$ millions)	Forecast Revenue 2000-2001	Planned Revenue 2001-2002	Planned Revenue 2002-2003	Planned Revenue 2003-2004
Development	50.0	50.0	50.0	49.0
Total Non-respensible Revenue	50.0	50.0	50.0	49.0

Table 5.4: Net Cost of Program for the Estimates Year

(\$ millions)	Total
Net Planned Spending (Main Estimates plus Adjustments)	418.4
<i>Plus; Services received without Charge</i>	
Accommodations provided by Public Works and Government Services Canada (PWGSC)	1.8
Contributions covering employer's share of employees' insurance premiums and expenditures paid by TBS	2.3
Workers' compensation coverage provided by Human Resources Development Canada	-
Salary and associated expenditures of legal services provided by Justice Canada	-
	4.1
Less: Non-respensible revenue	(50.0)
2001-2002 Net cost of Program	372.5

Section VI - Other Information

More information on ACOA's programs and a full list of the Agency's publications can be obtained either from the ACOA website (<http://www.acoa-apec.ca>) or upon request from:

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