



## **2005-06 Annual Report**

**Department of Business**

---

**To obtain a copy of this report:**

**Online**

Website: [www.gov.nl.ca/business](http://www.gov.nl.ca/business)

**Paper**

Department of Business

P.O. Box 8700,

St. John's, Newfoundland and Labrador

A1B 4J6

Phone: (709) 729-3254 Fax: (709) 729-4880

E-mail: [business@gov.nl.ca](mailto:business@gov.nl.ca)

**Reference Period**

This report covers the period April 1, 2005 through March 31, 2006, the fiscal year of Government of Newfoundland and Labrador.

**Published by**

The Department of Business

Government of Newfoundland and Labrador

## Table of Contents

---

---

<b>MESSAGE FROM THE MINISTER</b> .....	ERROR! BOOKMARK NOT DEFINED.
<b>DEPARTMENTAL OVERVIEW</b> .....	<b>3</b>
VALUES .....	3
MANDATE .....	3
VISION .....	4
MISSION .....	4
LINES OF BUSINESS .....	4
FINANCIAL AND ORGANIZATIONAL PROFILE.....	4
EXTERNAL AGENCIES, BOARDS, AND COMMISSIONS .....	4
<b>SHARED COMMITMENTS</b> .....	<b>5</b>
<b>KEY PRIORITIES AND ACHIEVEMENTS</b> .....	<b>6</b>
<b>OUTPUTS</b> .....	<b>15</b>
<b>MOVING FORWARD</b> .....	<b>16</b>
<b>CHALLENGES</b> .....	<b>18</b>
<b>FINANCIAL STATEMENTS</b> .....	<b>19</b>
<b>APPENDICES</b> .....	<b>20</b>
APPENDIX A – BUSINESS ADVISORY BOARD .....	20
APPENDIX B – RED TAPE REDUCTION TASK FORCE.....	21



**MESSAGE FROM THE HONOURABLE KEVIN O'BRIEN MINISTER  
MINISTER RESPONSIBLE FOR BUSINESS**

---

I am pleased to present the Annual Report of the Department of Business for fiscal year 2005-2006.

This report represents an exciting year for the Department of Business. We are implementing key initiatives to stimulate growth, reducing red tape, and fostering a business friendly environment. We are working toward our vision for sustainable economic growth and prosperity for the people of Newfoundland and Labrador.

A very important foundation has been established to position this department to move forward in a proactive and strategic manner. Our mission is to lead the attraction of big business across all sectors and areas of this province. I am excited about this mission and about working with the dynamic and talented team in place in our department.

We understand the challenges involved but commit to an energetic and diligent focus to face those challenges head-on as we work together to bring business and investment to this province.

As Minister, I am proud of the accomplishments of this department to date and anticipate further successes as we look forward to 2006-2007.

A handwritten signature in black ink that reads "Kevin O'Brien".

**KEVIN O'BRIEN, MHA**  
Minister

## **DEPARTMENTAL OVERVIEW**

### **A New Department - Setting the Stage for Attracting Major Business to Newfoundland and Labrador**

The year 2005-06 can be characterized as one of design and development for the new department. Premier Danny Williams established the Department of Business in 2004. Under the Premier's leadership, an acting Deputy Minister managed the new department on an interim basis. In August 2005, Ms. Leslie Galway assumed the position of Deputy Minister .

The Department is focused on building a vibrant, productive and effective organization. A strategic approach was adopted in constructing the infrastructure of the Department. This was important to ensure the Department developed its mandate and role within the public service, and to understand where it 'fits' within the system. This is still evolving. The Department is strongly committed to a meaningful leadership role to benefit the province.

### **Values**

A key feature in designing the structure of the department was to identify the values that set the tone for its operations. The core values are collaboration, accountability, respect, creativity and dedication. These values underlie the culture that is being created. Acceptance of the core values by staff is evident in their team approach in conducting business.

### **Mandate**

The Department of Business is responsible for providing leadership in business policy throughout the public service. Working in collaboration with departments, agencies, boards and commissions, the Department of Business facilitates and/or expedites major business investment into the province.

## **Vision**

The vision of the Department of Business is a vibrant and sustainable business climate that supports a business friendly environment, economic growth, and prosperity for the people of Newfoundland and Labrador.

## **Mission**

The mission of the Department of Business is to facilitate the attraction of major business across the province and across sectors.

## **Lines of Business**

The Department of Business has four inter-related lines of business relevant to its mandate. Each contributes to the creation of a welcoming province for major enterprises to do business. They are:

- Business attraction
- Marketing
- Advisory responsibility related to business support
- Regulatory environment reform

## **Financial and Organizational Profile**

The 2005-06 fiscal year was a formative year for the newly created Department of Business. The department's expenditures were approximately \$676,000. Ten of the sixteen proposed staff positions were filled by the end of the fiscal year. The remaining positions were at various stages of the recruitment process. During the year the Department established its offices in the East Block of Confederation Building in St. John's.

## **External Agencies, Boards, and Commissions**

The Business Advisory Board was announced by the Premier on May 31, 2005. The Board, chaired by Dr. Gary Gorman, Dean of Business at Memorial University, is comprised of 16 business people from across the province. (Refer to *Appendix A* for a list of Board members). Reporting to the Minister of Business, its primary

responsibility is to provide advice on provincial direction for business attraction, growth and economic development.

The Red Tape Reduction Task Force (the “Task Force”), chaired by MHA Paul Oram, began its work during 2004-05. (Refer to *Appendix B* for a list of Task Force members). The Task Force was initially a responsibility of the Department of Innovation, Trade and Rural Development but in Summer 2005, it was reassigned to the Department of Business.

## **SHARED COMMITMENTS**

The Department of Business is committed to creating an environment that is attuned to the requirements of business. The Department is responsible for assuming leadership in implementing the strategy of a business-friendly environment.

The Department of Business has a unique role in government. While it is a department, in relation to leading business policy within the public service, it has a function akin to that of a secretariat. It must support efforts within the public service to ensure there is a consistent approach to business policy. The Department works collaboratively with other departments, agencies, boards, and commissions to achieve the goals set by government.

When there is a business investment prospect anywhere within government, the Department may become involved. Also, the Department of Business works with other departments that are involved in business development generally and within specific sectors.

- The Department also acts in an advisory role with respect to business policy. In these circumstances, a department working in a sector can look to the Department of Business to assume the role of advisor, facilitator or expeditor with respect to a particular business issue. The Department lends its expertise while the specific sector department continues to take the lead.
- The Provincial Investment Attraction Strategy project is being led by a Steering Committee chaired by the Deputy Minister of Business. Members of the committee include Deputy Ministers of departments involved in sectors that are linked with economic development.

- The Red Tape Reduction Division has worked closely with all departments to identify and eliminate unnecessary regulatory requirements. It continues to collaborate with departments on regulatory reform initiatives to find ways to protect the public interest without introducing more regulatory requirements that are burdensome and costly to business.

A commitment has been made to establish strong business advocacy within government and ensure the capacity to design business development policies, and the mandate to coordinate business-related activities throughout the system. Through the establishment of: Red Tape Reduction Coordinators; contacts for departmental business investment; and, coordinators for brand development, the Department has commenced fulfilling this commitment.

## **KEY PRIORITIES AND ACHIEVEMENTS**

### **ESTABLISHING A SOLID FOUNDATION-ORGANIZATIONAL DEVELOPMENT**

The Department of Business is founded on the desire to achieve sustainable economic development and growth for Newfoundland and Labrador. There has been recognition that there must be a strategic approach adopted to achieve this objective.

In order to place the department on a firm footing, several key activities were undertaken by the department. In May 2005 the Premier, acting as Minister of the Department, established the Business Advisory Board to provide advice on provincial direction for business attraction, growth and economic development. The Board also assists in identifying trends in the economy and the direction of global markets, identifying challenges and providing advice to optimize opportunities. The Business Advisory Board will assist the Department in advancing business prospects.

The next phase in planning arose from the recognition that the department had to establish a comprehensive base of information to understand where the province is positioned in terms of the global marketplace. Connected with the baseline, there was an identification of inter-related key priorities for the department. These key priorities are the basis of its lines of business. All of the activities arising from the efforts of the department are intended to contribute to the creation of a positive climate that is welcoming to business.



## **Understanding the current business environment by compiling baseline data**

There were several initiatives either completed or in the initial stages to establish baseline data essential for planning by the department. This was deemed as critical to establishing a foundation for the department to attract major businesses to Newfoundland and Labrador.

### **➤ Business Inventory**

The Department had to gain an overview of all of the programs and services already being delivered for business by other government departments. This inventory included programs and services of all levels of government. It also included “soft” services and investments made by governments to assist and support business in their establishment, growth and expansion.

The inventory was used to establish a baseline so that the department was knowledgeable about what existed. In particular, it can contribute to the identification of gaps that should be filled to enhance business development.

This inventory was shared with relevant departments of government whose interest is business support and development. The gap analysis has not been finalized. The Department of Business will be lead in coordination of closing the gaps when the analysis has been completed.

The goal is to ensure there are appropriate supports in existence to allow this province to position itself as competitive and as a good place to do business.

### **➤ Business Tax Incentives Review**

Arising from the business inventory and gap analysis, the department will evaluate the role of business tax incentives. This research priority will contribute to the baseline. Business tax incentives can entice a major enterprise to establish itself in a jurisdiction. Newfoundland and Labrador can encourage an enterprise to locate here by extending an offer of tax relief through a business tax incentive.

Business tax incentives represent a deferral of tax revenue in order to encourage economic development and can also be viewed as an investment by the province. These incentives can secure employment opportunities and produce wealth generation.

The Department is developing the terms of reference for a study to examine existing tax incentives, assess their potential costs and benefits, determine how these incentives compare with those of other jurisdictions and propose options to ensure this province is competitive.

It is anticipated that a consultant will be engaged through a Request for Proposals process in fiscal year 2006-07.

➤ **Provincial Investment Attraction Strategy**

A significant responsibility of the department is enabling a business climate that is conducive to investment growth. This requires the adoption of a Provincial Investment Attraction Strategy. It must clearly define Newfoundland and Labrador's goals and objectives for business development setting out an implementation plan to achieve the strategy. To be successful, it is imperative that the opportunities for growth and expansion are identified as well as areas in which the province has a strategic advantage. The province must determine how it can optimize its resources and infrastructure to attract business and investment.

The identification of gaps in the infrastructure needed to attract and support business development will be included in the research. The strategy will highlight areas to target where there is realistic potential to entice a business to locate in the province. Further, the strategy will serve not only the Department of Business but also all departments of government. It will inform government decision-making.

The Department is developing the terms of reference for the study. It is anticipated that a consultant will be engaged through a Request for Proposals process in the next fiscal year.

## **MARKETING**

A key role for the department is to assume responsibility for marketing the province to the world. Government is interested in presenting this province positively as a place to do business. In order to position the department to market the province, several key 'instruments' are necessary to build a tool kit for this task. As part of laying the

foundation, development activities were necessary to enable the department to assume this part of its mission. The development of a brand strategy is a key strategic element.

➤ **Brand Development Strategy**

Marketing is a critical focus for the Department of Business. It is about building the province's image to maximize our potential and improve perceptions - how we view ourselves and how others view us.

Central to our marketing strategy is the development of a provincial brand signature. This includes the creation of a logo and wordmark that represent the strengths and character of us as a people and as a place. The people of Newfoundland and Labrador embody creativity and resilience that is really unmatched throughout the world. We see these strengths in our people and our products, and we need to capitalize on them.

*"This place is in our blood. It inspires us creatively every day. Our challenge is to have people see Newfoundland and Labrador with a different set of eyes."*

~ Noel O'Dea, President  
Target Marketing and Communications Inc.

Keeping pace with competitors, both within this country and beyond, is critical. A recent article in Atlantic Business Magazine quoted the global director for Interbrand, an international agency, on the importance of strategic marketing as it pertains to brands. "If places do not proactively and positively manage their

*"If places do not proactively and positively manage their brands, they will fall victim to the market defining who and what they are. This is usually inaccurate, anecdotal and unfair."*

~ Jeff Swystun, Interbrand  
Source: 'Land of the Brand'  
Atlantic Business Magazine

brands, they will fall victim to the market defining who and what they are. This is usually inaccurate, anecdotal and unfair." Experts in brand development stress the vital need for places to define themselves in the marketplace through a brand strategy. As a province, the development of a new brand signature is key to our success.

The Department developed a terms of reference for the development of a brand strategy for the province. A public call for proposals resulted in the engagement of a consultant (Target Marketing and Communications Inc.) to develop a brand for the province. The development of a new brand signature is an innovative and exciting initiative for this department and for this province. It is about

moving forward in a focused and strategic manner to highlight our incredible strengths as a people and as a place. The rest of the world needs to know that Newfoundland and Labrador is an attractive place to visit, work, live and invest. Successfully marketing our province in a competitive global environment requires consistency, focused effort, and the ability to stand out from the crowd. The brand initiative will enable this to happen.

### **Marketing to attract business investment**

Based on information and development activities undertaken in 2005-06, the Department will develop a detailed marketing plan. In the meantime, there is an immediate requirement to encourage business investment. As an interim measure the department created a web presence on the government website. Planning for further web site development has commenced.

The Department has partnered with the Office of Chief Information Officer to pilot an 'intentions-based' web-site. This design is based on consideration of what a client would need from a search of a web site, not the interest of public officials.

### **BUSINESS INVESTMENT AND ATTRACTION**

A key element to attracting business investment, internally and from outside the province, is to know where there are reasonable prospects, then to target energy accordingly. As a start, the Department is focusing its efforts on developing its knowledge base.

Further, the Department also works in a business policy advisory capacity and works with other departments to encourage investment when the opportunity presents itself.

#### **➤ Provincial Investment Attraction Strategy**

The Department is developing a terms of reference to engage a consultant to assist in the development of a provincial investment attraction strategy. This should be completed in the fiscal year 2006-07. The business attraction activities will be based on the outcome of the Provincial Investment Attraction Strategy. It is the intention of the Department to implement the recommendations arising from the strategy that will have been approved by Government. The

Department will aggressively pursue leads in the target markets that are identified as offering potential for Newfoundland and Labrador.

A Deputy Minister Steering Committee was established by the Department to oversee the development and implementation of the strategy. The Committee is comprised of Deputy Ministers from each of the economic departments, Finance and Executive Council. Committee members will appoint coordinators to manage the commitments of their respective departments.

#### **Steering Committee composition**

##### **Departments of:**

- Business
- Finance
- Innovation, Trade and Rural Development
- Tourism, Culture and Recreation
- Environment and Conservation
- Natural Resources
- Fisheries and Aquaculture
- Executive Council

Chaired by the Deputy Minister of Business, the Committee will form the basis for business advocacy coordination. This approach will facilitate collaboration and effective decision making in areas of business policy and its coordination across government.

## **BUSINESS POLICY DEVELOPMENT**

Although the Provincial Investment Attraction Strategy is not in place, the Department of Business has been actively involved with other departments in an effort to respond to entrepreneurs who have expressed an interest in developing a business in the province.

Meetings have been held with the majority of key industry associations as well as major businesses associated with each, i.e.: aquaculture; manufacturing and processing; environmental industries; mining; agrifoods; information, communication and technologies (ICT); aerospace; oil and gas supply and service; personal and professional services; biotechnology; tourism; wind energy; marine services. The Premier as Minister responsible for Business and Deputy Minister also meet with the Business Advisory Board on a regular basis to inform business policy. Consultation with the Business Advisory Board and the business community will be an ongoing part of departmental operations.

## ➤ **Business Policy Advisory Services**

The Department has a lead role in developing business policy and has partnered with other departments to address particular business policy concerns where necessary to expedite a decision.

**Examples:** Input was provided on several departmental strategies across government and specific reviews of programs such as the “Entrepreneur” category under the Provincial Nomination Program.

The Department of Business was also called upon to provide support and advice to the Stephenville Interdepartmental Committee to investigate economic alternatives for the area when the closure of the paper mill was announced.

The Department of Business partnered with other departments in relationship to 15 files where it played the role of facilitator or expeditor. There were 17 specific clients who sought the advice or assistance of the department including seven active prospecting leads in five sectors; manufacturing, agrifoods, information and communications technology (ICT), tourism and aerospace. Some of these clients approached the department due to the proactive efforts of staff to encourage business investment in the province.

There has been a broad range of meetings in which staff members of the department have been involved, 135 in total. These meetings combined with the partnership engagements and client files noted above involved sectors such as wind energy, marine services, environmental industries, mining, oil and gas fabrication, biotechnology and personal and professional services. As well, the Deputy Minister has made public presentations to business organizations such as the St. John’s Board of Trade and the Newfoundland and Labrador Organization of Women Entrepreneurs.

## **REGULATORY REFORM**

Government made a commitment to create a welcoming environment for business and specifically to respond to the business community’s concern of the burden of regulatory requirements. Government established a Red Tape Reduction Task Force to investigate models to eliminate unnecessary red tape and to lead a review of current regulatory requirements, including external consultations with stakeholder organizations and

individual interested parties. The Red Tape Reduction Task Force recommended a model that has been adopted by Government. The report is due to be submitted to Cabinet in 2006-07.

➤ **Red Tape Reduction**

The Red Tape Reduction Division is working to implement the model adopted by Government to eliminate red tape. As a beginning, Cabinet established a goal of a 25% reduction of regulatory requirements. The Red Tape Reduction Division worked with departments to identify the baseline of regulatory requirements by reviewing its legislation, regulations, policies, processes and forms. Departments then were required to complete an assessment of what is needed and what can be eliminated. The Red Tape Reduction Division is responsible for coordinating this initiative throughout government.

The Division identified and assigned to entities (departments and agencies, boards and commissions) 407 Statutes and 1443 Regulations for reporting purposes. Entities were also required to review the associated policies and forms that would impose requirements upon or affect external clients.

The provincial inventory of regulatory requirements as of January 1, 2006, including legislative items for the Fall sitting of the House of Assembly, was 312,517. Interim plans for “quick hit” reduction were presented by entities on December 5, 2005 and represented approximately 6% of the total inventory. Three Year Plans to achieve the 25% commitment were prepared by departments and submitted to the Red Tape Reduction Division March 15, 2006. The Division will continue to work with departments to meet the target and to monitor progress until the 25% reduction is achieved.

The Red Tape Reduction Division is responsible for ensuring that the regulatory requirements are not re-introduced. A Regulatory Impact Analysis process has been implemented so that each submission to Cabinet is reviewed. If the introduction of a regulatory requirement is recommended, consideration of alternate ways and means to achieve the same end is contemplated before the recommendation can be supported. In this way, the introduction of regulatory requirements will be viewed as a last alternative to protect the public interest. If it is deemed necessary to add requirements, a department must remove two requirements for every one it adds until government has achieved the 25% target. Thereafter, it will be a one to one removal : replacement ratio.

The Red Tape Reduction Division is represented on a federal/provincial/territorial committee that is committed to creating a (SMART) regulatory environment - Specific, Measurable, Accountable, Results-Based and Transparent. Through this participation, the department can continually monitor developments within the country and internationally. This ensures this province is positioned to respond to business investment opportunities.

➤ **Fees Review**

The initial phase of the Red Tape Reduction Initiative, as it relates to government fees, eliminated or reduced 34 fees as part of the 2006 Budget. It is estimated that this elimination or reduction will leave approximately \$1.5 million in the hands of consumers and businesses.

In addition to providing fee eliminations and reductions, the 2006 Budget announced that the Red Tape Reduction Committee, a sub-committee of the Red Tape Reduction Task Force, was tasked with conducting a thorough review of all fees in the province. The review will recommend additional modifications or eliminations, if necessary.

The Department established a working group to assist the Committee develop the internal processes and work plan. The initiative is expected to be completed by September 30, 2006.



## OUTPUTS

A summary of the outputs of the Department of Business in the fiscal year 2005-06 is presented in the table below. It demonstrates this has been a dynamic beginning for a department setting its foundation.

<b>Business Goals</b>	<b>Output</b>
<b>Organizational Development</b>	
Human Resources	<ul style="list-style-type: none"> <li>○ Appointment of permanent department head</li> <li>○ 10 of 16 positions are staffed</li> </ul>
Collection of baseline data	<ul style="list-style-type: none"> <li>○ Completion of an inventory of all government business programs and supports</li> <li>○ Approval received to proceed with the conduct of a review of business tax incentives</li> <li>○ Approval received to proceed with the development of a Provincial Investment Attraction Strategy (PIAS)</li> </ul>
<b>Marketing</b>	
Branding Strategy	<ul style="list-style-type: none"> <li>○ Request for Proposals issued and consultant engaged to advise on the development of a brand for the Province</li> </ul>
Marketing	<ul style="list-style-type: none"> <li>○ established a presence on the Government web-site</li> </ul>
<b>Business Investment and Attraction</b>	
Provincial Investment Attraction Strategy (PIAS)	<ul style="list-style-type: none"> <li>○ collected baseline data</li> <li>○ Formed (and is leading) a Deputy Ministers Steering Committee to oversee the PIAS</li> </ul>
<b>Business Policy and Development</b>	
Business Policy Advisory Services	<ul style="list-style-type: none"> <li>○ Partnered with 15 departments to provide business policy advice to facilitate or expedite a decision on a particular business proposal</li> <li>○ Worked directly with 17 clients who were seeking to invest in business ventures in the province</li> <li>○ Participated in 135 meetings to represent the department and to advance its agenda</li> <li>○ Deputy Minister delivered presentations to 20 business organizations to provide information about the new Department of Business</li> </ul>
<b>Regulatory Reform</b>	
Red Tape Reduction Division	<ul style="list-style-type: none"> <li>○ Assumed the lead in the implementation of the red tape reduction exercise to eliminate 25% of regulatory requirements</li> <li>○ Worked with departments to identify their regulatory requirements baseline and to develop plans to reach the target.</li> <li>○ A Regulatory Impact Analysis process has been introduced. The Division assesses any submission to Cabinet recommending regulatory requirements(s).</li> <li>○ department is represented at Federal/Provincial/Territorial meetings regarding regulatory reform.</li> </ul>
Fees Review	<ul style="list-style-type: none"> <li>○ Assumed the lead in the implementation of the Fees Review</li> <li>○ 34 fees eliminated or reduced with a resulting \$1.5 million savings to consumers and business</li> </ul>

## **MOVING FORWARD**

The Department of Business will continue to build its foundations in 2006-07 by focusing on completing the work started. As well, the Department will continue to collaborate with other departments, agencies, boards and commissions to provide leadership in business policy development and extend assistance in facilitating or expediting business investment opportunities.

The Department of Business will be dealing with four main issues and commits to the following:

### **Generating Investment**

- 1) Completing the Terms of Reference for the Business Tax Incentive Review, placing a Request for Proposals and engaging a consultant to undertake the work.
- 2) Based on the results of the review and other related research, the Department will develop a position for consideration by Cabinet of the options for a business tax incentive regime to attract business investment to the province.
- 3) The Department will collaborate with other departments to implement the business tax incentive regime to attract investment.
- 4) Industry experts will be consulted to develop proactive business attraction and investment processes.
- 5) Market research and analysis has been conducted for prospecting leads encountered to date. From a proactive perspective, area profiles are being developed to provide the basic statistics and relevant information that is normally required by potential investors for preliminary site location purposes.
- 6) More proactive business investment prospecting

### **Finalizing the Provincial Investment Attraction Strategy**

- 1) Completing the Terms of Reference for the Provincial Investment Attraction Strategy, issuing a Request for Proposals and engaging a consultant to undertake the work.
- 2) Develop a Provincial Investment Attraction Strategy based on the results of the research, other research sources and the guidance of the committee of Deputy Ministers for approval by Cabinet.

- 3) Based on the approved strategy, develop a marketing plan. To support the implementation of the marketing plan, the department in collaboration with other departments will develop marketing materials and strategies (a “tool kit”) to position this province in the most favourable light.
- 4) With the marketing tool kit in hand, departmental staff will actively pursue leads for investment. Major enterprises and investors will be approached to consider the province in their future plans.
- 5) Build an effective, user friendly, web site for provincial business investment and attraction.
- 6) Develop and implement best practices and processes for proactive business prospecting.

### **Building the Province’s Image**

- 1) Work with the consultant to finalize the brand for Cabinet approval.
- 2) With the brand approval secured, lead implementation of the branding strategy on a government-wide basis.
- 3) Work with external agencies, boards, commissions and non-government entities to build and strengthen the brand encouraging its use by all.

### **Improving the Regulatory Environment**

- 1) The Department will continually monitor the pace of the elimination of regulatory requirements and report to Cabinet on the status.
- 2) The Department will continue to work with departments to achieve the established target for the elimination of regulations.
- 3) In an effort to encourage departments to use regulation as a last resort, develop a training program to be delivered across the public service so officials are positioned to conduct a regulatory impact analysis when developing policy and regulation.
- 4) The Department will assume the lead role in providing analysis for Cabinet of the recommendations of the report of the Red Tape Reduction Task Force.
- 5) The Department will work in collaboration with other departments to implement the recommendations that are accepted by Cabinet.
- 6) The Department will continue its commitment to SMART regulatory principles.

## CHALLENGES

The Department of Business has begun to lay its foundation but it acknowledges that there is much work remaining. Questions still exist about the different roles of the Departments of Business and Innovation, Trade and Rural Development. The Department will continue to address these questions.

As for the challenges the Department has before it, the following list highlights the need for an on-going commitment to strive for quality and excellence in all that the department undertakes.

- The Department has 16 positions approved. There is a need to recruit competent, creative and talented individuals to fill the remaining 6 positions.
- There are two Requests for Proposals to be issued to engage consultants to develop solid baseline data to meet the department's requirements.
- Based on the approval of the Branding Strategy by Government, the Department must work collaboratively with the other departments to ensure the brand is communicated. Its adoption must be promoted and its use encouraged throughout the public service.
- Based on the finalization of collection of baseline data, the Department must lead and work collaboratively with the committee of Deputy Ministers to establish a Provincial Investment Attraction Strategy for approval by Government.
- Based on the Branding Strategy and the Provincial Investment Strategy, the Department must work with other departments to develop a tool kit to market the province as a place to do business.
- The Department must build partnerships with other departments, such as with the Office of the Chief Information Officer, to market itself and the province to attract business investment.
- The Red Tape Reduction Division will develop a training program to assist departments in completing a Regulatory Impact Analysis and to increase understanding of its use as a part of regular operations.
- The Department is to assume the lead in implementing the recommendations of the Red Tape Reduction Task Force that are accepted by Government.

## FINANCIAL STATEMENTS

### Department of Business Statement of Expenditure and Related Revenue For the Year Ended 31 March 2006

		<u>Estimates</u>	
	<u>Actual</u>	<u>Amended</u>	<u>Original</u>
1.1.01 Minister's Office		50,000	50,000
1.2.01 Executive Support	173,705	387,100	373,100
1.2.02 Strategic Planning and Communications	373,487	759,900	785,900
2.1.01 Business Attraction	128,749	510,500	498,500
Total Department	<u>\$675,941</u>	<u>\$1,707,500</u>	<u>\$1,707,500</u>

## APPENDICES

### APPENDIX A – BUSINESS ADVISORY BOARD

<b>Name</b>	<b>Community</b>
Gary Gorman (Chair)	St. John's
Sheila Kelly Blackmore (Vice-Chair)	Clarenville
Alec Snow	Labrador City
Charlene Johnson	MHA, Trinity - Bay de Verde
Dean MacDonald	St. John's
Frank Coleman	Corner Brook
Jason Brake	St. John's
John Steele	St. John's
Kathy Hicks	St. John's
Mark Dobbin	St. John's
Paul Hatcher	St. John's
Paul Oram	MHA, Terra Nova District
Peggy Bartlett	Grand Falls-Windsor
Ron Ellsworth	St. John's
Scott Stirling	St. John's
Alfred Whiffen	St. John's

Biographies of Board members are available on government's web site,  
(<http://www.releases.gov.nl.ca/releases/2005/exec/0531n02.htm>)

## APPENDIX B – RED TAPE REDUCTION TASK FORCE

### MANDATE OF THE RED TAPE REDUCTION TASK FORCE

- Examine regulations, government paperwork, irrelevant and cumbersome administrative and unnecessary regulatory burdens and identify regulatory “red tape” barriers to private sector job creation and business growth, especially for small and medium sized businesses.
- Implement a consultation process with external and internal stakeholders.
- Make recommendations on strategic opportunities to reduce, streamline or eliminate regulatory red tape barriers immediately and over the long term in order to strengthen the competitiveness and productivity of the economy.
- Make recommendations for monitoring, evaluating and reporting procedures to be used in the long term.
- Ensure recommendations maintain a level playing field for businesses, and do not compromise important public policy objectives, such as the environment, health and safety, public and consumer protection.
- Provide a report with recommendations by late Fall.

### COMMITTEE MEMBERS

<b>Names</b>	<b>Community</b>	<b>Representation</b>
Paul Oram (Chair), MHA	Glovertown	Government
Shawn Skinner, MHA	St. John's	Government
Wally Young, MHA	Plum Point	Government
Cathy Bennett	St. John's	Business
Don Dicesare	Corner Brook	Business
Margaret Burden	Port Hope Simpson	Business
Margie Hancock	St. John's	Labour

Biographies of Red Tape Reduction Task Force members are available on government's web site, (<http://www.releases.gov.nl.ca/releases/2005/intrd/0202n01.htm>)