

Accountability Report



2005-06

Department of Agriculture and Fisheries

Annual Accountability Report for the Fiscal Year 2005–2006

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Accountability Statement

The accountability report of the Department of Agriculture and Fisheries for the year ended March 31, 2006, is prepared pursuant to the *Provincial Finance Act* and government policies and guidelines. These authorities require the reporting of outcomes against the Department of Agriculture and Fisheries business plan information for the fiscal year 2005–2006. The reporting of the Department of Agriculture and Fisheries outcomes necessarily includes estimates, judgments and opinions by the Department of Agriculture and Fisheries management.

This accountability report is the responsibility of the management of the Department of Agriculture and Fisheries and is, to the extent possible, a complete and accurate representation of outcomes relative to the goals and priorities set out in the department business plan for the year.

Message from the Minister

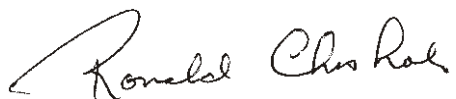
It is my pleasure to present the 2005–2006 Department of Agriculture and Fisheries Accountability Report. This report describes key activities to address priorities outlined in the 2005–2006 Business Plan.

Department staff continue working closely with industry representatives to ensure that programs and services are delivered in an effective manner.

Throughout 2005–2006, department staff worked with partners from across Canada on the development of the next generation of the Agriculture Policy Framework. The department also began discussions towards the development of an Aquaculture Framework Agreement to promote the orderly development of the aquaculture industry. We continue to deliver the Sportfish Habitat Fund, promoting sustainable development for Nova Scotia's recreational fisheries.

It was with the goal of better serving the agriculture, fisheries and aquaculture industries that the Department of Agriculture and Fisheries restructured to form the Department of Agriculture and Nova Scotia Fisheries and Aquaculture in April, 2006. Programs and services were delivered without interruption throughout the reorganization process.

I invite readers to learn more about the work the province is doing in support of Nova Scotia's agriculture, fisheries, and aquaculture industries by visiting <http://www.gov.ns.ca/nsaf/>.



Hon. Ronald M. Chisholm
Minister



Rosalind Penfound
Deputy Minister

Introduction

This Accountability Report is based on the core businesses, strategic goals, priorities and performance measures set out in the Department of Agriculture and Fisheries 2005–2006 Business Plan. The purpose of this report is to share an overview of ongoing work within the department, and to identify achievements made towards core business priorities and performance measures for the period from April 1, 2005 – March 31, 2006. Readers are encouraged to read this report in conjunction with the department’s business plan.

This report is organized according to the four core business areas outlined in the Department of Agriculture and Fisheries 2005–2006 Business Plan. On April 1, 2006, the Department of Agriculture and Fisheries divided into two separate entities: the Department of Agriculture, and Nova Scotia Fisheries and Aquaculture. These two entities continue to co-operate on many initiatives, thus allowing for the continuation of all of the former department’s existing programs and services.

Core Business Achievements

Core Business 1: Sustainable Resource Management – Balances industry development with environmental and social responsibility through applied research, technology transfer, generally accepted management principles and industry and public awareness.

Priority – Implement strategic initiatives to address environmental issues in the agriculture, fisheries and aquaculture industries.

Achievements:

Agriculture

- Continued to deliver the Environmental Farm Plan initiative. In 2005–2006, implementation of the Environmental Farm Plan became part of the Canada-Nova Scotia Environmental Farm Stewardship Program. In Nova Scotia, support is available for 30 beneficial management practices designed to reduce environmental risks. Nova Scotia also cost shares the National Water Supply Expansion Program, which provides incentives for the development of on-farm water infrastructure projects.
- Developed “*Codes of Practice for the Application of Non-Agricultural Organic Wastes (NAOW) on Agricultural Land*”. The *Codes of Practice* will facilitate the beneficial use of NAOW on agricultural land, while protecting environmental quality, human and animal health, food safety, and the productivity of the land. This document, which is available on the department’s website, is intended to supplement the current “*Guidelines for the Land Application of Storage and Biosolids in Nova Scotia*” and applies only to agricultural land.
- Continued to provide leadership with regard to climate change mitigation and adaptation for the agriculture sector, through the Nova Scotia Agricultural College (NSAC). As part of its mitigation efforts, NSAC continued to work with industry partners in coordinating demonstrations across the province on how to mitigate greenhouse gases on farms. These demonstrations, coupled with world-class greenhouse gas mitigation research, have and will continue to help the sector deal with climate change challenges.

Fisheries and Aquaculture

- Continued to develop and deliver the Aquaculture Environmental Monitoring Program. The program has proven very effective, and results from the first three years have shown limited or no negative environmental impact at the majority of aquaculture sites and in surrounding areas. The department communicated the results to industry, and sent data packages to all fish and shellfish farmers whose sites were monitored.
- Led a national committee that developed a draft strategy for addressing aquatic species at risk. This strategy will provide for better communication and cooperation between stakeholders and knowledgeable parties throughout the assessment process, promote a proactive rather than a reactive approach to addressing issues, and encourage the timely use of relevant information as

assessments are being conducted. The strategy also recommends approaches for engagement of provinces in terms of listing, recovery and other aspects which address aquatic species at risk. The draft document will be circulated to jurisdictions for input with the goal of having a national strategy in place for 2007.

- Continued to coordinate and champion provincial interests related to coastal and ocean management at the local, regional, national, and international levels. For example, the department continued to participate in the Gulf of Maine Council on the Marine Environment, and played a lead role in ensuring that provincial priorities for sustainable development are reflected in the Council's 2007–2012 Action Plan. The Council, which works to monitor, protect and sustain the Gulf of Maine ecosystem, consists of senior level representation from the governments of Nova Scotia, New Brunswick, Prince Edward Island, Massachusetts, Maine and New Hampshire, and members of the private sector.
- Implemented a new angling license stamp to address freshwater fish habitat restoration in cooperation with recreational fishing and community groups. This new license stamp generated \$205,000 for the Nova Scotia Sportfish Habitat Fund, which turned the funds over as a matching grant to volunteer organizations restoring aquatic habitat. This resulted in about \$600,000 in work being accomplished through the Adopt-a-Stream program.
- Continued to administer rockweed leases and the overall harvest of the rockweed resource. The annual harvest total for the province remained steady at 23,5000 wet metric tonnes, demonstrating the on-going success of the department's sustainable management practices. In 2005–2006, three lease extensions and four new leases were issued.

Core Business 2: Industry Growth and Development – Focuses on Nova Scotia's rural and coastal communities by investing in industry stability, new economic opportunities and strategic development partnerships.

Priority – Increase awareness and participation in Business Risk Management programs under the Canada-Nova Scotia Implementation Agreement for the Agricultural Policy Framework (APF).

Achievements:

Business Risk Management

- Worked with industry in providing Business Risk Management (BRM) initiatives through the Canada-Nova Scotia Implementation Agreement for the APF, including Canadian Agricultural Income Stabilization (CAIS) and Production Insurance (PI) programs.
- Continued to provide the services of the Nova Scotia Crop and Livestock Insurance Commission. The Commission administers the Crop and Livestock Insurance Agreement (PI) between Canada and Nova Scotia and in accordance with the *Crop and Livestock Insurance Act*. The Commission manages 15 insurance plans covering 34 crops, as well as dairy livestock. The insurance program is cost shared on a 60:40 basis with the federal government under the BRM Chapter of the APF.

Crop and Livestock Insurance Commission

Activities of the Commission in 2005–2006 included:

- Carried 490 crop insurance clients, writing \$17 million in coverage and \$790,000 in premium income. Dairy Livestock Insurance added another 140 clients with \$34 million in coverage and \$32,000 in premiums. Total coverage written by the Commission was \$51 million. It is anticipated with the addition of expanded catastrophic coverage for fruit trees in 2006–2007, the PI Crop Insurance program will increase to \$24 million in coverage, \$840,000 in premiums. The introduction of poultry insurance is also planned for 2006–2007 and will add another \$28 million in coverage to the Livestock Insurance program. Total coverage written by the Commission for 2006–2007 is estimated to be 700 clients with \$79 million in coverage and \$900,000 in premiums;
- Made 151 indemnity payments totaling \$1.107 million, the third highest indemnity total in the 36 year history of the Crop Insurance program. Record payments were made to the blueberry sector at \$474,000. Other major crop losses occurred in tree fruits (\$272,000), potatoes (\$169,000), and winter grains (\$107,000);
- Developed new features of existing plans;
- Designed new insurance solutions for forages, poultry, and damage caused by wildlife;
- Led the national re-design of production insurance features that enable greater flexibility in risk splitting and catastrophic loss coverage;
- Participated in the design of BRM programming, the linkage between CAIS and PI, and the national review of the APF.

Canadian Agricultural Income Stabilization (CAIS)

The CAIS program is a government/producer cost-shared program that provides protection for both small and large drops in farming income. Government payment amount varies depending on the degree of loss and the protection level selected. Department activities in 2005-2006 included:

- Participated on the Federal/Provincial/Territorial (F/P/T) CAIS Working Group and F/P/T BRM Policy Working Group, a resource for F/P/T Policy Assistant Deputy Ministers providing policy recommendations in support of the evolution of the CAIS and PI programs. The CAIS Working Group developed guidelines and administrative procedures for CAIS, ensuring that linkages between CAIS and Production Insurance were strengthened;
- Monitored and reported on CAIS participation and worked as a liaison between Nova Scotia stakeholders and the federal government.

Nova Scotia CAIS Statistics for the 2003 and 2004 Program Claim Years*

Year	Complete Applications Received	Applications Receiving Contributions	Total Value Reference Margin	Average Reference Margin	Total Gov't Contributions Paid	Ave. Gov't Contributions Paid
2003	1012	487	\$64,325,777	\$63,563	\$10,087,160	\$20,712
2004	875	322**	\$61,835,282	\$70,668	\$5,713,035 **	\$17,742

* Data as of June 12, 2006. The CAIS program payments are based on tax data filing for a completed 2005 tax year; producers are also required to submit supplementary information. The 2005 CAIS program year has an application deadline of December 31, 2006. Therefore, there is a time lag between the 2005 calendar year and the payment time frame for 2005 applications. Only a small number of 2005 files had been processed as of June 12, 2006.

** Applications completed = 89.8 per cent. This includes positive and negative margin payments.

Priority – Increase the growth and value of the province’s agri-fish and food sectors through strategic planning, expansion, and diversification of market, product, service and technology opportunities.

Achievements:

Marketing

- Provided marketing services that led to projected sales of \$5.5 million worth of Nova Scotia food products in 2005–2006. The department was involved in promotional activities and initiatives (for instance, publishing newspaper, magazine and trade publication articles, and producing radio, television and other media spots) valued at over \$1 million. This includes five comprehensive articles focusing on Nova Scotia agri-food and seafood products that were published in foreign trade magazines. A total of \$285,000 was leveraged from other sources to assist in market development efforts.

The department sponsored and helped in the organization of many promotional events focused on the food service industry and consumers during 2005–2006:

- Saltscapes Expo - April 2005
- Summer Celebration with Taste of Nova Scotia and the Nova Scotia Department of Tourism, Culture and Heritage (Montreal) - April 2006
- World Oceans Day - June 2005
- CBC Breakfast - June 2005
- Taste of Summer Promotion with Taste of Nova Scotia - June 2005
- Taste of Nova Scotia Charity Golf Tournament - August 2005
- Maritime Fall Fair - October 2005
- National Outstanding Young Farmers Conference - November 2006
- Aquaculture Association of Nova Scotia Scotian Pride Conference - January 2006
- Savour Food and Wine Festival - February 2006

- Continued to work with the Taste of Nova Scotia Programs and Brand Nova Scotia to promote the province as a brand for high quality food and beverage products and as a premier culinary destination. Key marketing activities related to the Taste of Nova Scotia Quality Food Program included sponsoring a weekly television cooking show featuring *Taste* members products. *Taste* also participates in many domestic and international trade and product shows.
- Worked with the Federal - Provincial Market Development Council and the core marketing teams to address market development strategies in specific markets. The department participates on core marketing teams for the American, Mexican,

The department participated in the following trade development activities in 2005–2006:

- Louisiana Seafood Expo
- Americas Food and Beverage Show - Miami
- International Boston Seafood Show
- European Seafood Show
- South Carolina Mission
- SIAL - Montreal
- Wild Blueberry Week - Japan
- Conexmar - Spain
- Canadian/International Food and Beverage Show - Toronto
- Dominican Republic Mission and Foodshow

European Union, and Chinese markets. This involvement has provided the department with the opportunity to address international marketing opportunities through strategy development, and a range of events, including missions, trade shows, educational seminars, research, and buyer events.

- Provided marketing support for the Winery Association of Nova Scotia's branding activities. Funding was provided for the design and printing of promotional pieces to increase consumer awareness of the Nova Scotia wine brand and wineries in the province, and to educate consumers on the pairing of Nova Scotia wine and Nova Scotia seafood. The industry has tripled commercial grape production since 2000 and it is anticipated that the number of farm and cottage wineries in Nova Scotia will double by 2010.

Research and Information

- Maintained/updated the Food for Thought directory of agri-food companies and the Nova Scotia Seafood Directory, and co-ordinated the Weekly Market Report. Information in Food for Thought, the Seafood Directory and the market price reports assists buyers to identify Nova Scotia suppliers of agri-food and seafood products.
- Completed comprehensive market research and information products for the purposes of profiling client needs, and improving Nova Scotia's position in both domestic and international markets. This helped industry define new market and product opportunities, improved client understanding of these markets, and improved export readiness for Nova Scotia's agri-food and seafood businesses. In addition, statistical reviews were completed in support of domestic and international marketing initiatives. These reviews were completed through government, association, and industry partnering.

- Produced five editions of the *Innovation and Opportunity Digest*, covering topics such as Community Shared Agriculture, Connecting with Your Customers, and Energy Challenges. The journal is designed to enhance awareness of innovative business opportunities for the agri-fish-food sectors. The journal is distributed to government and industry stakeholders, and is available on the department website.
- Updated and distributed to industry an agri-tourism directory, containing information on agri-tourism and direct marketing operations including: farm and farmers markets, u-pick and fish operations, accommodations, events, exhibitions and festivals. Department staff participated in the Canadian Agri-Tourism Working Group, which works to increase the profile of agri-tourism and direct marketing in Nova Scotia and across Canada. The department also worked with the Nova Scotia Department of Tourism, Culture and Heritage on market research and the development of a self-assessment tool to assist agri-tourism operators in evaluating their operations.

Market research and information projects undertaken in 2005–2006:

- The Nova Scotia Seafood Processing Study
- Agri-Tourism Research Study
- Seafood Chowder, Mixes and Soups Research Study
- Saltfish Industry Study

Statistical reviews undertaken in 2005–2006:

- An export market review for the Halifax International Airport Authority
- Annual Seafood Statistical Report
- Seafood Directory Database
- A range of ad-hoc ongoing requests, including South Carolina-In market research and research into the European seafood market, on behalf of industry clients and government partners

Priority – Increase domestic and international competitiveness of the province’s agri-fish and food sectors through targeted business development initiatives and sector development strategies.

Achievements:

Renewal and Innovation

- Identified, supported, and implemented several key development initiatives under the Renewal Chapter of the Agricultural Policy Framework. These include: supporting economic research of bio-product development opportunities, planning business development roundtables, conducting an analysis of future development issues facing the Nova Scotia vegetable industry, preparing an analysis of alternative markets for Nova Scotia hogs, promoting access to business services, and preliminary program planning for supporting value chain initiatives.
- Invested \$203,616 (resulting in an overall cost-shared investment of \$639,154) in the agriculture, fisheries, and aquaculture industries for the development of new and value-added products, and new technological processes that did not already exist in Nova Scotia. A total of 18 projects were approved for program assistance during the 2005–2006 fiscal year, with two of these projects initiated by new business startups. For example, the department partnered with the Grape Growers

Association of Nova Scotia, the Winery Association of Nova Scotia, the Industry Research Assistance Program, Agriculture and Agri-Food Canada and Acadia University to complete research and development of new grape crossings and selections for desirable traits for Nova Scotia's climate and environmental conditions. This research has the potential to generate new and exciting signature wines and to propel Nova Scotia's existing wine industry to new levels.

- Worked to minimize product development barriers (including knowledge gaps with respect to packaging, labeling and shipping requirements, and product quality standards) for Nova Scotia's food industries. For example, the department initiated a Nutritional Labeling Project to assist Nova Scotia companies become compliant with new Canadian Food Inspection Agency (CFIA) nutritional labeling regulations, and served on a steering committee with Agriculture and Agri-Food Canada, Taste of Nova Scotia Quality Food, Nova Scotia Fish Packers Association, and CFIA. As of September 2006, 16 workshops had been held across the province, with 190 participants representing 122 Nova Scotia companies. During the summer of 2006, a database of Nova Scotia establishments involved in food manufacturing was created and continues to be populated.

Strategic Planning Assistance

- Provided organizational and marketing development assistance, along with market research and information to the Atlantic Canadian Organic Regional Network (ACORN). Department staff assisted ACORN with its business plan activities, and served on various committees to help expand the organic industry and to foster partnerships within the province and the Atlantic region.
- Initiated a stakeholder consultation and planning process in partnership with Pork Nova Scotia to identify major issues facing the Nova Scotia hog industry. This led to the development of a renewal strategy that will guide future development initiatives. The three main areas of the strategy are: enhancing Pork Nova Scotia's role when it comes to future developments in the pork sector, improving access to the department's business planning services and renewal programs, and funding support for research into new development opportunities.



- Developed the Apple Bio-Products Development Accord in partnership with the Nova Scotia Fruit Growers Association to enhance the economic value of apples and other tree-fruits. This resulted in the completion of a report containing: a primary analysis of existing markets for fresh apples (organic and conventional), apple juice, and traditional processed (non-juice) apple products; an investigation of supply and demand issues and product trends in major global markets, as well as in Canada and Nova Scotia; and recommendations on the type of apple products with highest future potential and the general attractiveness of these products as investment opportunities for Nova Scotia growers and processors.

Boat Building, Fisheries and Aquaculture

- Provided funding for a cost-shared, fact-finding mission to Maryland and Washington, D.C. with the Nova Scotia Boat Builders Association. The purpose of this trip was to assess the export market for Nova Scotia made boats in the Maryland region and meet with Canadian Embassy officials to discuss current trade restrictions imposed by the American *Jones Act*, which requires that all vessels engaged in US coastwise trade to be US built. This Act prevents Nova Scotia boat builders from freely selling fishing and passenger boats to the US, and imposes restrictions on where US boat owners may have boats repaired and refitted. Boat building is a \$75 million industry in Nova Scotia.
- Worked to develop alternative market options for haddock in light of projected haddock quota increases, and facilitated industry awareness along the value chain of the implications of this increase in quota. Department staff moderated a workshop in Yarmouth involving haddock stakeholders, focusing on options for harvesting, processing and marketing the resource. Other activities in 2005–2006 concerning haddock involved developing a media piece in a European newsletter. A UK Trade Buyer Mission has also been considered.
- Created two new winter angling opportunities. Nova Scotia now has winter fisheries on 27 lakes around the province. Winter fishing is a popular sport in Nova Scotia, as demonstrated by the fact that the province has the highest per capita participation in winter ice fisheries in Canada.
- Continued the stocking programs through our Fraser Mills and McGowan Lake hatcheries. In total, some 865,000 fish were stocked between April 1st 2005 and March 31st 2006. By doing this, the department is helping to ensure that the sport fishery continues to provide economic and recreational opportunities.
- Undertook a series of Aquaculture Strategy Consultations in 2005, hearing from aquaculture operators and other stakeholders on how to best develop the industry. A summary of these consultations will be posted on the Nova Scotia Fisheries and Aquaculture website.
- Continued development of the proposed Aquaculture Framework Agreement as endorsed by the Canadian Council of Fisheries and Aquaculture Ministers to create environmentally sustainable and economically viable opportunities for the aquaculture sector. The proposed framework will provide governance and programs for the industry. Discussion documents for Business Risk Management, Codes of Practice, Governance, Research Development and Commercialization and Infrastructure are underway.
- Worked to implement the results of the Guysborough County aquaculture pilot project. The Guysborough project computer tool is complete, and the tool has proven valuable in providing baseline information for the site selection process. Three aquaculture applications are currently under review using the computer tool.
- Continued to support the development of new fisheries, through workshops, and attendance at the regional and local developing species advisory board meetings.



The department worked with industry to lobby for an offshore multi-species licence for whelk, sea cucumber and hagfish, as well as an inshore sea cucumber licence. In 2005–2006, the Fisheries and Oceans Canada issued 16 green crab and whelk licences.

Priority – Expand and develop agriculture, fisheries and food sector investment initiatives and partnerships.

Achievements:

Collaboration and Partnerships

- Assisted the horticulture industry in several areas including delivery of the Wild Blueberry Marketing Program in major central Canadian markets, and development of a consumer promotion strategy, action plans and a national procurement profile for the Canadian Produce Marketing Association. The goals of these initiatives are to position the Nova Scotia fresh produce industry as professional suppliers to national and regional buyers.
- Encouraged value chain partnerships and the development of strategic alliances throughout the supply chain for producers, suppliers, retailers and other agriculture and fisheries related businesses in Nova Scotia. Value chains - the forging of business partnerships between various stakeholders throughout the market chain to produce maximum benefit for all players - is an important industry renewal option

The department developed and promoted industry awareness on value chains through the following activities:

- Participated in the planning and implementation of the Atlantic Value Chains Conference;
- Explored value chain opportunities for developing heritage beef and berkshire pork in high end restaurants in Nova Scotia;
- Undertook research and analysis into the business case for shared commercial kitchens - facilities used by multiple, small-scale manufacturers to capture new markets, food service and value-added opportunities;
- Explored opportunities for expanding local food markets through farmers markets and organic food production opportunities.

for the Nova Scotia agri-food sector. Input from all stakeholders along the value chain allows agriculture, fisheries and food businesses to be more efficient, manage risk, facilitate new product development and produce food products that meet increasing consumer expectations.

Livestock, Beef and Dairy

- Encouraged and promoted the adoption of tracking and tracing systems by the Nova Scotia agri-food industries to meet retail and food service specifications. In September, three industry members accompanied departmental officials on a trip to Quebec, the province with the most advanced traceability system in Canada, to ascertain if the Quebec system is a fit for Nova Scotia. In the meantime, the Nova Scotia poultry, dairy, and pork sectors are developing or have developed the basis for a traceability system for their group.

- Partnered with the Office of Economic Development (OED), public sector buying groups, beef processors and distributors to promote the purchase of local beef at provincial institutions such as hospitals, and health care and correctional centers. A major health care purchasing group committed to source a portion of its beef requirements regionally, and once all of the specifications and health protocols are in place, regional beef could account for 60 per cent of the total beef purchases in this group. This percentage may increase over the course of the tender period. Parallel efforts are being made to increase the availability and awareness of Nova Scotia produced foods in schools. The department is working with OED, as well as the Department of Health Promotion and Protection, regional school boards and other agencies to advance the level of healthy, local food choices in all school related food service venues.
- Continued to administer the Nova Scotia School Milk Program, to ensure that unflavoured milk is available to students at a reduced cost. In 2005–2006 this program contributed to more than 4 million 250 ml servings of white milk in schools throughout Nova Scotia. This program encourages students to learn good nutritional habits.

Investment and Financing Services

- Developed prospectus and promotional materials for the agriculture and aquaculture industries to profile Nova Scotia as an option for international investors and those interested in immigrating to Nova Scotia. The department participated in a total of four international investment attraction/educational missions to attract potential investors and immigrants interested in our agri-food and seafood industries. These missions were: the Emigraria 2005 Trade Show (Netherlands), the Belgium Immigration Trade Show (Belgium), the Iceland/Norway Aquaculture Investment Mission (Iceland/Norway), and SIAL (Montreal). These and other investment activities resulted in 16 investment leads for the Nova Scotia agri-food and seafood industry.
- Continued to provide agricultural producers, fish harvesters and aquaculturalists with long-term stable, and cost-effective financing through the Nova Scotia Farm and Timber Loan Board, and the Fisheries and Aquaculture Loan Board. The Farm and Timber Loan Board provided additional loans of \$30.3 million to clients, and grants totaling \$454,000. As well, the board approved new grants of \$576,000 to 36 new entrants to agriculture, to be disbursed over the next two years. The Fisheries and Aquaculture Loan Board approved 85 loans for a total of \$14,727,000 during the 2005–2006 fiscal year.

As of March 31, 2006, the Farm Loan Board had a total portfolio of \$184 million. This represented 1,161 loans and 54 leases to approximately 1,000 clients. The board approves approximately 200 new loans annually. The major commodity groups that receive lending are dairy (30 per cent), poultry (17 per cent), hogs (11 per cent), and beef (8 per cent).

As of March 31, 2006, the Fisheries and Aquaculture Loan Board had a total portfolio of \$80.5 million. This represented 748 loans to approximately 700 clients. The board approves approximately 120 new loans annually. The major groups that received lending are traditional fisheries (80 per cent) and aquaculture (20 per cent).

Core Business 3: Responsible Governance - Focuses on the orderly development of the industries through supportive legislative/regulatory frameworks including licensing and leasing of developmental operations.

Priority – Achieve further improvements and provide leadership in the area of food chain safety and security, including public health/food safety and animal health/disease prevention.

Achievements:

- Signed the Foreign Animal Disease Eradication Support Plan (FADES) in June 2006. This Federal/Provincial/Territorial agreement allows Nova Scotia to respond to a foreign animal disease outbreak if one should occur, and will mitigate the impact on industry to the degree possible. The department is working to refine the plan and is continuing discussions with the federal government. As well, the Animal Health Review is ongoing, and consultations with industry are continuing. The Livestock Health Services Regulations will be amended to reflect increased support for veterinarian farm visits.
- Established linkages with the Canadian Food Inspection Agency (CFIA) and Fisheries and Oceans Canada to deliver the National Aquatic Animal Health Program (NAAHP). This program will take several years of development before full implementation. The NAAHP is designed to protect Canada's aquatic resources from the introduction or spread of defined serious infectious diseases into or within Canada, demonstrate Canada's animal health status for live fish and processed seafood, support continued access to international seafood markets, and contribute to federal responsibilities for international trade and protection of fisheries resources.
- Worked with industry and government partners towards the goal of completely removing Specified Risk Materials (SRMs) from the food chain. The department participated on the Deadstock Disposal Committee, which responded to the Canadian Food Inspection Agency (CFIA) on proposed changes to federal legislation regarding elimination of SRMs from the livestock food chain. The committee submitted to CFIA Nova Scotia's SRM Containment/Disposal Plan on disposal of rendering plant product containing SRM. The department is also negotiating a cost shared agreement with the federal government to assist Nova Scotia's industry in meeting the new requirements.
- Hired a firm to audit the food safety and meat inspection programs to improve food safety. The department is studying recommendations and developing a plan for implementation. Full implementation of the Food Inspection Memorandum of Understanding with the Canadian Food Inspection Agency should be complete by the end of the 2006–2007 fiscal year.



Priority – Achieve further efficiencies in the licensing functions

Achievements:

- Continued to seek enhancements of licensing and inspection/enforcement functions. A project led by *Service Nova Scotia and Municipal Relations* is underway to enhance the aquaculture, fish processing and fisheries enforcement databases. Nova Scotia Fisheries and Aquaculture has also signed an agreement with Fisheries and Oceans Canada on joint enforcement of lobster regulations. As well, a service agreement is being developed between the Department of Agriculture and the Office of Fisheries and Aquaculture to supply fisheries enforcement personnel.



Priority – Implement regional delivery of compositional dairy testing services and rationalization of laboratory services (Maritime Centres of Excellence)

Achievements:

- Achieved Veterinary Pathology accreditation. The department is also expanding its laboratory capability in order to participate in the Canadian Animal Health Surveillance Network. The dairy compositional regionalization project has ended without an agreement with the other provinces. Nova Scotia's work has now been contracted, through the Dairy Farmers of Nova Scotia, to a lab in New Brunswick.

Priority – Review and revise departmental statutes, regulations and policies in accordance with the Red Tape Reduction Initiative.

Achievements:

- Prepared a total of 16 legislative and regulatory packages during 2005–2006. The department was also integral to the Better Regulations initiative (serving as a pilot for the measurement exercise) and disseminating the regulations reduction approach across the department. The department also undertook a large scale revision and dissemination of the new food safety regulations. Several agencies, boards, and commissions are currently inactive pending determination of their future status. Any future revisions would be driven by legislative and regulatory changes.

Priority – Communication and productive relationships with Nova Scotia commodity boards that reflect the realities of the food industry's marketplace and a clear focus on the Natural Products Marketing Council's role as public regulatory body.

Achievements:

- Continued work of the Natural Products Marketing Council, which administers the *Natural Products Act* and the *Dairy Industry Act*. This provides the regulatory framework and supervisory authority for Nova Scotia producer commodity boards, regulates raw milk quality standards and governs the processing and marketing of packaged fluid milk. The council works with the producer boards under its supervision and with Department of Justice staff to maintain an up-to-date regulatory framework. This stimulates production and improves the marketing of agricultural goods, and contributes to responsible industry growth.

Activities of the Natural Products Marketing Council in 2005–2006 included:

Amendments approved by Governor in Council:

- Egg producers' Marketing Plan (levy only);
- Pork Marketing Plan.

Amendments approved by Council:

- Total (milk) Production Quota Regulations (3);
- Bulk (milk) Haulage Regulations (4);
- Pork Nova Scotia Regulations (levy only);
- Milk Pricing Regulations (2);
- Milk Classes and Categories Regulations.

New Regulations approved by Council:

- Regulations Respecting Beef Cattle.

Amendments in progress at March 31, 2006:

- Pork Nova Scotia Regulations;
- Egg Producers' Marketing Plan;
- Egg Producers' Regulations;
- Turkey Producers' Marketing Board Regulations;
- Delegation of Powers to Dairy Farmers of Nova Scotia Regulations;
- Chicken Farmers of Nova Scotia Regulations.

New Regulations in progress at March 31, 2005:

- Delegation of Powers to Pork Nova Scotia Regulations;
- Milk Production and Transportation Regulations;
- Fluid Milk Branding Regulations.

Core Business 4: Education and Life-Long Learning – Focuses on sustaining expertise and excellence in Nova Scotia’s agricultural, agri-food and aquaculture industries, and preparing Nova Scotians for a global labour market through teaching, research and community services.

Priority – Implement the Nova Scotia Agricultural College (NSAC) strategic plan.

Achievements:

Programs and Research

- Commenced development of a proposal for an online distance education model for NSAC. Funding is being sought for detailed definition of program needs, design and costing. Some successful models and developers have been identified.
- Initiated a review of the Bachelor of Science in Agriculture degree program in cooperation with the Agricultural Institute of Canada and Dalhousie University. Plans for a Bachelor of Science degree, to have been introduced in 2006, have been delayed pending results of the Bachelor of Science in Agriculture review and to accommodate other program priorities.
- Revised the Animal Health Technology program and replaced it with the two year Veterinary Technology program beginning in the fall of 2006.
- Introduced the Bachelor of Technology in Applied Science program in cooperation with Acadia University in 2005.
- Introduced five new Diploma in Enterprise Management programs in the fall of 2006, replacing the Animal Science and Agricultural Business Technician programs.
- Developed the Bachelor of Technology in Management program, a Bachelor of Arts in Rural Community Studies, and a Bachelor of Management in Rural Enterprise program. These programs will be implemented pending approval and proper resourcing in 2007 or 2008.
- Had planned to develop new Masters of Science programs in resource economics, foods and bio-products, and a Ph.D. program in agricultural science in association with Dalhousie University for implementation in 2006. The additional MSc programs, however, were delayed due to resource issues. Implementation of the Ph.D. program has been delayed for a year pending final approvals.
- Continued to expand the research program. Training and information initiatives increased the number of grants obtained by NSAC faculty through National granting agencies. A total of \$5.79 million in research grants was recorded in 2005-2006 from all sources. NSAC faculty received a grant from the Canadian Institutes of Health Research for the first time in 2005.



Infrastructure

- Completed preliminary architectural studies for new residence buildings. These facilities will provide improved living conditions for students. New residence facilities will be an asset in terms of the college's recruitment and retention activities.
- Began construction on a new poultry facility. This facility, which is expected to be complete by December 2006, is expected to be the centre for high-tech research for at least the next 30 years.

Recruitment and Retention

- Continued foreign student recruitment. International student recruitment trips were made by NSAC staff members during the year. NSAC staff participated in a series of educational fairs in Japan, Bermuda, and Mexico, and information sessions were given at a conference in Korea. Staff visited high schools and attended college fairs throughout New England, and traveled to China as part of the agreement NSAC has with the Fujian Agriculture and Forestry University. NSAC also joined EduNova as a charter member. EduNova is a cooperative that was established to market Nova Scotia education internationally. Some of the international recruitment that NSAC did in 2005–2006 was partnered with other Nova Scotia institutions, and some was done independently. International students can bring fresh ideas and knowledge to NSAC, thus enhancing the learning experience for all students.

Priority – Strategic partnerships to ensure the 4-H, Farm Safety and Agriculture Awareness programs remain viable in Nova Scotian communities and encourage members of these groups and organizations to become leaders of their community.



Achievements:

- Continued to support the 4-H, Farm Safety, and Agriculture Awareness programs in Nova Scotia in order to build strategic partnerships and provide skill development opportunities for individuals and community groups. The department worked to increase rural community capacity building, and promoted farm safety and knowledge of the agriculture industry through activities such as: the Nova Scotia 4-H Weekend; Agriculture in the Classroom; producing a “Transportation Guidelines for Nova Scotia Farmers” booklet; and, conferences and workshops.

Priority – Support Exhibition and Fair Programs of the province.

Achievements:

- Continued to deliver financial and human resource support to Nova Scotia's fairs and exhibitions. The Exhibition Association estimates their spin-off effects to

include \$1.4 million in visitor purchases of local services, and \$1 million of exhibition supplies purchased locally. As well, over 300,000 visitors attended fairs, resulting in gross revenues of approximately \$2 million. Fairs and exhibitions also provide income opportunities for community club vendors. A total of 138 community club members reported raising over \$450,000 in gross revenue in 2005–2006.

Internal Management

Priority – Develop and implement a plan for delivering Agriculture and Fisheries programming in French to meet the identified current and potential needs of the department’s client sectors.

Achievements:

- Worked with the Office of Acadian Affairs to develop the *French-language Services Act* and its accompanying regulations. The regulations will provide guidelines for implementation of the Act, which came into effect on December 9, 2004. As of March 31, 2006, a total of 15 staff had participated in French-language courses offered through the Office of Acadian Affairs, in an effort to build French language capacity in the department.

Priority – Address specific Agriculture and Fisheries areas identified as needing improvement in the Government of Nova Scotia Employee Survey, “How’s Work Going?”.

Achievements:

- Established a departmental committee to respond to areas identified as needing improvement in the Employee Survey. The committee, co-chaired by management and union representatives, undertook the major initiative of planning a staff conference for May 2006. Conference planning focused on areas such as ethics, fair hiring practices, health and wellness, and balancing life and work. The outcomes of this conference will be reported on in the 2006–2007 Accountability Report.



Priority – Continue to ensure equality of opportunity in departmental hiring and access to employment opportunities within the department for affirmative action candidates.

Achievements:

- Continued to foster an atmosphere of tolerance and respect in the workplace. A total of 56 staff from the department attended the government’s Aboriginal Awareness workshop between September 2005 and June 2006, and 17 had

registered for future sessions. In addition, a total of 38 staff from the department participated in the Public Service Commission's Diversity Program between September 2005 and June 2006, and 17 had registered for future sessions.

Priority – Develop and implement a communications strategy for the activities and initiatives of the Agricultural Policy Framework (APF) to be delivered to internal and external clients.

Achievements:

Worked with Agriculture and Agri-Food Canada to develop a communications strategy for the APF for the 2005-2006 fiscal year. This strategy is designed to increase awareness and understanding of the programs available under the APF.

Budget Context

Comparison of Actual and Budget Expenses		
(\$ thousands)		
	2005–2006 Estimate	2005–2006 Actual
Ordinary Revenues	763	739
Net Program Expenses	44,113	48,343
Salary and Employee Benefits	30,153	28,529
Tangible Capital Assets Purchase Requirements	460	684
Provincially Funded Staff	519	514

Measuring Our Performance

A new three year planning cycle began for the department in 2005–2006. A number of performance measures have been carried over from the previous cycle, while several new ones have been added in response to emerging priorities.

The department has four core business areas, in addition to the corporate services.

The first core business area of the department – *Sustainable Resource Management* – refers to the importance of balancing industry development with environmental and social responsibility through applied research, technology transfer, generally accepted management principles and industry and public awareness. An outcome associated with this core business is: *viable agriculture, fisheries and aquaculture sectors*. The following measures are used to record movement toward achieving this outcome.

- **Measure: Percentage of registered farms participating in the Province’s Environmental Farm Plan (EFP) initiative**

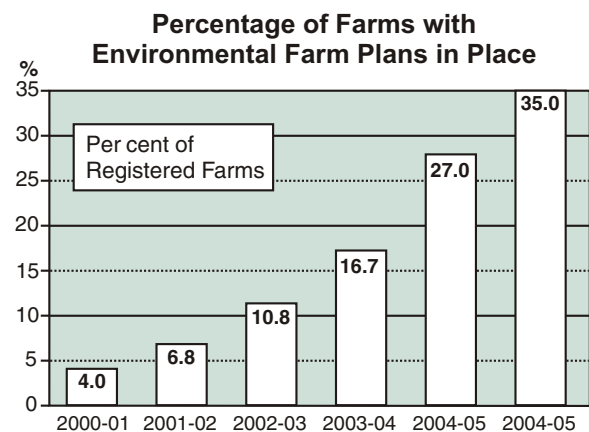
What does this measure tell us? The Environmental Farm Plan Initiative helps agricultural producers identify and address on-farm environmental risks. The number in this measure is expressed as a percentage of all registered farmers under the *Nova Scotia Farm Registration Act*. Increasing the number of participants in this initiative serves to improve the overall environmental performance of Nova Scotia’s agricultural industries.

Where are we now? As of March 2006, approximately 35 per cent of Nova Scotia’s farms were participating in the Environmental Farm Plan (EFP) initiative. This exceeds the initial target of 30 per cent that was to be achieved by 2005–2006. There has been a steady increase in the percentage of participants in this program since 2000–2001.

Where do we want to be? The goal is to have 40 per cent of registered farms participating in this initiative by 2006–2007, and 50 per cent by 2007–2008.

- **Measure: Percentage of active aquaculture sites monitored under the Environmental Monitoring Program (EMO)**

What do this measure tell us? The department began collecting baseline data for the Aquaculture Environmental Monitoring Program in 2003. The number expressed for this measure refers to a percentage of all active aquaculture sites. Increasing the number of sites monitored under this program serves to improve the environmental performance in Nova Scotia’s aquaculture industry, and public awareness of departmental commitment to sustainable aquaculture.



Where are we now? As of March 2006, Aquaculture Environmental Monitoring took place on 82 per cent of active marine aquaculture sites. This represents an increase of 22 per cent from the year before, and it exceeds the target for this year by 7 per cent.

Where do we want to be? The plan is to have 90 per cent of active aquaculture sites monitored under the Aquaculture Environmental Monitoring Program by 2006–2007, and 100 per cent by 2007–2008.

- **Measure: Fish habitat restoration projects completed**

What does this measure tell us? This measure informs on progress made in fish habitat restoration and rehabilitation through the Adopt-a-Stream program. Funding for projects comes from angling licenses and goes back to build the economic impact of the sport fish industry with minimal public investment. The restored habitat produces more fish, which attracts more anglers and re-leverages the investment. The economic model for Adopt-a-Stream projects that each square meter of restored habitat is valued at over \$13.00.

Where are we now? This is a new program. In 2005–2006, 17 groups were funded with monies from the Nova Scotia Sportfish Habitat Fund, a \$5 surcharge on angling licenses. Each group completed a number of projects, at times involving up to six sites. This work resulted in the restoration of 114,790 square meters. Riparian restoration included the planting of 20,800 trees and bank stabilization at 30 sites along watercourses. As a result of funding being leveraged, an initial investment of \$200,000 has been transformed into work valued at \$600,000.

Where do we want to be? The aim is to expand funding partners and community involvement.

The second core business area of the department – ***Industry Growth and Development*** – consists of two specific goals. One goal is for the department to deliver effective business risk management programs that allow producers to mitigate and reduce business risks. The other goal is to help foster competitive businesses in our client sectors, and to continually improve economic conditions throughout rural and coastal Nova Scotia. An outcome that is associated with this core business area is: *economic growth and prosperity in rural and coastal communities*. The following measures are used to record movement toward achieving this outcome.

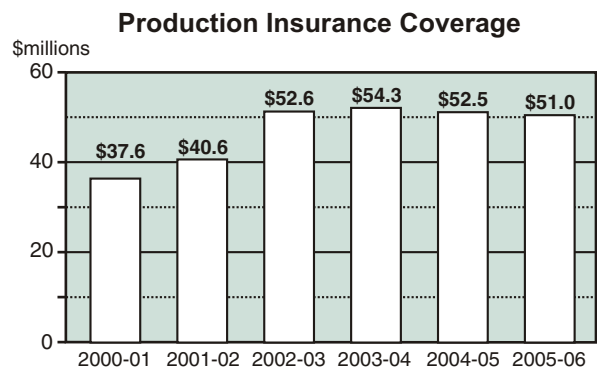
- **Measure: Percentage of Provincial Farm Reference Margin Protected by CAIS**
- **Measure: Total Insurance Coverage (millions)**

What do these measures tell us? Canadian Agricultural Income Stabilization (CAIS), and Production Insurance (PI) fall under the category of Business Risk Management (BRM) programming. Together, BRM programs are designed to address income losses due to uncontrollable events, and to enhance farmers' capacity to manage risk. The department continues to encourage greater participation in these programs. The CAIS figure is presented as a percentage of the provincial farm

reference margin protected by CAIS. The PI figure represents the total amount of coverage that producers are insured for.

Where are we now? The most up-to-date figures currently available for CAIS are for the 2004 year, with 78 per cent of the farm reference margin being protected. Total insurance coverage in 2005–2006 was \$51 million.

Where do we want to be? The department aims to have 82 per cent of the provincial farm reference margin protected by CAIS by 2006–2007, and 86 per cent by 2007–2008. Meanwhile, the target for total insurance coverage by 2006–2007 is \$84 million, and for 2007–2008 it is \$86 million.



- **Measure: Value of sales resulting from market development projects and tactics (millions)**
- **Measure: Number of new product and market opportunities pursued**

What do these measures tell us? Strong economic performance in Nova Scotia’s agriculture, fisheries and aquaculture industries is important for Nova Scotia’s rural and coastal communities. These measures point to the role of the department in fostering economic growth throughout these industries.

Where are we now? Marketing activities in 2005–2006 resulted in projected sales of \$5.5 million dollars, exceeding the target of \$4 million for the year. In total, 15 products were introduced to new markets. Although existing markets such as the Northeastern United States continue to be of significant importance, the department is continuing its market diversification activities in countries such as Germany, Spain, and the Dominican Republic. The department also explored joint venture opportunities focused on enhancing the competitive position of Nova Scotia’s domestic industries. It also undertook a comprehensive marketing program in cooperation with the Wild Blueberry Association of North America focused on wild blueberries and targeted at the Japanese food manufacturing industry. This resulted in increased sales and partnerships.

Where do we want to be? The target is to pursue at least one new market and one new product opportunity per year, however we aim to exceed this target. The target value of sales resulting from market development projects and tactics is \$6 million by 2007–2008.

- **Measure: Number of market research and information products developed**

What does this measure tell us? This measure refers to the department’s efforts to produce relevant and up-to-date research and information products for the benefit of Nova Scotia’s agri-food and seafood industries. This includes research aimed at defining new market opportunities, and improving client understanding of selected markets.

Where are we now? Department staff produced four in-depth research and information pieces covering a range of topics in 2005–2006, and three statistical reviews, along with a large number of topical reviews in response to ad-hoc requests.

Where do we want to be? The department aims to produce 12 research and information products per year, through to 2007–2008.

- **Measure: Number of companies or organizations approved for new product technology development projects**
- **Measure: Ratio of Product and Quality Development (PQD) program funding invested to total R&D invested through PQD projects**

What do these measures tell us? These measures reflect the department’s efforts to encourage primary and secondary producers in the agriculture, fisheries and aquaculture industries to increase production of new, value added and higher quality products. The first measure points to the actual number of companies or organizations that the department provided funding to for such projects in 2005–2006. The second measure – presented as a percentage figure – points to the relative funding contribution of the department for PQD projects to that of the overall amount invested. A decreasing ratio over time serves as a clear indication that funding agencies are more willing to joint manage various initiatives.

Where are we now? In 2005–2006, 18 companies or organizations were approved for new product and technology development projects. Altogether this resulted in a total of 30 new products being developed. The ratio of PQD program funding to total R&D invested through PQD projects was 32 per cent. The department’s average contribution per project dropped from \$15,577 in 2004–2005 to \$11,312 in 2005–2006.

Where do we want to be? The department recognizes the value of partnering with other agencies to leverage funds for industry support. The target ratio of PQD program funding invested to total R&D invested through PQD projects is 26 per cent by 2006–2007, and 25 per cent by 2007–2008. The measure indicating the number of companies or organizations approved for new product technology development projects does not allow for the type of targeted investment that the department wishes to do in the future and will be dropped from the planning cycle.

- **Measure: Support to industry for sector renewal¹**

What does this measure tell us? The focus in this case is on requests for information the department received related to *new* business ventures, as opposed to requests for information related to more traditional business ventures. By measuring the number of requests related to innovative business opportunities, the department can gauge how quickly the industry is adapting and adjusting to new demands.

¹This measure was previously named “Number of businesses to capture new opportunities”

Where are we now? In 2005–2006, 48 information and support requests were received. In addition, the department provides an active pathfinding role for business managers. This includes sourcing information from other organizations, referrals, responding to requests through the On-Line Resource Library, and other resource requests.

Where do we want to be? The target for this measure in 2006–2007 is 55 requests, and the target for 2007–2008 is 60.

- **Measure: Percentage increase in loan portfolios**

What does this measure tell us? An increase in loan portfolios serves to indicate a high amount of investment activity in the agriculture, fisheries and aquaculture sectors. This figure is presented as a percentage increase of the combined portfolios of the Fisheries and Aquaculture Loan Board and the Farm Loan Board.

Where are we now? The total portfolio of the Fisheries and Aquaculture Loan Board decreased slightly from \$82 million in 2004–2005 to \$80.1 million in 2005–2006. The Farm Loan Board on the other hand increased its portfolio, from \$175 million in 2004–2005 to \$184 million in 2005–2006. This means there was an increase of 2.76 per cent in the combined portfolio's of the two boards. This exceeds the target of a 0.5 per cent increase for the 2005–2006 year.

Where do we want to be? This measure will be modified in future years to reflect the reorganization of the department.

The third core business area of the department – **Responsible Governance** – is to ensure that our client industries develop in an orderly and responsible fashion, so as to maintain consumer confidence in our products. An outcome associated with this core business area is: *a responsible and responsive legislative environment*. The following measures are used to record movement toward achieving this outcome.

- **Measure: Percentage increase in food handler education**
- **Measure: Percentage of Nova Scotia-licenced food processing plants that have implemented appropriate food safety control systems**
- **Measure: Percent adherence to the Food Safety part of the *Health Protection Act***

What do these measures tell us? These three measures refer to the department's continuing work in the areas of food safety and inspection. The first measure refers to the percentage of all food handlers in the province who are trained with respect to proper food handler techniques. A food handler in this case is defined as anyone who comes into contact with food at the retail level. The second refers to the percentage of Nova Scotia licenced meat processing plants that have implemented appropriate food safety process control systems. The third measure refers to the percentage of food service facilities in Nova Scotia that adhere to the Food Safety part of the *Health Protection Act*.

Where are we now? Between April 1, 2005, and March 31, 2006, 3623 food handlers were trained with respect to safe and hygienic food handling practices, marking an increase of 13 per cent from the number who received training the year before. The department is on track for meeting the regulatory requirement of having trained food handlers – at least one at all times – in all Eating Establishments by November 2007. The department is also in the process of training staff in licensed meat processing plants to implement food safety process controls. A number of these plants are moving towards full implementation of Hazard Analysis Critical Control Point (HACCP) based food safety protocols. The department is committed to ensuring that food service facilities are in compliance with the Food Safety part of the *Health Protection Act*. Prior to the regulations that are now in place, there were a number of facilities that did not require licensing and which, therefore, were not required to meet the intent of the *Health Protection Act*. The department is currently working to ensure that each of these facilities comes into compliance with the Food Safety part of the *Health Protection Act*.

Where do we want to be? The department plans to have certified food handlers in all Eating Establishments in the province by November 2007. Also by 2008, the department plans to have staff in all Nova Scotia licensed meat processing plants trained with respect to the implementation of food safety protocols, and for audited controls to be in place in plants deemed to require them. In addition, the department aims to see all food facilities in Nova Scotia adhere to the Food Safety part of the *Health Protection Act*.

- **Measure: Rationalization achieved in laboratory services**

What does this measure tell us? Rationalizing laboratory services enables the department to better focus its resources and to achieve the greatest impact. This measure indicates that the department is achieving these objectives.

Where are we now? The department achieved rationalization with the transfer of Compositional testing to New Brunswick, and transfer of Atlantic Dairy Livestock Improvement Corporation samples to PEI. This positions Nova Scotia for expanded scopes of accreditation in areas dealing with regulatory and legislative government functions.

Where do we want to be? The department aims to continually improve the efficiency with which services are provided to clients; however, the department has achieved the rationalization sought and will discontinue this measure.

- **Measure: Percentage of licenced sites meeting animal care standards**

What does this measure tell us? The purpose of this measure is to highlight the department's achievements on the issue of animal care standards.

Where are we now? This measure was introduced in the 2005–2006 Business Plan.

Where do we want to be? Due to the restructuring of the department, and developments regarding the issue of animal care standards, the department has decided not to track this measure for the time being. However, the department remains committed to ensuring that animals in Nova Scotia are treated according to the proper standards.

Measure: Statutes and regulations reviewed by the department

What does this measure tell us? This measure confirms that the department focuses on maintaining a current, effective, and necessary legislative framework.

Where are we now? A total of 16 legislative and regulatory packages were prepared during 2005–2006. Focus was placed on animal health and food safety with the proclamation of the *Veterinary Medical Act* and Order in Council approval of associated regulations, development of Food Safety Regulations (led by the Department of Health) for the new *Health Protection Act* and preparation of an Inspection Regulations Handbook for food safety personnel. The department is also participating on the whole-of-government Better Regulations Initiative to alleviate the paperwork burden associated with regulations, thereby improving service to business.

Where do we want to be? The department is maintaining a consistent effort at legislation management. Legislation and regulatory changes may be driven by periodic review, identified problems or shortcomings, changed powers and obligations, and/or corporate-wide initiatives. With the emphasis on a sound policy analysis approach to legislation and regulatory development changes, requests frequently result in a broadened review of the legislative vehicle. Substantial changes are typically initiated by program and frontline staff so change development must often await their availability. Therefore the number of statutes and regulations reviewed by the department in a given year varies.

The fourth core business area of the department – ***Education and Life Long Learning*** – focuses on the provision of educational programs and opportunities that address the long term needs of our client industries. An outcome that is associated with this core business area is: *a highly skilled, internationally competitive workforce*. The following measures are used to record movement toward achieving this outcome.

- **Measure: Percentage of graduates employed in their field or pursuing further education within one year of graduation**

What does this measure tell us? A high percentage of graduates employed in their field or pursuing further education within one year of graduation reflects the quality of the academic programming at NSAC.

Where are we now? As of November 30, 2005, 90 per cent of graduates were employed in their field or pursuing further education within one year of graduation. This number is slightly below the target of 94 per cent; however, it matches the rate from the previous year.

Where do we want to be? Initial targets were to see this percentage rise to 95 per cent by 2007–2008; however, as of last year NSAC has discontinued tracking data pertaining to this measure due to problems with survey methodology and reliability of the data.

- **Measure: Total value of research and infrastructure grants awarded to NSAC researchers**

What does this measure tell us? The ability to generate new knowledge through research is vital for the growth of the province's agriculture sector. The funding received by NSAC researchers contributes to the development of a highly-skilled, competitive workforce, thereby supporting innovation and growth in agriculture. Where are we now? As of November 30, 2005, research grants at NSAC totaled \$5.79 million. The college recently received two Atlantic Innovation Fund grants worth up to \$3.9 million. This \$5.79 million total funding is down slightly from the \$6.5 million the year prior.

Where do we want to be? The target value of research grants awarded to NSAC researchers is \$6.1 million by 2006–2007, and \$6.5 million by 2007–2008.

- **Measure: Number of students enrolled at NSAC**
- **Measure: Number of international students enrolled at NSAC**

What do these measures tell us? An increasing enrolment base at NSAC indicates a level of confidence in the quality of an NSAC education. The objective of an international program is to share the knowledge and expertise in agriculture and environmental science education with other countries, and to expose Canadian students to international business and culture through international exchange. This better equips students to work in a global environment, thus benefitting the Nova Scotia agriculture industry as a result.

Where are we now? Total enrolment at the Nova Scotia Agricultural College in 2005–2006 was 758. Of this number, 26 were international students. This marks a slight increase in overall enrolment from the previous year, when there were 753 students enrolled at NSAC; however, the number of international students decreased by one.

Where do we want to be? NSAC has set a target enrolment of 820 students by 2007–2008, with 57 international students enrolled.

Corporate Services

- **Measure: Progress toward implementation of the French-language services plan**
- **Measure: Progress toward development and implementation of a diversity policy**

What do these measures tell us? These measures point to the department's commitment to fostering a diverse and talented workforce that is able to effectively serve the needs of our client industries.

Where are we now? A total of 56 staff from the department attended the government's Aboriginal Awareness workshop between September 2005 and June 2006, and 17 staff had registered for future sessions. In addition, a total of 38 staff from the department participated in the Public Service Commission's Diversity Program between September 2005 and June 2006, and 17 staff had registered for future sessions. The department also worked with the Office of Acadian Affairs towards the development of the *French-language Services Act* and its accompanying regulations. As of March 31, 2006, a total of 15 staff had attended French-language training courses offered through the Office of Acadian Affairs.

Where do we want to be? The goals of a workplace free from discrimination, and continued improvements in the ability to serve client industries remain priorities for the department. As such, department employees will continue to be encouraged to take the courses offered through the Public Service Commission and other training bodies focusing on diversity issues. The department also remains committed to implementing its French-language services plan.

- **Measure: Progress toward addressing departmental areas of concern as identified in the employee survey**

What does this measure tell us? The Government of Nova Scotia Employee Survey was launched in February 2004, and was conducted to address several key questions related to the work environment. A number of concerns were raised by Agriculture and Fisheries staff.

Where are we now? A departmental committee, co-chaired by management and union representatives, was formed to explore options to address staff priorities. This committee organized a staff conference for May 2006. The conference-to-be focused on some of the key areas of concern raised in the survey, such as ethics and fair hiring practices. It also addressed issues related to health and wellness, and balancing life and work. Details on conference outcomes will be reported on in the 2006–2007 Accountability Report.

Where do we want to be? The department is committed to addressing the range of concerns that were identified by staff in the employee survey. Several long term strategies are being planned with regard to improving communication, developing orientation programs for new staff, and offering opportunities for staff development and networking.

- **Measure: Progress toward development and implementation of a communications strategy for Canada-Nova Scotia Agreement for the Agricultural Policy Framework (APF) activities and initiatives**

What does this measure tell us? Implementation of the APF will continue to be carried out in the various chapters until March 2008, when the current APF expires. This measure points to progress made in communicating APF programs to industry.

Where are we now? A Nova Scotia brochure on the APF chapters was produced as a means to continue promoting the program through to 2008.

Where do we want to be? We will continue to promote and implement the various programs available to Nova Scotia producers under the APF.

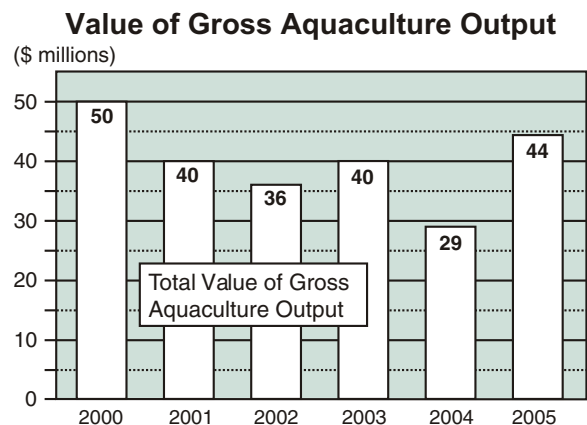
Long Term Outcome Measures

Agriculture, Fisheries and Aquaculture

- **Measure: Value of agricultural production (millions)**
- **Measure: Farm gate value of aquaculture output (millions)**
- **Measure: Dollar value of sport fishing activities to the province (millions)**
- **Measure: Export value of fish products (billions)**
- **Measure: Value of agriculture and fisheries exports (billions)**
- **Measure: Dollar value of total capital expenditures in agriculture and fisheries (millions)**

What do these measures tell us? These figures point to the economic contribution made by the primary agriculture, fisheries and aquaculture sectors to Nova Scotia.

Where are we now? In 2005, the value of agricultural production in Nova Scotia was \$433.2 which is up approximately \$6 million from the previous year. The farm gate value of aquaculture output was \$44 million, which is up from \$29 million the previous year. This increase is due primarily to a rebound of the finfish sector. The dollar value of total capital expenditures in agriculture and fisheries was \$123.1 million, up from a total of \$121.5 million in 2004. The total export value of fish products was \$1.04 billion, while the total export value of agriculture and fisheries overall was \$1.3 billion. A slight decrease occurred from the previous year in both cases. This can be attributed to the continuing strength of the Canadian dollar relative to the American dollar. The last year for which figures are available to indicate the dollar value of the sport fishing industry in Nova Scotia is 2000, when it was valued at \$82 million. Because the department relies on a survey conducted every five years for this particular statistic, a more up to date figure will be available for the 2006–2007 Accountability Report.



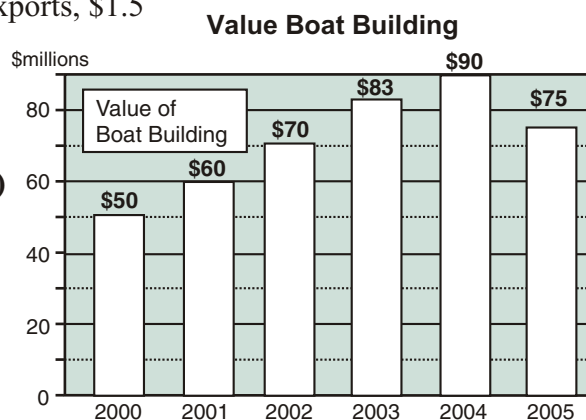
Where do we want to be? Improving economic competitiveness in Nova Scotia’s agriculture, fisheries, and aquaculture industries remains a priority. The following targets express where Nova Scotia aims to be by 2007–2008: value of agricultural production, \$420 million; farm gate value of aquaculture output, \$55 million; dollar value of sport fishing activities to the province, \$83 million; export value of fish products, \$1.2 billion²; value of agriculture and fisheries exports, \$1.5 billion; dollar value of total capital expenditures in agriculture and fisheries, \$120 million.

Boat Building

- **Measure: Domestic value of boat building (millions)**
- **Measure: Export value of boat building (millions)**

What do these measures tell us? These measures reflect boat building activities in the province.

Where are we now? In 2005 the value of domestic boat building was \$40 million, down from just under \$60 million in 2004. A substantial part of domestic sales are fishing boats. Orders for new fishing vessels slowed dramatically in 2005 due to lower fish prices and a feeling of uncertainty in some fisheries. The value of export sales in 2005 was \$35 million, up slightly from \$25 million in 2004, but below sales for the period 2001 to 2003. The strengthening Canadian dollar is cited as the primary cause of declining export sales. US trade barriers such as the *Jones Act* - requiring all vessels engaged in US coastwise trade to be US built – also hinder sales in that market.



Where do we want to be? The targeted domestic value of boat building to the province is \$55 million by 2006–2007, while the targeted export value by then is \$35. The department will continue to work with the industry to identify opportunities, and address and mitigate issues that challenge industry growth and development.

Food Manufacturing

- **Measure: Value of food manufacturing value-added (millions)**
- **Measure: Ratio of food manufacturing value-added to the value of shipments of food manufacturers**

What do these measures tell us? The value of food manufacturing value-added refers to the actual contribution that is made to the Nova Scotia economy as a result of processing or otherwise refining primary agricultural and seafood products. The ratio of food manufacturing value-added to the value of shipments of food manufacturers is an expression of the additional value that is created as a result of food processing, relative to the overall value of food products shipped.

²Due to the strength of the Canadian dollar in recent years, the original targets established for the ‘export value of fish products’, and ‘value of agriculture and fisheries exports’ have been adjusted down from the original.

Where are we now? The last year for which data is available with respect to either measure was 2004. In that year, the value of food manufacturing value added was \$650.2 million, and the ratio of food manufacturing value-added to the value of shipments of food manufacturers was 30 per cent.

Where do we want to be? The department will continue to encourage greater value-adding in the agriculture and seafood industries.