



Business Plan

2019–20

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Message from the Minister

The Department of Business is dedicated to collaboration and innovation to achieve inclusive economic growth in Nova Scotia. This means doing things differently. It means working together across sectors and departments. And it means working to ensure we are aligned behind a common agenda.

Consider how the province has been able to connect more people to the workforce. It starts with an inclusive economic growth strategy, the collaboration of many sectors and departments, addressing weakness and building on strengths.

All of this is happening in Nova Scotia. Our population is growing and is now the highest it has ever been. We are getting more new Nova Scotians and attracting younger people. High growth start-ups – key drivers of the economy – are thriving. Venture capital investment is up more than 400 percent over the past five years.

The government's attention to a strong fiscal foundation has also been praised – for balanced budgets, for reducing red tape and cutting fees, and for leadership in removing trade barriers and diversifying our trade.

Our high-speed internet strategy will enable communities all over the province to connect to the global economy – a foundational piece to ensure all regions can benefit from a growing, inclusive economy.

With our Crown entities, agencies, and partners, we are dedicated to keeping that momentum going through collaborative efforts in key sectors where we have a natural advantage: ocean opportunities, life sciences, social enterprises, research, and post-secondary education.

We will do it with the collaborative, innovative work of our partners in government, our Crown corporations, partners in social enterprise and private sectors, and by creating more opportunities for export and capital growth. Together, our economic agenda will make lives better for all Nova Scotians through shared, lasting prosperity.

Sincerely,

Original signed by

The Honourable Geoff MacLellan
Minister of Business

Departmental Mandate

The Department of Business leads and aligns government efforts behind a common agenda for inclusive economic growth. That means ensuring we have the economic conditions so businesses can thrive and all Nova Scotians can participate and benefit. The department focuses on strategic priorities and opportunities that encourage Nova Scotia's innovation, competitiveness, entrepreneurship, and export orientation. In particular, the department concentrates on key sectors that represent a competitive or comparative advantage for Nova Scotia that will create opportunities for enterprises and entrepreneurship to thrive and lead to the export of more products and services. That includes private businesses, social enterprises, and institutions, working together in clusters in all regions of the province.

To achieve government's mandate, the department works collaboratively with our Crown corporations, key partners in other levels of government, entrepreneurs, large businesses, post-secondary institutions, venture capital investors and Nova Scotians to create a dynamic environment for businesses to succeed. Working together, reinforcing each other's activities, creates a stronger, collective impact that can realize the province's inclusive economic growth objectives.

The Minister of Business has responsibility for:

- Develop Nova Scotia
- Halifax Convention Centre Corporation (Events East Group)
- Innovacorp
- Invest Nova Scotia
- Nova Scotia Business Inc. (NSBI)
- Tourism Nova Scotia (TNS)

With respect to this responsibility, the department's efforts are focussed on sharing in the development of a common agenda, and undertaking mutually reinforcing activities to advance Nova Scotia's inclusive economic growth objectives.

The department also is responsible for some legacy files attached to the former Department of Economic and Rural Development and Tourism (e.g., Jobs Fund and Capital Investment Incentive/Capital Tax Rebate).

As part of the global community, Nova Scotia is not immune to forces which have caused significant change. Change can be disruptive, and it also represents an opportunity. Nova Scotians are seizing that opportunity.

Nova Scotia's innovation ecosystem has many components. The Department of Business will be working with partners to foster and strengthen the ecosystem and the key factors that cause economic growth to occur.

Key priorities of the Department of Business include:

- Working with Develop Nova Scotia to significantly increase access to and speed of internet in rural Nova Scotia.
- Working with Tourism Nova Scotia to develop policy and program initiatives to maintain and grow the momentum of the tourism sector.
- Developing policy and program initiatives to foster cluster dynamics and, with Innovacorp, find, fund and foster high growth businesses.
- Working with Nova Scotia Business Inc. to develop policies and programs to increase the number of exporters and continue to build export momentum and diversify our trade.
- We will continue to be an active partner in the Ocean Supercluster and work to ensure the value proposition of the shipbuilding project in Nova Scotia is realized. We will continue to work with the Centre for Ocean Ventures and Entrepreneurship (COVE) while supporting the initiatives of Develop Nova Scotia, NSBI and Innovacorp for this important piece of the ocean ecosystem.
- We will continue to advance a forward-looking policy framework (*Advancing Social Enterprise in Nova Scotia*) to increase social enterprise growth and expansion across Nova Scotia by working with social enterprises and other government departments and agencies. We will continue to monitor progress and exploring opportunities to work with federal partners.
- As a convener and coordinator, we will work across departments to direct policy and programs to increase workforce participation.
- We will work across departments to facilitate regulatory cooperation for major private sector projects planned for Nova Scotia.
- Within government, the Department of Business will continue to lead and support initiatives relating to innovation and innovation driven entrepreneurship in Nova Scotia, growing the system through accelerators and incubators.
- We will continue to work with our partners at Dalhousie University, Cape Breton University, Nova Scotia Community College, Cape Breton Partnership, and Halifax Partnership to advance the innovation agenda with special attention on innovation districts and hubs.

- On behalf of the government, we will be working with our federal partners, and in particular the new federal Minister of Rural Economic Development, to advance rural internet and regional specialization as a key driver of growth. Within Nova Scotia, Develop Nova Scotia has been engaged by the trustees of the NS Internet Funding Trust to oversee the implementation of our rural internet strategy. The creation of the federal Minister of Rural Economic Development offers an important focus for the department to coordinate with as we seek to maximize the opportunities for growth in all areas of the province.

As well, the ongoing pilot project with Halifax Stanfield International Airport Authority to increase direct flights, is an important component of strategic economic infrastructure to increase tourism, export and business opportunities.

One of the forces of change has been the growth of the sharing economy-- also known as the on-demand, gig, platform, or collaborative economy. One of the impacted areas is travellers' accommodation/short-term rentals. The department will continue to work with stakeholders inside and outside of government to develop policies that maximize the benefits of the sharing economy while leveling the playing field to support our provincial tourism growth target and those who earn their livelihood in this growing sector.

The Department of Business provides staff to support Invest Nova Scotia, which is a fund designed to foster innovation and collaboration to improve Nova Scotia's competitiveness in the global economy. This application-driven fund, with decisions made by an independent Board of Directors, is designed to help sectors and communities become more competitive. This Fund is not open to individual businesses.

Government Commitments

The role of the department is to ensure government's efforts to advance its inclusive economic agenda are both focused and coordinated. That means we must work closely with the agencies and the departments that deliver economic programs and services. Government commitments assigned to the department's agencies are described in more detail in their business plans. The department will continue to ensure the activities of its agencies are focused and aligned with government priorities.

The department's role is larger than program or project management. As government's central lead on economic development policy, we are collaborators, convenors, and catalysts working with many partners to achieve inclusive economic growth.

Financial Summary

**Departmental Expenses Summary
(\$ thousands)**

<u>Programs and Services</u>	<u>2018-19 Estimate</u>	<u>2018-19 Forecast</u>	<u>2019-20 Estimate</u>
Senior Management	992	898	963
Strategy and Policy	900	913	1,257
Corporate Services	1,084	911	1,358
Halifax Convention Centre Amortization	7,718	7,721	7,720
Nova Scotia Jobs Fund	35,959	22,219	18,440
Business Relations & Innovation	12,110	9,469	14,226
Crown Corporations and Partnerships	97,348	113,250	108,050
Total - Departmental Expenses	<u>156,111</u>	<u>155,381</u>	<u>152,014</u>
Ordinary Recoveries	2,475	-20	644
<u>Funded Staff (# of FTEs)</u>			
Total - Funded Staff	28.0	23.1	28.0
Less: Staff Funded by External Agencies	0.0	(0.6)	(1.0)
Total - Departmentally Funded Staff	<u>28.0</u>	<u>22.6</u>	<u>27.0</u>

