


NOVA SCOTIA
Agriculture



**Accountability
Report**



for the fiscal year 2006–2007

Department of Agriculture

Annual Accountability Report for the Fiscal Year 2006–2007

Table of Contents

Accountability Statement.....	2
Message from the Minister	3
Introduction.....	4
Department Progress and Achievements	5
Core Business 1: Sustainable Resource Management	5
Core Business 2: Industry Growth and Development.....	6
Core Business 3: Responsible Governance.....	11
Core Business 4: Education and Life-Long Learning.....	12
Internal Management	14
Financial Results.....	15
Measuring Our Performance.....	16

Accountability Statement

The accountability report of the Department of Agriculture for the year ended March 31, 2007 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 business plan information for the fiscal year 2006–2007. The reporting of the Department of Agriculture outcomes necessarily include estimates, judgments and opinions by Department of Agriculture management.

We acknowledge that this accountability report is the responsibility of Department of Agriculture management. The report is, to the extent possible, a complete and accurate representation of outcomes relative to the goals and priorities set out in the Department of Agriculture business plan for the year.



Hon. Brooke Taylor
Minister



Paul LaFleche
Deputy Minister

Message from the Minister

I am happy to present the 2006–2007 Accountability Report on behalf of the Department of Agriculture.

This report describes the progress made throughout the year in support of Nova Scotia's agriculture and agri-food industries. Department staff continue to address issues related to the environment, industry growth, responsible governance, education and life-long learning. The department continued to deliver programming under the Agricultural Policy Framework in fiscal 2006–2007 while working with government and industry partners across Canada to develop the next generation of agriculture policy.

The department also addressed issues of environmental security and set the stage for future industry growth by reaching an agreement with the federal government on the disposal of specified risk materials.

I encourage everyone to learn more about Nova Scotia's agriculture and agri-food industry and the important role this industry plays in our province.

Thank you very much.



Hon. Brooke Taylor

Introduction

This report is based on the goals, priorities, and performance measures set out in the Department of Agriculture business plan for 2006–2007. The report is organized according to the department's four core business areas: Sustainable Resource Management, Industry Growth and Development, Responsible Governance, and Education and Life-Long Learning. Everyone is encouraged to read this report in conjunction with the department's business plan, and to view the department's website at <http://www.gov.ns.ca/agri/>.

Department Progress and 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 agricultural industries.

Achievements:

- Completed negotiations with the Canadian Food Inspection Agency (CFIA) on the Canada-Nova Scotia Agreement on Disposal of Specified Risk Materials (SRM). This agreement will provide for the emergency disposal of SRM, along with financial support for a long-term solution to deal with the enhanced feed ban imposed by CFIA. The elimination of SRM from the environment is an important step in guarding against any incidence of bovine spongiform encephalopathy.
- Implemented the fourth year of the Environmental Farm Plan (EFP) Initiative, providing for full on-farm assessments of farming operations. The EFP builds on scientific research and innovative technology, and incorporates nutrient management planning, revised manure management guidelines, and on-farm water management. The EFP, which the department delivers in partnership with the Nova Scotia Federation of Agriculture, is a priority in Nova Scotia and is highlighted as a key element of sustainable agriculture in the Canada-Nova Scotia Implementation Agreement for the Agricultural Policy Framework. The EFP is offered in conjunction with a series of Best Management Practices (BMP's), providing financial support to help producers mitigate on-farm environmental risks. Areas of focus for the EFP and BMP's include water use and management, farm waste management, manure storage and handling, fuel storage and handling, fertilizer, pesticide and soil management, and livestock production.
- Contributed to the development of the Government of Nova Scotia's environmental management policy, and worked with government partners to develop the *Environmental Goals and Sustainable Prosperity Act*. Together, these initiatives provide strong environmental protection for the province while positioning Nova Scotia to capitalize on emerging economic opportunities.



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 – Deliver effective Business Risk Management (BRM) programs under the Canada–Nova Scotia Implementation Agreement for the Agricultural Policy Framework.

Achievements:

- Continued to deliver the Canadian Agricultural Income Stabilization (CAIS) program to protect against large and small drops in farming income.
 - Hosted information sessions/workshops for producers and accountants regarding changes to the CAIS program and the benefits of participation;
 - Participated on a federal/provincial/territorial (F/P/T) working group to develop guidelines and administrative procedures for CAIS, and strengthened linkages between CAIS and Production Insurance;
 - Participated on the national CAIS committee, providing advice to F/P/T agriculture ministers on the workings of the CAIS program;
 - Monitored and reported on program participation and worked as a liaison between Nova Scotia stakeholders and the Government of Canada.
- Continued to provide the services of the Nova Scotia Crop and Livestock Insurance Commission, to help commercial agricultural producers guard against crop losses resulting from unavoidable natural perils. The commission manages 16 insurance plans covering 35 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 2006–2007:

- Carried 412 crop insurance clients, writing \$22.7 million in coverage, and \$858,000 in premium income. Dairy livestock insurance added another 120 clients, \$34 million in coverage, and \$46,000 in premium. Poultry insurance, planned for introduction in 2007–2008 will add another \$14 million in coverage. Total insurance coverage for 2007-2008 will be for 650 clients, with \$72 million in coverage, and \$900,000 in premiums;
- Made 197 indemnity payments totaling \$1.67 million, the highest indemnity total in the 37 year history of the Crop Insurance program. Major payments were made to the blueberry sector (\$472,000), tree fruits (\$397,000), potatoes (\$172,000), vegetables (\$213,000), spring grains (\$150,000), and corn (\$136,000);
- Developed new features of existing plans;
- Designed and implemented new insurance solutions for forages, poultry, and damage caused by wildlife.

Priority - Increase the growth and value of the province's agriculture and food sectors through strategic planning, and diversification of markets, products, and technology.

Achievements:

Bio-economy Development

- Partnered with the Atlantic BioVenture Centre at AgriTECH Park to secure \$6.8 million in bio-economy development projects, which will be conducted at the Nova Scotia Agricultural College over the next three years. These projects will lead to the development of a number of innovative, value-added products and processing technologies for the Nova Scotia and Atlantic primary resource sectors. In addition, there were four technology and knowledge-based professional hires at the centre. Expansion of the staffing base is anticipated for 2007–2008.
- Articulated, in conjunction with AgriTECH Park, a new bio-economy development vision for the Government of Nova Scotia. This vision identifies AgriTECH Park as a Bio-Economy Accelerator program and facility that provides direction for rural communities, beyond traditional commodity-directed production. The establishment of bio-accelerator processing modules at AgriTECH Park will enable start-up bio-science companies to move to a commercially viable position more quickly. This program proposal is under review by the Departments of Agriculture and Economic Development.

Commodity and Sector Development

- Provided advertising and communications support to Nova Scotia's wineries sector. The department worked to encourage hotels and restaurants throughout the province to carry local wines, and supported the Restaurant Association of Nova Scotia in their efforts to educate consumers, restauranteurs and chefs with respect to food and wine pairing, and about the province's wine industry overall. Nova Scotia's grape growers and wineries have built a world class reputation for producing quality products. The grape and wine industry in Nova Scotia is expected to grow dramatically over the next decade.
- Continued to work with the Atlantic Canadian Organic Regional Network (ACORN) to promote growth in the organic sector. The department assisted ACORN with its business planning activities and organizational development, and took part in a feasibility study on having a single certifying body with a sustainable funding plan for the region. The department also worked with ACORN to advance the recommendations from a series of roundtables in 2004. Organic agriculture presents opportunities for Nova Scotia's farmers, processors and retailers. The number of farms reporting certified organic production in Nova Scotia increased by 265 percent between 2001 and 2006.
- Continued to help the horticulture industry market their products. The department advised clients on market trends and other issues, offered trade and media communications services, and helped



horticulture packers and shippers build a national market profile and forge strategic alliances. Fruit and vegetable production accounted for more than \$60 million in farm gate sales in Nova Scotia in 2006.

- Supported renewal initiatives in various sectors, including pork and apple. The department provided financial assistance to the pork sector for investigative travel to explore opportunities for differentiated pork markets, and to support the development of a Maritime brand pork product. The department also provided financial assistance to the Nova Scotia Fruit Growers Association to research new market opportunities for apple bio-products. The results of the first two stages of the analysis have led to the identification of ten new bio-product possibilities. These products are currently being evaluated. The department also participated in research projects looking at issues of food security and the challenges of direct marketing in Nova Scotia, conducted an entrepreneurial needs assessment for new farmers, and provided scholarship funding.

The department promotes new opportunities and innovative business ideas to the agriculture and fisheries industries through the *Innovations and Opportunities Digest*. In 2006–2007, the department produced three issues covering: *Artisan and Farmstead Cheese Production; Differentiation; and Convenience*. All editions of the digest include a summary of business development initiatives undertaken in other jurisdictions and a management toolbox of resources. These publications continue to be a popular source of information for business managers interested in exploring new ideas for their farm businesses. All editions of the digest are available online at: <http://www.gov.ns.ca/agri/bde/digest/>.

Environmental Stewardship Opportunities

- Developed and received approval for a pilot project to assess the merits of the Ecological Goods and Services (EG&S) concept for Nova Scotia. EG&S refers to the value that human populations derive, either directly or indirectly, from healthy, functioning and evolving ecosystems. The project will be conducted over a two year period.



Priority - Increase domestic and international competitiveness of the province's agri-food industry through targeted sector marketing and development initiatives.

Achievements:

Trade and Market Development

- Developed a trade plan outlining six strategic directions to guide agri-food marketing efforts. These directions include: market diversification, co-ordination of trade roles and responsibilities with government and industry partners, product branding, strategic alliance building, maintaining presence in existing markets, and targeted research. This plan has many linkages with the provincial trade plan, *“Going Global, Staying Local - A Partnership Strategy for Export Development”*.
- Continued to support the efforts of the Taste of Nova Scotia and Brand Nova Scotia initiatives, both of which provide important marketing tools to Nova Scotia's agri-food sector. Taste of Nova Scotia was officially launched in December 2006 following the amalgamation of the Taste of Nova Scotia Society and the Taste of Nova Scotia Quality Food Program. This new structure will better serve the province's food industries.
- Participated in a trade mission to support the development of product and market opportunities in Kuwait and the United Arab Emirates. A provincial office will be established in the United Arab Emirates in 2007–2008 to provide Nova Scotia's agri-food and seafood industries with better access to opportunities in the region.

The department participated in various trade shows in 2006–2007 in Canada and internationally, on behalf of Nova Scotia's agri-food producers. These include:

Expo Acadie 2006 – Lafayette
Americas Food and Beverage Show – Miami
UK Wild Blueberry Market Liaison – London
Wild Blueberry Week – Japan
Conexmar – Spain
SIAL – Paris

Culinary Tourism and Direct Marketing

- Continued to support Nova Scotia's culinary tourism and agri-tourism sectors. The department recruited market ready agri-tourism operators for a provincial promotional brochure, and implemented a market readiness self assessment tool for the sector. The department also sponsored several events showcasing Nova Scotia's agri-food and seafood products, including many local events focused on food and wine pairing, and a prestigious dinner in New York City for important culinary writers, restaurant owners, media and gourmands.
- Chaired the Nova Scotia Marketing Caravan, which was presented to direct marketers and the agri-tourism industry in Nova Scotia to enhance the viability of small farms. The caravan, sponsored by the Canadian Farm Business Management Council, brings new ideas and professional business development skills to producers in the region.

- Continued implementing the recommendations of the Council of Atlantic Premiers Agri-Food Action Team, with a focus on organizing the 2006 Atlantic Food Forum. An information session was held in January 2006 to share knowledge and explore opportunities with major retailers and ministers responsible for agri-food industry development. The department also secured funding to support an Atlantic-wide direct marketing study that will explore ways of increasing sales and consumption of Atlantic Canadian food products through direct marketing channels.

Promotion and Awareness

- Promoted the development of value chains as a way of adding value to Nova Scotia's agri-food industry. Value chains are business partnerships between players at various stages of the food industry, from production through processing, distribution and point of sales, that produce economic benefits for all involved. The department prepared materials to help agri-food industry groups forge more effective value-chain partnerships, prepared a discussion paper highlighting best practices and outlining other issues related to value-chain management, and co-sponsored a workshop on value-chain management. Over 50 Nova Scotia business managers attended the workshop.
- Continued to provide funding support to help industry partners capture new, value-added product opportunities. The department approved a total of 18 projects for Product and Quality Development funding, resulting in the development of 25 new products, and nine new technologies¹. Significant industry funding was leveraged for these projects.
- Continued to deliver workshops on the implementation of new Canadian nutrition labeling regulations². These workshops provided Nova Scotia's food processing industry with a clear interpretation of the regulations and awareness of how to remain compliant. In addition, a Claims Workshop was launched in 2006–2007 to educate participants on claim-specific compliance. Seventy-four participants in total attended the general sessions, while an additional 76 participants attended sessions added for specific industry associations.
- Developed and delivered a workshop to educate processors³ in product development best practices, and accelerate and improve product development

success rates. The department plans to offer additional sessions in response to industry feedback.

The department maintained and continued to distribute copies of the Food Processor Contacts Directory in 2006-2007. This publication provides an overview of value-added support services available to the Nova Scotia agri-food and seafood industries. It is available on the department's website at <http://www.gov.ns.ca/agri/marketing/proddev/Complete.pdf>.

¹ The department's Product and Quality Development program makes funding available to applicants from both the agri-food and seafood industries. These figures indicate the overall uptake of this program.

² These workshops were delivered to the agri-food and seafood industries.

³ These workshops were delivered to the agri-food and seafood industries.

Priority – Expand and develop investment initiatives and partnerships in the agriculture and agri-food industries.

Achievements:

- Continued to implement the Department of Agriculture investment plan, focused on marketing Nova Scotia and Canada as an attractive investment destination. The department partnered with the federal Investment Secretariat and European investment leads on agri-food investment initiatives in 2006–2007, attending a trade show and participating in joint investment calls.
- Continued to provide new loan capital to the agriculture industry through the services of the Farm Loan Board. The board approved 179 loan applications during 2006–2007, advancing \$25.5 million. In order to better meet client needs, the board's interest rate structure was modified slightly to provide for five-year term rate intervals from 1-5 years to 21-25 years.
- Continued to administer the New Entrants to Agriculture program through the Farm Loan Board to help new entrants develop successful farming operations. The Farm Loan Board disbursed \$449,000 in program grants during 2006–2007, and accepted 36 applications, resulting in a commitment to disburse an additional \$581,000 in the following two years.

As of March 31, 2006 the Farm Loan Board had a total portfolio of \$191 million. This represented 1,227 loans and 42 leases to approximately 1,000 clients. The board approves approximately 200 new loans annually. The major commodity groups that receive lending are dairy (29 percent), poultry (15 percent), hogs (11 percent), and beef (8 percent).

Core Business 3: Responsible Governance - Focuses on the orderly development of the industry through supportive legislative and regulatory frameworks.

Priority – Provide professional, reliable and cost-effective services in the area of food chain safety and security, including public health/food safety and animal health/disease prevention.

Achievements:

- Enhanced animal health and disease prevention efforts in the province.
 - Signed the Foreign Animal Disease Eradication Support (FADES) plan in June, 2006 and held exercises with federal government agencies. The department also worked with key Nova Scotia industries, such as poultry, to develop sector-specific plans. The FADES plan will enable the province to respond quickly in the event of a foreign animal disease outbreak, thus mitigating negative economic impacts to the agriculture industry. The plan is now operational;
 - Helped move the food safety part of the new *Health Protection Act* into an operational phase. This Act establishes a framework for government to prevent, detect, manage and contain health threats in the province. Implementation is proceeding according to schedule;
 - Held off on developing new livestock health legislation, pending further consultation.



- Received accreditation for the dairy, soils, and pathology labs for the next three years, following an audit by the Canadian Standards Council. Moreover, additional scopes were added to the testing previously approved. Quality laboratory services are important in ensuring a high level of industry confidence.
- Worked with the Departments of Health Promotion and Protection, Environment and Labour, and Fisheries and Aquaculture to establish an environmental health coordination committee. This committee will work to improve the way government delivers environmental health services, particularly by ensuring a coordinated approach to service delivery between departments.

Priority – Review and revise departmental statutes, regulations and policies to ensure effective, equitable, and efficient governance of the agriculture and food industries.

Achievements:

- Revised four Acts and 11 sets of regulations to ensure that the regulatory environment for the agriculture industry remains both modern and effective. The department also reviewed all of its Acts and regulations as part of the government-wide Better Regulation Initiative, which is an ongoing effort to reduce administrative burdens faced by industry. The department has also developed an objective-based approach to regulatory development to improve the quality, relevance and effectiveness of regulations.

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

Priority – Develop effective and integrated institutional strategy for the recruitment, retention and timely graduation of trained and skilled leaders to the agriculture and food industries.

Achievements:

- Reviewed and updated the academic plan of the Nova Scotia Agricultural College (NSAC) to ensure that programs are regularly reviewed and replaced to meet the agriculture and agri-food industry's needs for educated leaders and skilled workers.
- Revised the Diploma in Enterprise Management and the Vet Tech Programs at the NSAC. The new programs, both implemented in 2006, better meet the needs of the industry. Special recruitment efforts have been established to help promote the program and attract new students.
- Initiated an external review of all Bachelor of Science in Agriculture programs at NSAC. The review was conducted by a professional accreditation team from the Agricultural Institute of Canada.

- Undertook a cyclical review of the Bachelor of Science in Agriculture and Master of Science programs at NSAC to evaluate their academic merit.
- Made significant progress in enhancing the brand image of NSAC. The university adopted a new corporate identity. New corporate materials with the “*Embrace your world*” tag line have been developed and distributed around campus and to visitors. Advertising materials have also been standardized to reflect the brand image. The look of the NSAC website has been updated as well to reflect the new brand.
- Finished implementing the enrollment management plan at NSAC. All NSAC staff have had advanced customer service training to make the student experience more positive. Recruitment activities have been focused and integrated into the main marketing and communications efforts for the institution.
- Implemented targeted initiatives to increase the visibility of NSAC programs among stakeholders. Profiles of faculty research were authored throughout 2006–2007 and picked up by media outlets. NSAC also developed alumni profiles, highlighting the career paths of some graduates. Scholarship programs were highlighted in media and within high schools. NSAC also increased the frequency and enhanced the content of internal and external newsletters. Media monitoring indicated 130 references to NSAC in Canadian media during the year.
- Continued to make fund raising activities a priority at NSAC. NSAC took in over \$1.3 million during 2006–2007. The endowment portion of the portfolio increased from \$2.4 million to \$2.6 million.

Priority – Continue to improve and increase the reputation and relevance of NSAC’s research capacity.

Achievements:

- Developed a Ph.D. program in agriculture at NSAC. The university studied, reviewed, and designed the program during 2006–2007, and the program has been submitted to Dalhousie University for approval.
- Implemented grant writing assistance to help NSAC faculty win research awards. In addition, faculty research was more widely reported during the year.
- Received 15 percent more research funding from national councils than in the previous year. NSAC researchers received \$904,529 from national councils in 2006. Increased efforts to help new faculty obtain grants is evident.
- Established and filled faculty positions at NSAC in plant stress physiology, entomology, dairy molecular biology, vegetation management, edible horticulture, waste management, and machinery systems. Research has begun in these programs.
- Completed Phase 1 of NSAC’s poultry research facility during the 2006–2007 fiscal year, and began Phase 2. The facility has since opened.

Internal Management

Priority - Implement the department's French-language services plan, in accordance with the *French-language Services Act*, Bill 111.

Achievements:

- Improved French-language communications services. To date, 26 staff from the department have either completed or have enrolled in French-language training through the public service. Of this number, 14 began their training on or after September 2006. The department routinely offers communications services to French speaking clients, either through contact with French speaking staff or document translation services. These services are particularly important given that resource industries such as agriculture and fisheries have traditionally played an important role in Nova Scotia's Acadian regions. The department's French-language services plan for 2007–2008 has been posted online in both French and English.

Priority - Implement the Employee Survey Response Plan to address areas of the department identified as needing improvement in the Government of Nova Scotia Employee Survey, *How's Work Going?*.

Achievements:

- Held a staff conference in May 2006. The conference focused mainly on the theme of balancing the responsibilities of work and home, which was a major concern identified by staff in the employee survey. The conference was well attended and feedback from staff was very positive.
- Worked with the Corporate Services Unit to help develop a series of performance management and career development sessions for delivery in the 2007–2008 fiscal year. The purpose of these sessions is to help staff take charge of their careers.

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

Achievements:

- Continued implementation of the department's affirmative action plan and strategy. In 2006–2007 the Department of Agriculture participated in the development of an affirmative action framework that will guide future policy needs in this area. The department began a profile of its staff complement with the aim of assessing its own affirmative action needs. Department staff also participated in Aboriginal Awareness and Diversity training sessions through the Public Service Commission.

Priority - Develop and implement communications strategies that support the activities and initiatives of the department.

Achievements:

- Provided clear and timely information to internal and external clients on a number of issues, specifically the Federal/Provincial/Territorial Agricultural Policy Framework, animal health, food safety, marketing, the environment, and the Nova Scotia Agricultural College. Communications staff worked with federal and provincial colleagues in order to ensure the consistent flow of information.

Financial Results

Agriculture			
	2006–2007 Estimate	2006–2007 Actuals	Variance
Program & Service Area	(\$thousands)	(\$thousands)	(\$thousands)
Ordinary Revenues	103	226	123
TCA Purchase Requirements	685	588	(97)
Net Program Expenses			
Senior Management	1,008	1,160	152
Policy, Planning, Communications	705	670	(35)
Agriculture Services	17,844	17,430	(414)
Legislation and Compliance	5,821	6,286	465
Industry Development and Business	4,530	6,521	1,991
Fisheries and Aquaculture Services	0	0	0
Nova Scotia Agricultural College	8,932	8,377	(555)
Total Net Program Expenses	38,840	40,444	1,604
Provincially Funded Staff (FTEs)	454	450	(4)

Rounding

Estimates/Forecasts:

Departments/PSV's

- All estimates/forecasts should be rounded to the nearest thousand.

FTE's:

FTE's for Departments

- Rounding should follow what appears in 1.17 of the Estimates book.

FTE's for Public Service Entities (PSV's)

- In accordance with what appears in the Nova Scotia estimates supplementary detail all FTE information should be rounded to the nearest tenth.

FTE variance is due to vacancies

Measuring Our Performance⁴

The department's activities are organized according to four core business areas: Sustainable Resource Management, Industry Growth and Development, Responsible Governance, and Education and Life-Long Learning. A variety of corporate services support the work of the department. The following series of performance measures indicate the progress that is being made on select activities.

Core Business 1: Sustainable Resource Management

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

What does this measure tell us? The EFP 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, 2007, 947 farms had completed, had enrolled in, or had an initial visit with respect to the EFP. This represents 40 percent of the province's farms, using a base of 2400 registered farms. This meets the target of 40 percent in the 2006–2007 fiscal year.

Where do we want to be? The department aims to have 50 percent of all registered farms participating in the EFP program by 2007–2008. The EFP may need to be broadened in the future to include smaller scale or part time farming operations.



⁴ Several of the performance measures in the report are for activities undertaken in support of both the agri-food and seafood industries. These measures are identified with an asterisk (*). Three measures that appeared in the 2006-2007 business plan are not included in this report. The measure, "Percentage of graduates employed in their field or pursuing further education within one year of graduation" has been discontinued due to problems with survey methodology and reliability of the data. Information on the others, " Value of food manufacturing value-added (millions)", and "Ratio of food manufacturing value-added to the value of shipments of food manufacturers value-added" is no longer collected by Statistics Canada.

Core Business 2: Industry Growth and Development

- **Measure: Percentage of Provincial Farm Reference Margin Protected by CAIS⁵**
- **Measure: Total Production Insurance Coverage**

What do these measures tell us? Canadian Agricultural Income Stabilization (CAIS) and Production Insurance (PI) together make up the department's Business Risk Management programming. These programs are designed to address income losses resulting from uncontrollable events, and to enhance farmers' capacity to manage risk.

Where are we now? As of 2005, 46 percent of the total farm reference margin in the province was protected under the CAIS program. This is consistent with coverage rates from the previous year. Total insurance coverage in 2006–2007 was \$56.4 million, up from \$51.3 million the previous year.

Where do we want to be? By 2007–2008, total reference margin protected by CAIS is targeted to be 50 percent, with total insurance coverage targeted at \$72 million. The introduction of new insurance solutions will account for much of the increase in insurance coverage.

- **Measure: Value of sales resulting from market development projects and tactics***

What does this measure tell us? This measure refers to the value of agri-food and seafood sales resulting from the department's domestic and foreign market development activities, including trade missions, shows, incoming buyer activities and international promotional events. The value of sales in this measure is calculated based on industry surveys and interviews.

Where are we now? The department's market development efforts resulted in industry sales of \$9.4 million in 2006–2007, up from \$5.5 million the previous year. This far exceeds the target of \$5 million. These results are attributed both to enhanced market development efforts in 2006–2007, and to a more accurate and detailed data collection method.

Where do we want to be? The department aims to see continued increases in sales from Nova Scotia's agri-food and seafood producers.

- **Measure: Number of new product and market opportunities pursued***

What does this measure tell us? This measure refers to the department's efforts to help Nova Scotia's agriculture, seafood and food manufacturing industries expand their businesses through new product or new market opportunities.

⁵ Refers to the total farm reference margin protected by the CAIS program as a percentage of the total reference margin of all farms in Nova Scotia. In previous years, this measure only compared the total farm reference margin protected by CAIS to the total reference margin of program participants. Not all producers participate in the program. The new calculation method better reflects overall coverage in the province. The most current information available regarding CAIS coverage is from the 2005 program year.

Where are we now? In recent years, 15⁶ new products have been introduced to new markets such as Germany, Spain, and the Dominican Republic. One initiative in recent years was the introduction of high value beverages to Japan and Germany. These efforts are generally multi-year in scope and involve relationship building, ongoing market feedback for product and packaging standards, and logistical and retail evaluation.

Where do we want to be? The department aims to help Nova Scotia's agriculture, seafood and food manufacturers capture new opportunities.

- **Measure: Number of new product and technology development projects approved^{7*}**
- **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 help private sector companies or organizations develop new, value-added, and higher quality products. The first measure refers to the number of projects that received PQD funding in 2006–2007. The second measure – presented as a percentage figure – refers to funding contributed by the department relative to the overall amount invested. In this case, 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? Eighteen new PQD projects were approved for funding in 2006–2007, resulting in 25 new products and nine new technologies being developed. Government funding accounted for 19 percent of the total amount spent on these projects, with the remainder coming from private and other sources. This is a decrease from 32 percent in 2005–2006, and is lower than the target of 26 percent.



Where do we want to be? The department recognizes the value of partnering with other agencies to leverage funding for industry development. The department aims to increase the number of PQD projects pursued in 2007–2008. The target ratio for program funding invested to total research and development funding invested is 25 percent in 2007–2008.

- **Measure: Support to industry for sector renewal^{8*}**

What does this measure tell us? This measure refers to the strategic development support services provided by the department to help private sector agri-food and seafood companies or organizations explore new business opportunities.

⁶ Of the 15 products that have been introduced, the department is in the process of evaluating their successful market introduction.

⁷ This measure was not included in the 2006–2007 business plan.

⁸ The wording used to describe this measure has been modified slightly from years past to better reflect the programs objectives.

Where are we now? The department worked with 29 agri-food and seafood businesses exploring new opportunities in 2006–2007, down from 48 the year before. This suggests that the department needs to increase outreach and awareness activities regarding these services.

Where do we want to be? The target for this measure is 50 companies or organizations in 2007–2008. A recent departmental initiative to promote local markets for Nova Scotia agri-food and seafood products is expected to result in new entrepreneurial opportunities.

- **Measure: Value of new investment in the agri-food and seafood sectors***

What does this measure tell us? This is a measure of the department's success in attracting investment to Nova Scotia's agriculture and seafood industries from out of province.

Where are we now? The department's efforts in this area directly resulted in \$1.5 million being attracted from out of province in 2006–2007.

Where do we want to be? The department recognizes the benefits of attracting investment from out of province, and aims to attract increased investment.

- **Measure: Percentage increase in loan portfolio⁹**

What does this measure tell us? This measure refers to the loan portfolio - the combined total loan principal receivable and real estate principal at March 31 - of the Farm Loan Board. A growing loan portfolio indicates a high level of investment activity in the agriculture industry.

Where are we now? The Farm Loan Board had a \$190 million loan portfolio in 2006–2007, up 3.6 percent from the previous fiscal year. Overall asset values and farm debt in the province has increased substantially over the past 10 – 15 years. The board continues to provide long-term stable funding, and exercises patience to assist sectors and individuals affected by cyclical or other short term difficulties. Loan requirements vary depending on sector performance and the lending environment.

Where do we want to be? The department strives to meet requirements for long-term stable financing in agriculture by maintaining the Farm Loan Board's funding in proportion to overall debt needs. This is projected to require an increase in the portfolio over time.

⁹ The targets provided for this measure in the 2006–2007 business plan referred to the combined portfolios of the Farm Loan Board and the Fisheries and Aquaculture Loan Board.

Core Business 3: Responsible Governance

- **Measure: Percentage of meat sector demand for food handler education (new initiative under the APF)**

What does this measure tell us? This measure refers to the overall demand by meat processing employees in Nova Scotia for food handler education.

Where are we now? Meat sector demand for food handler education is at 100 percent, indicating that the sector has recognized the value of such training. The department is developing specific protocols to be delivered in meat processing facilities, focusing on food handler education and facility-specific food safety plans.

Where do we want to be? The province expects all meat processing employees in the province to be trained with respect to proper food handling protocols.



- **Measure: Percentage of Nova Scotia licenced food processing plants that have implemented appropriate food safety process control systems**
- **Measure: Percentage of food establishments that developed a food safety plan (new initiative under the new *Health Protection Act*)**

What do these measures tell us? The Government of Nova Scotia requires licenced food processing plants in the province to have appropriate food safety process control systems in place, along with comprehensive food safety plans. These measures attest to the level of awareness for such protocols and the degree of regulatory

compliance among licenced food processing plant operators.

Where are we now? The department is currently evaluating food safety process control systems to determine their level of adequacy and degree of regulatory compliance. The department is also developing templates for use by industry in establishing food safety plans for specific facilities.

Where do we want to be? The department strives to have appropriate food safety process control systems in place in all licensed food processing plants in the province, and full compliance with regulations.

- **Measure: Statutes and regulations reviewed by the department**

What does this measure tell us? The department works continually to ensure that all relevant legislation and regulations are up-to-date and reflective of industry and societal needs. This measure points to the number of legislative and regulatory pieces reviewed during 2006–2007.

Where are we now? The department reviewed four Acts and 11 sets of regulations during 2006–2007. This included the *Agriculture and Marketing Act*, the *Animal Health and Protection Act*, the *Bee Industry Act* (proclaimed), the *Livestock Health*

Services Act (amended), Bee Industry Regulations, Farm Registration Regulations, Livestock Health Services Regulations, Crop Insurance Weather Plan, Crop Insurance Omnibus (amendments to 12 plans), Egg Producers' Marketing Plan, Game Farm Regulations, Deer Farming and Marketing of Deer Products Regulations, Wine Regulations, Chicken Marketing Plan, and Pork Marketing Plan. In addition, all of the department's Acts and regulations were reviewed for the purposes of the Better Regulation Initiative.

Where do we want to be? The department revises its statutes and regulations in response to a number of factors, such as industry input, departmental goals, and government-wide initiatives. The department strives to ensure that this work is done in a timely and efficient manner, and has developed an objective-based approach to regulatory development to improve the quality, relevance and effectiveness of regulations. This will also ensure that the regulatory tools selected match the expected need and required impact.

Core Business 4: Education and Life-Long Learning

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

What does this measure tell us? This measure includes all contracts signed by and awarded to NSAC annually, and is an indicator of the effectiveness of NSAC's research efforts in applying world class science to the problems of the industry. The economic benefits of the research are felt not only within the province and the region, but also nationally and internationally.

Where are we now? The total value of research and infrastructure grants at NSAC in 2006–2007 was \$6.4 million, exceeding the target of \$6.1 million.

Where do we want to be? NSAC's target for 2007–2008 is \$6.5 million.

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

What do these measures tell us? The number of students enrolled in agricultural programs is a direct indicator of the number of skilled workers available for the industry. The number of international students is a direct measure of the appeal of NSAC courses in international markets, and is an indication of NSAC's internationalization agenda. Contact and integration with students from different cultures is an important component in the education process of any modern student, and is ultimately important for the future of Nova Scotia's economy.



Where are we now? In 2006–2007, there were 793 students enrolled at NSAC, 47 of whom were international students. Though overall enrollment numbers exceeded the target of 790, international enrollment fell short of the target figure of 50.

Where do we want to be? The target enrollment at NSAC is 1000 students by 2013, with 100 international students.

Internal Management

- **Measure: Progress toward implementation of the French-language services plan**

What does this measure tell us? This measure is an indication of the department's commitment to fostering a diverse and talented workforce that is able to meet client needs.

Where are we now? The department made progress in implementing the French-language services plan in 2006–2007. In total, 26 staff from the department have either completed or have enrolled in French-language training through the public service. Of this number, 14 began their training on or after September 2006. The department routinely offers communications services to French speaking clients, either through direct contact with French speaking staff, or document translation services.

Where do we want to be? The department is committed to working with other government agencies, in particular the Office of Acadian Affairs, to strengthen the regulatory and policy framework surrounding the *French-language Services Act*, and to improving French-language service delivery.

- **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 launched an employee survey in 2004 to engage the entire civil service in a process of identifying those aspects of the work experience that the government needs to improve. This measure points to the Department of Agriculture's ongoing efforts in response to the employee survey to ensure that department staff have a healthy, positive, and fulfilling work environment.

Where are we now? The department hosted a two-day conference in May 2006 addressing concerns identified in the employee survey. The conference focused largely on the theme of managing the work-life balance. The conference was very well attended by staff, and helped with staff morale and team building.

Where do we want to be? The department strives to ensure that all employees throughout the organization feel satisfied and fulfilled in their work experience, and are able to achieve a proper work-life balance.

- **Measure: Progress toward development and implementation of a diversity policy**

What does this measure tell us? This measure points to the department's efforts to establish a diversity action plan and create a workforce that is representative of the diverse population it serves.

Where are we now? The department continues to encourage staff to take diversity awareness and related training courses. Staff from the Department of Agriculture / Department of Fisheries and Aquaculture took the following courses in 2006–2007: Aboriginal Awareness (1 person enrolled), Diversity for Employees (4 people enrolled), Cultural Competency (2 people enrolled), Diversity for Managers (5 people enrolled).

Where do we want to be? The department recognizes the importance of establishing a diversity action plan in order to meet the needs of its client industries. The department has selected a chairperson to lead in the establishment and implementation of the plan.

- **Measure: Communications strategies implemented for department activities and initiatives**

What does this measure tell us? The department strives to ensure that it provides the public with relevant information on activities and initiatives in a timely manner. Communications staff provide advice to the Minister and Deputy Minister, respond to media inquiries, write press releases, and write communications plans for major initiatives.

Where are we now? The department put out 24 news releases in 2006–2007 on a variety of topics, including 4-H events, food safety, new crop insurance and wine industry regulations, and support to the hog industry. Communications staff also prepared 26 communications plans for cabinet submissions.

Where do we want to be? The department strives to ensure that stakeholders receive clear and detailed information on matters of public interest.

- **Measure: Value of farm cash receipts**

What does this measure tell us? This refers to the cash income that farmers receive from the sale of agriculture products, combined with direct program payments or subsidies to the sector.

Where are we now? Total farm cash receipts in Nova Scotia in 2006 were \$452 million, down from \$461 million in 2005.

Where do we want to be? The department strives to foster an increase in farm cash receipts.

- **Measure: Dollar value of total capital expenditures in agriculture¹⁰**

What does this measure tell us? This measure refers to the total value of capital expenditures in Nova Scotia's agriculture industry. The level of investment can be seen as a direct reflection of the level of confidence within the industry.

Where are we now? Total capital expenditures in agriculture in 2006 were \$114.5 million, up slightly from \$112.8 million in 2005.

Where do we want to be? The department strives to foster an increased level of capital expenditures in agriculture.



- **Measure: Value of agriculture exports¹¹**

What does this measure tell us? This measure refers to the overall export value of Nova Scotia's agriculture and agri-food products.

Where are we now? Total agriculture and agri-food exports in 2006 amounted to \$263 million, down from \$271 million in 2005.

Where do we want to be? The department strives to increase exports through targeted sector and market development initiatives.

¹⁰ This measure in the 2006–2007 business plan referred to total capital expenditures in agriculture and fisheries.

¹¹ This measure in the 2006–2007 business plan referred to the value of agriculture and fisheries exports.