



# Business Plan

2020–21

*Department of Business*

  
**NOVA SCOTIA**

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## MESSAGE FROM THE MINISTER

Inclusive economic growth creates opportunity for everyone. It is a main goal of our Government and a main focus of the Department of Business.

Working collaboratively with our Crown Corporations and Invest Nova Scotia, we are focused on creating the conditions for businesses to thrive, creating an economy in which all Nova Scotians can participate, contribute and benefit.

There has never been a better time to start and grow a business in our province. And with new investments, comes more jobs and more diversity in our economy. We're seeing record export growth, population growth, tourism growth. Increased start-ups. Early stage venture capital investments. Building our ocean economy, ocean innovation and commercialization at the Centre for Ocean Ventures and Entrepreneurship (COVE).

We are reducing regulatory burden. We've reduced regulatory costs for businesses by \$34 million, with the goal of another \$10 million by end of 2020. And we've been recognized for this work. The Canadian Federation of Independent Business released a Red Tape Report Card that grades provincial governments on their progress tackling excessive regulation, and for the second year in a row, Nova Scotia received an A.

We recently announced the first round of the Internet for Nova Scotia Initiative. More Nova Scotians across the province will have access to high speed Internet connections.

We will continue to focus on Nova Scotia's natural advantages. We know that building on comparative advantage is the basis of inclusive economic growth. Working with Municipal Affairs and using an evidence based approach, we have created ten Regional Economic Profiles that will put critical information into the hands of municipalities, entrepreneurs, universities, NSCC and others to identify and build on regional strengths and advantages to create innovative opportunities. This will enhance strategic sector growth in areas of existing advantages and emerging opportunities, for example, oceans, agriculture, forestry and other sustainable biological resources. These are the most comprehensive Regional Profiles ever produced in Nova Scotia – and take a close look at regional strengths and what we can build on to foster acceleration of entrepreneurs throughout Nova Scotia.

Together we are a strong force.

Together, we can work with Nova Scotians to build a stronger economy and create opportunity for everyone.

It is the responsibility of us all – government, business, Crowns, private sector – all Nova Scotians – to work together.

I'm encouraged to see the progress we have made. Together, we've laid a strong foundation and I truly believe that the best is yet to come.

Sincerely,

Original signed by

The Honourable Geoff MacLellan

## DEPARTMENT MANDATE

The Department of Business aligns government efforts behind a common agenda for inclusive economic growth, ensuring economic conditions in which businesses can thrive and all Nova Scotians can participate and benefit. Primarily, the Department supports the work of the corporations on behalf of the Minister of Business, as shareholder. The department focuses on strategic priorities and opportunities that encourage Nova Scotia's innovation, competitiveness, entrepreneurship, and export orientation.

To achieve government's mandate, the department collaborates with its Crown Corporations, key partners in other levels of government, entrepreneurs, large businesses, postsecondary 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 department supports the Minister of Business in overseeing and aligning government's inclusive economic growth agenda with the corporations for which the Minister is assigned responsibility, including:

- 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 is also responsible for legacy files attached to the former Department of Economic and Rural Development and Tourism including the Nova Scotia Jobs Fund and Capital Investment Incentive/Capital Tax Rebate.

Nova Scotia's innovation ecosystem has many components. The department works with partners to foster and strengthen the ecosystem and the key sources and dynamics of inclusive economic growth.

## CROWN CORPORATIONS

The department supports the Minister of Business in overseeing a portfolio of five crown corporations and one Board (Invest Nova Scotia). The department provides strategic direction and policy support to align the portfolio within government's inclusive economic growth agenda and collectively achieve measurable outcomes.

## DEVELOP NOVA SCOTIA

Develop Nova Scotia (DNS) was established in September 2018 (previously Waterfront Development Corporation) and is responsible for investing in strategic economic infrastructure, properties and programs that enhance our quality of place. Develop Nova Scotia works with partners and communities to make Nova Scotia an incredible place to live, work, invest and visit. For more information on Develop Nova Scotia and to read their 2020-2021 Business Plan, visit their website: [www.developns.ca](http://www.developns.ca).

## EVENTS EAST GROUP

Events East Group manages and operates the Halifax Convention Centre, Scotiabank Centre and Ticket Atlantic. Events East Group was created as part of a government partnership between the Province of Nova Scotia and Halifax Regional Municipality. It was established in 2014 through legislation to promote and develop economic development, tourism and industry in the Province generally, and the Municipality. For more information on Events East and to read their 2020-2021 Business Plan, visit their website: [www.eventseast.com](http://www.eventseast.com).

## INNOVACORP

Innovacorp is Nova Scotia's early stage venture capital organization. Innovacorp finds, funds, and fosters innovative Nova Scotia start-ups. Target industries include information technology, clean technology, life sciences and ocean technology.

Early stage investment is at the core of Innovacorp's business model. It also provides entrepreneurs with access to world-class incubation facilities, expert advice, and other support to help accelerate their companies. For more information on Innovacorp and to read their 2020-2021 Business Plan, visit their website: [www.innovacorp.ca](http://www.innovacorp.ca).

## INVEST NOVA SCOTIA

Invest Nova Scotia is an independent decision-making board that provides funding for collaborative projects that have regional or sector-wide impact, and provide sustainable long-term benefits for the province. For more information on Invest Nova Scotia and to read their 2020-2021 Business Plan, visit their website: [beta.novascotia.ca/apply-project-funding-invest-nova-scotia](https://beta.novascotia.ca/apply-project-funding-invest-nova-scotia).

## NOVA SCOTIA BUSINESS INC.

Nova Scotia Business Inc. (NSBI) helps Nova Scotia businesses grow exports through access to business advisory services, skills development and training to build export capacity, market intelligence, financing, and support in accessing global markets. NSBI attracts foreign direct investment to Nova Scotia to grow the economy and strengthen its ecosystems and export capacity. For more information on NSBI and to read their 2020-2021 Business Plan, visit their website: [www.nsb.ca](https://www.nsb.ca).

## TOURISM NOVA SCOTIA

Tourism Nova Scotia (TNS) promotes the province as a vacation destination in key markets outside of Atlantic Canada. TNS partners with tourism businesses and organizations to develop 'bucket-list' experiences that capture the attention of both travellers and media influencers. TNS works with businesses, community organizations, and all levels of government to improve Nova Scotia's tourism competitiveness through research, business coaching, programming and information sharing. For more information on TNS and to read their 2020-2021 Business Plan, visit their website: [www.tourismns.ca](https://www.tourismns.ca).

## STRATEGIC OBJECTIVES FOR 2020-2021

Inclusive economic growth enables the widest range of people and places to both contribute to and benefit from economic and social progress. The Department of Business and its Crown Corporations share this common agenda and seek to align policy and program initiatives to optimize outcomes.

We are committed to working collaboratively across government, with our federal, provincial and municipal partners, as well as with our partners across all of the functional economic regions of Nova Scotia. To deliver on our mandate in 2020-2021, we will continue to work collaboratively with our partners to advance inclusive economic growth focusing on the following six strategic objectives:

- Trade & export
- Cluster development
- Aligned investment attraction
- Placemaking by functional economic region & strategic economic infrastructure & partnerships in community
- Productivity, wages, poverty reduction & inclusive growth
- Tourism marketing, experience, quality & seasonality

### TRADE & EXPORT

The department and the crown corporations will demonstrate a commitment to contributing to growth in the volume and value of exports by enabling Nova Scotia businesses to develop capacity and increase access to market opportunities.

#### Export Growth Program

NSBI will continue to provide financial support to businesses through the Export Growth Program, enabling them to overcome barriers to export growth through diversification, reaching new markets and making the connections necessary to increase export sales outside of Nova Scotia.

#### Small Business Development Program

NSBI will continue to assist businesses to access private sector expertise to increase their export capacity, either to become a new exporter or to grow through export. The Small Business Development Program enables businesses to hire the expertise they need to increase export capacity, research new markets, and develop and/or refine their export plan and approach.

#### Trade Accelerator Program (TAP)

NSBI will introduce TAP, an innovative, effective and comprehensive four-day program held over six weeks for small to medium-sized enterprises that are interested in export or in growing their exports. The program will provide companies with the knowledge, resources, and coaching to scale up, develop and execute an export plan.

## CLUSTER DEVELOPMENT

The department and the crown corporations will lead initiatives to support the development of business clusters, promoting economic development within the cluster by encouraging entrepreneurship, innovation, networking among stakeholders and strategic sector growth, addressing areas of market failure and providing risk-reductive opportunities.

### Forestry Innovation Transition and the Bioeconomy

The department will collaborate across government to develop policy and programs to accelerate the production, utilization and sustainability of forestry and biological resources grown in Nova Scotia, including research, science, and business model, process or technological innovation. The department will work with partners to enable the sector to develop new markets, new products and new or enhanced processes across forestry and biological resource sectors to further develop sustainable bioeconomy clusters within Nova Scotia. The Forestry Innovation Transition Trust will support this work. The Forestry Innovation Rebate Program, based on the successful established Innovation Rebate Program, will support companies in the forestry sector invest in innovation projects that will have an immediate, positive impact on their global competitiveness. The Forestry Contractor Relief Program is a joint initiative of the province and participating credit unions to provide assistance to commercial harvesting and trucking forestry contractors with payments on their equipment loans on a short-term basis while they transition to new customers.

### Investment Pipeline Development

Innovacorp will continue to manage the province's early stage venture capital fund, the Nova Scotia First Fund, making capital investments in early stage Nova Scotia technology companies with high-growth potential and attractive risk-return prospects. Innovacorp will continue as a limited partner in two private-sector backed, complementary, venture capital funds: Concrete Ventures which supports early stage start ups, and Build Ventures, a fund that invests in later-stage start-ups.

### Start-up Acceleration

Innovacorp will continue to provide value to Nova Scotia's start-ups through acceleration programs that provide mentorship, co-working space, and advice in core business areas. Competitions for funding and business guidance, along with workshops, support the likelihood of success for start-ups.

### Incubation

Innovacorp supports emerging companies by offering space, infrastructure, flexible leasing, on-site support and access to a community of like-minded people. Innovacorp will continue to support the Centre for Ocean Ventures and Entrepreneurship (COVE), an incubation facility for early stage ocean technology ventures. The Bays at Innovacorp in Dartmouth targets companies in clean technology and other knowledge-based sectors. The Labs at Innovacorp in Halifax focuses on the life sciences industry.

### Early Stage Commercialization Fund

The Early Stage Commercialization Fund led by Innovacorp will continue to support academic research projects that have market potential and provides advice to accelerate the commercialization process. The fund will be dispersed through two calls each fiscal year, with up to \$50,000 in funding available per project, allowing for up to twelve projects to be funded in 2020-2021.

### Invest Nova Scotia

Invest Nova Scotia supports innovation and collaboration to improve Nova Scotia's competitiveness in the global economy. It is designed to achieve sustained growth across various sectors and geographic regions by funding projects, not businesses or organizations, that benefit an entire sector and have long term gains for Nova Scotia. In 2020-2021, Invest Nova Scotia will continue to drive new, sector-wide, and regional applications toward the fund with a focus on grants and repayable loans for the social enterprise sector.

### Social Economy

In 2020-2021, the Department of Business will continue to collaborate on a social economy sector strategy with internal and external stakeholders. The social economy strategy and implementation of various activities will support sector growth by expanding the use of social enterprises and social purpose organizations to address social challenges and opportunities in Nova Scotia.

### 2020 World Forum on Social Enterprise

In September of 2020, Nova Scotia will host the Social Enterprise World Forum. Convening social enterprise practitioners, support agencies, investors, public, private and government representatives, the forum provides a platform to bring together social enterprise leaders and champions from all continents to collaborate, share best practices and plan future developments.

### Ocean Supercluster

The department will continue to be an active partner in the Ocean Supercluster, a cross sectoral initiative of leaders in fisheries, aquaculture, offshore resources, shipping, defense, marine renewables and ocean tech. The supercluster will use innovation to improve competitiveness in our ocean-based industries.

### Innovation Sandboxes

The department will partner with the Department of Labour and Advanced Education to invest in Nova Scotia's Post-Secondary Education Sandboxes. Hosted by universities and the Nova Scotia Community College, sandboxes bring together students, mentors, faculty and advisers to support innovation and entrepreneurship, from idea to execution. There are now ten Sandboxes, including the new Science Unleashed: Research Growing the Economy (SURGE) Sandbox, that receive funding to support entrepreneurship-related activities and programming. In partnership with the Department of Labour and Advanced Education, the department will be increasing investments in sandboxes.

## ALIGNED INVESTMENT ATTRACTION

The department and crown corporations will collaborate with businesses and industries to maximize opportunities for Nova Scotian sectors and regions to innovate and grow and attract new investment aligned with our competitive advantages.

### Innovation Rebate Program

NSBI will continue to invest in: projects that impact business productivity; innovation in new products, services, or processes aimed at increasing exports; and creating new jobs. The program provides financial incentives on projects that enable a company to increase innovation capacity through private-sector capital investments or adoption of new technologies and business processes. Projects eligible for funding under the Innovation Rebate Program may include: implementation of new or significantly improved production processes or waste stream processing; investment in production capacity to enter new markets and/or produce new products; and establishment of new production facilities in Nova Scotia.

### Productivity and Innovation Voucher Program

NSBI will continue to deliver the Productivity and Innovation Voucher Program that helps small and medium sized companies form research and development partnerships with our universities and community college campuses to accelerate innovation and commercialization. The program funds businesses to seek out expertise within post-secondary education institutions to: improve productivity; develop a new product, service, or process; and create growth.

### Volta

Volta is one of Canada's largest innovation hubs, a community where entrepreneurs can come together to learn from each other, grow their companies and expand to global markets. Providing a physical space for new technology companies is a long-term investment to grow Nova Scotia's tech industry, leading to more new companies, jobs, innovation, products, exports and wealth in Atlantic Canada. The Department of Business will continue to support the growth of Volta as an important part of our innovation infrastructure.

### Innovation Districts and Hubs

The department of business supports innovation districts and hubs across Nova Scotia. The Nova Scotia Community College provides rural entrepreneurs with business activities, weekend training sessions, a webinar series, and has established two innovation spaces – Ignite Yarmouth and Ignite Pictou. The Halifax Partnership is advancing the Halifax Innovation District to help innovators connect with each other and with national and international companies. The Cape Breton Partnership, with support from Cape Breton University, leads an island-wide initiative, Creative Island, to support entrepreneurs and companies and attract new talent to Cape Breton.

## PLACEMAKING BY FUNCTIONAL ECONOMIC REGION & STRATEGIC ECONOMIC INFRASTRUCTURE & PARTNERSHIPS IN COMMUNITY

The department and crown corporations will support the growth based on comparative advantages within the functional economic regions of the province. The implementation

of internet infrastructure will help drive economic growth in all regions of the province by connecting all regions to the digital economy.

#### Internet

Led by Develop Nova Scotia, the Internet for Nova Scotia Initiative is focused on developing internet infrastructure to improve access to high-speed internet in rural communities, which will enable access to government services, encourage entrepreneurship, and allow local businesses to be globally competitive. Projects will be awarded and construction will continue through 2020-2021. A second round of requests for proposals will be issued in 2020.

#### Community Placemaking

Develop Nova Scotia will continue to build regional placemaking capacity and enable community-led infrastructure and program enhancements across Nova Scotia by: supporting community led public realm and public asset improvements; investing in community public spaces that contribute to quality of life indices and value proposition; and building places with community to enable economic participation and support community connectedness and resilience.

#### Open Data for Nova Scotia's Functional Economic Regions

The department will share data about the province's functional economic regions on the province's Open Data Portal for use by partners across the ecosystem to advance inclusive economic growth. The department will support capacity building in Nova Scotia's functional economic regions by providing data, research and analysis, and by working with stakeholders to help identify and maximize their comparative advantages. Implementation will involve working with partners and include projects related to placemaking and investment in strategic economic infrastructure.

#### Events East Group

Events East Group has established a target of 250 events hosted annually with total annual attendance of at least 600,000 by fiscal 2023-2024. This level of event activity is expected to achieve annual direct spending of up to \$95 million. It will continue to focus on its five key focus areas of guest experience, community connection, business growth, talent and culture, and accountability and sustained performance.

#### ONSIDE

ONSIDE is a newly established backbone not-for-profit organization supported by the Department of Business. ONSIDE is focused on working collaboratively with stakeholders and partners to galvanize a prosperous Nova Scotia through inclusive Innovation-Driven Entrepreneurship. ONSIDE will be leading the pilot Regional Enterprise Acceleration Program in 2020.

#### Major Projects Coordination Initiative

The department will continue to lead the intergovernmental initiative designed to facilitate regulatory coordination and streamlining on key major projects in Nova Scotia. Through a one-window process, provincial and federal regulators work with project proponents to provide and discuss information on regulatory approvals, project issues, and opportunities for project advancement.

### Cape Breton Infrastructure Investments Opportunity

Government is moving forward with several infrastructure projects in Cape Breton, in the range of a billion dollars over the next several years, in healthcare facilities, schools, a new NSCC campus and wastewater treatment facilities. The Department of Business is working in partnership with other departments to encourage collaboration with community to generate the greatest community economic and social benefits.

### Digital Health

The department works with stakeholders inside and outside of government to develop policies that maximize opportunities in digital health and in life sciences ecosystems. The department will continue to partner with the Department of Health and Wellness as well as other government departments to explore opportunities around digital health initiatives that advance research and innovation, health system performance, and sector development in this area.

### PRODUCTIVITY, WAGES, POVERTY REDUCTION & INCLUSIVE GROWTH

The department and crown corporations will collaborate to advance policy and program initiatives related to population, productivity, wages, and poverty reduction as factors to inclusive growth. First Nations and African Nova Scotians as general population groups have traditionally been economically disadvantaged in Nova Scotia, and have faced systemic difficulties connecting to labour markets. The department will work with its crown corporations to identify opportunities within current programs to include African Nova Scotians and First Nations.

### Count Us In

The department will collaborate with the Office of African Nova Scotian Affairs and government partners to support actions identified in “Count Us In: Nova Scotia’s Plan in Response to the International Decade for People of African Descent, 2015-2024”.

### TOURISM MARKETING, EXPERIENCE, QUALITY, & SEASONALITY

The department and crown corporations will develop opportunities for, and mitigate barriers to, growth in the tourism sector.

### Tourism Marketing

Tourism Nova Scotia (TNS) leads tourism marketing for the province, with a focus on attracting leisure visitors to the province. Market development or “sales” is a key area under marketing for TNS. In 2020-2021, TNS will continue to work with the travel trade, the companies that buy and sell travel, international inbound tour operators and travel agents, to increase awareness of Nova Scotia as a vacation destination and encourage the sale of Nova Scotia itineraries.

In 2020-2021, TNS will develop awareness and consideration of Nova Scotia as a vacation destination through planning, developing and executing the consumer advertising campaign, developing and producing the Doers & Dreamers Travel Guide, and implementing and managing partnership programming. In addition, TNS will work with travel media to help promote Nova Scotia as a vacation destination.

### Experience Development

Tourism growth depends on offering visitors the kinds of experiences they seek. TNS partners with the private sector to facilitate the creation of experiences that align with the travel values and expectations of Nova Scotia's target travelers and have the potential to motivate travel to the province. In 2020-2021, TNS will lead the development of experiences that may be offered during off-peak months.

### Business Development

TNS's business development activities build capacity among tourism operators across the province to enable them to attract export dollars and meet visitor and market expectations, as well as adapt to evolving visitor behaviour. TNS will continue to work with tourism businesses to coach and advise on trends, research and consumer demands so they may enhance their offerings and improve business operations. TNS will also help entrepreneurs, new Canadians, and new business operators navigate the tourism landscape by connecting them with resources to assist them in their tourism business planning.

### Investment in Tourism Icons

Investments in Tourism icons, well known aspects of the province that motivate visitors to come to Nova Scotia, will be implemented through strategic partnerships between TNS, Develop Nova Scotia, municipalities and other partners. Investing in Peggy's Cove, the Halifax waterfront, the Lunenburg waterfront, the Cabot Trail and the Bay of Fundy including Annapolis Royal will help create more opportunities for businesses and communities and enhance visitor access and experiences.

### Alternate Revenue Generating Pilot

Increased investment in marketing is critical to ongoing tourism growth in Nova Scotia. In 2020-2021, TNS will launch a pilot initiative focused on attracting incremental marketing investment from non-traditional sources through sponsorship and partnership activities. The pilot will be administered by a third-party marketing agency, and will focus on identifying sources of revenues to support Tourism Nova Scotia's marketing activities.

### Tourism Accommodation Registration Act

It is expected that the Tourism Accommodation Registry will be open in April of 2020. The system is a simple, low-cost, on-line registration for short-term accommodations operators. The system will level the playing field for people who offer short-term rentals while also encouraging responsible growth and smart regulation.

### Halifax International Airport Pilot Projects

The department will work with government partners and Halifax International Airport Authority (HIAA) to secure more direct flights to Europe, Asia and the United States. Additional funding for improved air access means more opportunities to expand Nova Scotian tourism, trade, and investment globally. In the fall of 2020, Nova Scotia will welcome visitors from China on two direct charter flights that China Southern Airlines will fly from the city of Guangzhou to Halifax. TNS will support these flights with dedicated marketing activities to increase awareness of Nova Scotia and generate interest in the route.

## DEPARTMENTAL EXPENSES SUMMARY

### Departmental Expenses Summary

(\$ thousands)

<b>Programs and Services</b>	<b>2019-2020 Estimate</b>	<b>2019-2020 Forecast</b>	<b>2020-2021 Estimate</b>
Senior Management	963	896	933
Policy and Operations	2,615	2,119	2,286
Halifax Convention Centre Amortization	7,720	7,720	7,720
Nova Scotia Jobs Fund	18,440	18,440	12,300
Crowns and Major Projects	122,276	185,217	125,783
<b>Total - Departmental Expenses</b>	<b>152,014</b>	<b>214,392</b>	<b>149,022</b>
<b>Ordinary Recoveries</b>	644	749	688
<b>Funded Staff (# of FTEs)</b>			
<b>Total - Funded Staff</b>	<b>28.0</b>	<b>23.4</b>	<b>28.4</b>
Less: Staff Funded by External Agencies	(1.0)	(1.0)	(1.4)
<b>Total - Departmentally Funded Staff</b>	<b>27.0</b>	<b>22.4</b>	<b>27.0</b>