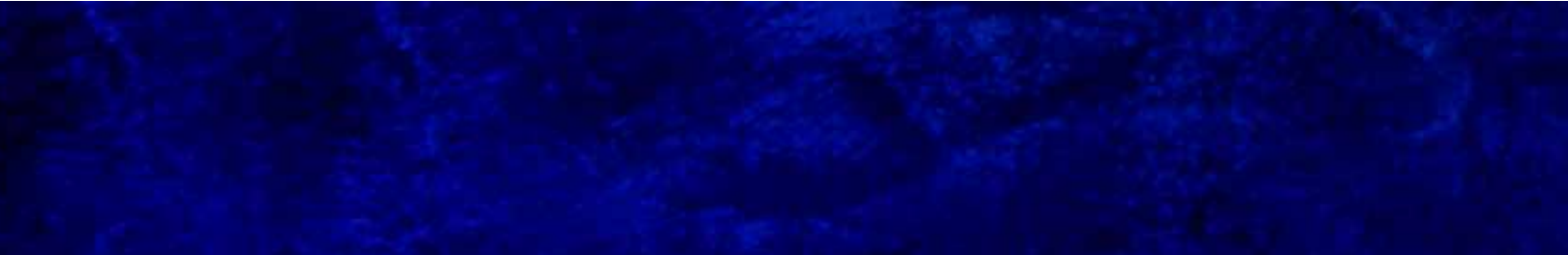




2010 ANNUAL REPORT 2011



**INNOVATION, TRADE AND
RURAL DEVELOPMENT**



CONTENTS

Minister's Message	2
The Department at a Glance	3
Vision	3
Mission	3
Lines of Business	3
Legislation	3
Values	3
Organizational Landscape	3
Partnerships	4
Corporations and Boards	5
Shared Commitments	5
Taking Action on Strategic Directions	6
Regional Diversification and Industry Growth	6
Innovation	7
Small and Medium-sized Enterprise Business Supports	8
Business Promotion, Trade and Investment Development	9
Business, Industry and Economic Intelligence	10
Mission, Indicators, Progress and Accomplishments	11
Taking Action on Priority Issues	17
Issue 1: Competitiveness	17
Competitiveness Goal	18
Competitiveness Annual Objective	22
Issue 2: Capacity Building	25
Capacity Building Goal	25
Capacity Building Annual Objective	32
Issue 3: Strong Regions	33
Strong Regions Goal	35
Strong Regions Annual Objective	40
Opportunities and Challenges	42
Appendix A: Report on Expenditures and Revenues	44
Appendix B: Contact Information	45
Appendix C: Acronyms	47



MINISTER'S MESSAGE

I hereby present the 2010-11 Annual Report for the Department of Innovation, Trade and Rural Development. This department was part of government's October 2011 restructuring and the services provided by this former department now fall under my mandate as Minister of Innovation, Business and Rural Development. My signature below is indicative of my accountability for the actual results reported.

In the near future, the Department of Innovation, Business and Rural Development will prepare and table in the House of Assembly a strategic plan for the 2011-14 period to appropriately reflect the recent realignment of services.

In 2010-11, the department continued to execute the principles established in the Provincial Government's Comprehensive Regional Diversification Strategy and made strategic investments in education, infrastructure, labour market development and innovation. Its outcomes have also led to the creation of economic clusters and multi-product industry sectors while enabling businesses to improve their competitiveness.

To effectively drive business and economic growth, the department works closely with a multitude of partners which include Municipal, Federal and Provincial Governments as well as industry, academia and community groups. The department's views and actions demonstrate that a collective approach to regional economic development provides greater opportunities for businesses to succeed over the long term.

A key priority of the Comprehensive Regional Diversification Strategy and the department's focus has been encouraging greater levels of innovation in regions throughout Newfoundland and Labrador and creating an environment where people can turn ideas into commercial innovations.

This past year, dialogue with the department's key partners identified measures on how innovative activities in Newfoundland and Labrador could be enhanced. It proved to be a valuable exercise and one that will see a renewed approach for 2011-12. Programs will be expanded to enhance support for innovative activities in traditional sectors, further expand opportunities for rural businesses and harness opportunities in such emerging sectors as life sciences and green technologies.

None of this positive activity would have taken place without the passion and enthusiasm of the employees at the Department of Innovation, Trade and Rural Development. Day in and day out, they are at the front lines, working with partners to develop the strongest, most diversified economy possible.

I would like to thank them for their commitment, as well as the small businesses, industry, and academic organizations who are all playing an integral role in advancing our business and economic development agenda. I have every confidence that through their work and continued collaboration with our partners, we will help to further develop key industry sectors and support local businesses.

Sincerely,

A handwritten signature in black ink, appearing to read 'Keith Hutchings', written in a cursive style.

Minister Keith Hutchings

MHA, Ferryland

Minister, Innovation, Business and Rural Development

THE DEPARTMENT AT A GLANCE

Vision

A diversified, competitive economy with productive and prosperous regions across the province.

Mission

By 2011, the Department of Innovation, Trade and Rural Development (INTRD) will have stimulated economic and business development to foster regional and provincial prosperity.

Lines of Business

Small and Medium-sized Enterprise (SME) Development
Regional Development
Innovation
Trade and Export Development

Legislation

The department is responsible for the following legislation:

- The Economic Diversification and Growth Enterprises Act
- The Business Investment Corporation Act

Values

INTRD employees are guided by the fundamental values of *innovativeness, resourcefulness, accountability, cooperativeness, respect, communication, effectiveness* and *responsiveness*. These values best describe the manner in which the department strives to conduct its business. To read the INTRD value statements that accompany each of the above values, please see the INTRD Strategic Plan 2008-11, which can be found on the department's website.

Organizational Landscape

INTRD is a decentralized department which delivers its programs and services through 22 regional and field offices in five regions throughout the province and through two corporate offices (St. John's and Marystown).

INTRD also works with the Federal Government's Atlantic Canada Opportunities Agency (ACOA) to jointly operate the Canada Business Network-Newfoundland and Labrador (CBN). To support regional diversification in the province, there are 35 access points affiliated with the network, located in 31 communities throughout the province, including three Aboriginal sites. Many of the network sites are located at INTRD regional and field offices while others are housed at facilities operated by other economic development agencies.

The department employs 204 staff with a gender split of 105 women and 99 men. For more information about the locations of the department's regional and field offices, and contact information for all INTRD locations, please see Appendix B.

INTRD has the following branches and divisions:

Executive Branches:

- Trade and Export Development
- Regional Development
- Strategic Industries and Business Development
- Innovation

Corporate Services Divisions:

- Policy and Strategic Planning
- Communications
- Strategic Human Resource Management

Partnerships

The **Strategic Partnership** is a partnership of government, labour and business represented respectively by the Government of Newfoundland and Labrador, the Newfoundland and Labrador Federation of Labour (NLFL), and the Newfoundland and Labrador Business Coalition (NLBC). The Strategic Partnership is uniquely positioned to be a sounding board for public policy issues and solutions, and to make a meaningful contribution to the province's social and economic development.

Ireland Business Partnerships (IBP) was established in 1997 and has a mandate to identify, foster, and promote trade and partnership opportunities in business, education and culture between Newfoundland and Labrador and Ireland. To enhance the partnership, IBP collaborates with its sister organization in Ireland, the Ireland Newfoundland Partnership. Ireland Business Partnerships publishes a separate annual report which is available on the department's website.

Corporations and Boards

The Minister of Innovation, Trade and Rural Development is responsible for two advisory boards:

Economic Diversification and Growth Enterprises (EDGE) Advisory Board
Ireland Business Partnerships Advisory Board

Four crown corporations report to the Minister of Innovation, Trade and Rural Development:

Newfoundland Hardwoods Limited
Newfoundland Ocean Enterprises Limited/Marystown Shipyard Limited
Newfoundland and Labrador Immigrant Investor Fund Limited
Business Investment Corporation

These corporations and boards publish separate annual reports, which are posted on the department's website.

SHARED COMMITMENTS

The Department of Innovation, Trade and Rural Development collaborates with the other government departments, agencies, boards and commissions on many horizontal initiatives of the Provincial Government of Newfoundland and Labrador. Some of these include the Department of Natural Resources' Forestry Industry Diversification Strategy, the Department of Labrador and Aboriginal Affairs' Northern Strategic Plan, the Department of Human Resources, Labour and Employment's Poverty Reduction and Youth Retention and Attraction strategies, as well as the Department of Tourism, Culture and Recreation's strategy-*Uncommon Potential: A Vision for Newfoundland and Labrador Tourism*. INTRD has begun collaboration with the Department of Child, Youth and Family Services which will support and assist in creation of child care services in regions of the province. INTRD also collaborates with other Provincial and Federal Government counterparts on many economic agreements which are detailed in the report under various sections. These examples of collaboration not only support economic but social development. All this leads to strong regions in which to live and invest.

TAKING ACTION ON STRATEGIC DIRECTIONS

The work of the Department of Innovation, Trade and Rural Development supports the Provincial Government's long-term goals. The department's responsibilities and activities under these strategic directions span many sectors and engage staff in a range of regional development and business support activities. Although these activities do not always fall directly under INTRD's priority issues, they are critical components of the comprehensive services delivered by the department.

INTRD operates and focuses its programs and services around the following strategic directions:

- Regional diversification and industry growth
- Innovation
- Small and medium-sized enterprise business supports
- Business promotion, trade and investment development
- Business, industry and economic intelligence

Regional Diversification and Industry Growth

Provincial Outcome Statement: Diversified and strengthened regional economies

The Regional Development Branch is responsible for the development, implementation and ongoing monitoring of the Comprehensive Regional Diversification Strategy. To support the strategy, the branch through consultative engagement with industry, community and Regional Economic Development Boards develops and delivers a range of programs and services to help diversify regions and support growth of sectors, industries and enterprises. The suite of programs includes the Regional Sectoral Diversification Fund, Workplace Skills Enhancement Program, Regional Economic Development Boards, Business Retention and Expansion, Community Capacity Building program, Co-operative Developers Network and the Fish Plant Workers Employee Assistance Program.

INTRD also participates in horizontal initiatives across government departments to inform government policy related to diversification and growth. These include the Youth Retention and Attraction Strategy, Labour Market Review, Labour Market Agreement, Labour Market Development Agreement, Poverty Reduction Strategy and Industry Adjustment (forestry and fishery).

Working with public and private partners, INTRD helps advance a range of infrastructure initiatives throughout the province that help communities strengthen their existing economic base and advance opportunities in new areas.

The department supports local companies throughout the province, which in turn strengthens regional economies. The department cooperates and partners with regional industry, business groups and companies to target international market opportunities and expand markets locally and nationally, including

import displacement for regionally-based industries. The Business Networks program provides financial support to companies and organizations for the creation and development of regional or sector-focused export networks. This program enables companies to pool resources in pursuit of international market opportunities that if pursued individually might be cost prohibitive and more challenging. Several of the province's business networks have grown from regional-based business networks to industry clusters.

Innovation

Provincial Outcome Statement: An innovative culture

In 2006, the Government of Newfoundland and Labrador launched Innovation Newfoundland and Labrador: A Blueprint for Prosperity ("the Innovation Strategy") to increase the province's capacity for innovation. The strategy was the result of a considerable amount of research and input from a wide variety of stakeholders across the province.

The department's mandate includes "the creation of a climate conducive to innovation in business through the facilitation of research and development, technology transfer and technology commercialization within provincial industries and individual business enterprises." It delivers on this mandate by having the lead responsibility for the overall direction and implementation of the strategy's programs and initiatives. The department was allocated \$20 million to action the plan from 2006-10. In addition to initiatives already underway, new initiatives were developed and implemented under the umbrella of the strategy.

With the overarching purpose of ensuring the province's global competitiveness, the Innovation Strategy aims to build and strengthen the fundamentals required for a strong innovative economy. Under the strategy, two funding programs, Innovation Enhancement and Commercialization, were introduced to assist companies and organizations in the province develop innovative products and approaches.

In 2009 the Provincial Government released Oceans of Opportunity, a \$28 million, five-year strategy to support and promote the growing ocean technology sector in the province. The department worked with public and private partners to expand the scope of ocean technology related initiatives and to promote international partnership for these innovative initiatives as well as commercialization and export to international markets.

The Strategic Partnership of INTRD sponsored an event entitled Innovation and Rural Development where 45 participants from across the province came to learn more about current activities being undertaken to foster innovation in rural areas and to gain a better understanding of the gaps and opportunities in rural innovation.

Small and Medium-sized Enterprise Business Supports

Provincial Outcome Statement: An environment supportive of enterprise establishment and growth

The extensive suite of INTRD programs and services supports small and medium-sized enterprise growth and start-ups in a variety of ways. From micro-loans and equity based financing to capacity building and skills development, the department's programs and services play a critical role in business development and economic growth in the province.

While Business Retention and Expansion provides diagnostic assessment of needs, the Small and Medium-sized Enterprise (SME) fund and the Business and Market Development program assist business operators with start-up, expansion and marketing of business ideas. The relatively new and increasingly popular Workplace Skills Enhancement Program, enhances competitiveness of companies by investing in workers. The OceanTech Smart Growth program supports further growth and development of small and medium-sized ocean technology companies. These are just a few of INTRD's many programs and services that are designed to support enterprise establishment and growth.

Furthermore, INTRD recognizes that promotion of entrepreneurship and innovation among youth is important for the economic growth of the province. The department delivered programs to support market research, prototype development and feasibility studies to increase the competitiveness of youth-led businesses. The micro-loans component of the Young Entrepreneurs and Innovators Program increased the competitiveness of youth-led business by providing them with access to capital. As well, by highlighting the successes of innovative individuals to youth audiences through the Getting the Message Out program, the department encouraged youth to consider new and innovative ways to create their own success stories.

In addition to these programs, the capacity building programs of INTRD provide extra support to the SMEs to make them more competitive. Services like market information sessions, promotion of business best practices such as lean manufacturing and skills development, supply opportunities and product development are designed to improve the competitiveness of clients in key sectors. Other tools like financial, human resource and succession planning are designed to educate clients on potential opportunities in specific markets and through in-market representatives from key sectors. As well, INTRD conducted a series of intellectual property information sessions, providing an opportunity for knowledge exchange among small and medium-sized companies. INTRD has also facilitated and supported a number of business planning sessions targeting sectors and sub-sectors particularly in rural areas, for example, with destination management organizations (tourism enterprises) and Newfoundland and Labrador Outfitters Association.

Finally, the Canada Business Network-Newfoundland and Labrador provides information services and skills development support to small and medium-sized enterprises. To assist entrepreneurs, it maintains a reference library and provides access to databases with information on associations, business articles, company profiles, sector overviews, market and demographic information, business plan handbooks, manufacturers, distributors and potential buyers. The Guest Advisor and Lunch and Learn programs are examples of successful entrepreneurship skills development by the business network. The CBN also participates in information awareness at targeted provincial trade shows, workshops and events.

Business Promotion, Trade and Investment Development

Provincial Outcome Statement: Increased business promotion, trade and investment

INTRD works to identify and promote economic development and capitalize on international business opportunities for Newfoundland and Labrador companies. Through informed guidance, mentorship and support to private sector companies, economic and business development organizations and other groups for trade and export expansion, the department advances Newfoundland and Labrador's economic development. It helps clients and stakeholders navigate targeted global markets through its export programs and services, including in-bound and out-going trade missions, and export development outreach and awareness initiatives.

Beyond Your Backyard is an export preparation tool for SMEs interested in exporting goods and services. This diagnostic tool helps clients evaluate their export readiness and provides useful feedback and resources related to areas identified for potential improvement through targeted actions plans that deal with individual enterprises needs. Clients are provided with one-on-one training and mentoring to address identified gaps and assess and manage the risks associated with exporting. Customized recommendations and strategy assistance are provided as well as access to targeted in-market opportunities.

INTRD is an active participant in trade negotiations, providing a provincial perspective and advancing provincial interests to help ensure that negotiated trade agreements lead to increased economic opportunities for our people and companies. For example, Newfoundland and Labrador is engaged as a participant in the negotiations of the Comprehensive Economic Trade Agreement between Canada and the European Union. The department also continues its participation in a collaborative marketing program with the Atlantic Canada Opportunities Agency (ACOA) on a pan-Atlantic basis to promote the Atlantic Gateway and related business opportunities. As well, INTRD explores emerging areas of interest including the Arctic, where the Departments of Innovation, Trade and Rural Development, Natural Resources and Business co-led a mission to the inaugural Arctic Technology Conference.

With a diverse subscription base of 10,000 and a total distribution of nearly 25,000 copies, the Ambassador newsletter promotes the success of local business ventures and economic growth in the province. In-market Ambassador networking receptions were held in conjunction with many key INTRD trade activities that provided opportunities to link buyers and influential individuals outside the province with local businesses. Characterizing the increasingly innovative, diverse nature of Newfoundland and Labrador's business community, INTRD conducted the 2010 Export and Innovation Awards with the winners representing a mix of the province's traditional and knowledge-based industries.

The department advocates on behalf of stakeholders to ensure that the full potential of the practical application of oceans observing technologies is understood by the global marine transportation community. Areas of interest include applied research cold oceans, navigational and safety, climate change research, water quality and ecosystem implications promoting a focus on export activity and international partnership. In addition, the department through its programming continues to encourage the exploration of creative approaches to improve the movement of goods and services to and from Newfoundland and Labrador which further facilitates export development and growth.

Business, Industry and Economic Intelligence

Provincial Outcome Statement: Improved understanding of and response to significant and long-term economic and competitiveness issues

INTRD staff are continuously working and partnering with stakeholders and undertaking best practices research, jurisdictional scans, market analysis and trade mission activity to gather information for improved understanding and effective response to changing economic and competitiveness issues.

A need for a current information communications technology (ICT) company database and capabilities listing was evident during the completion of the ICT report card. In 2010-11, the Newfoundland and Labrador Association of Technology Industries (NATI) was contracted to lead and carry out this information gathering. NATI has been working with a local consultant to assemble the data that will be shared with the local ICT community. Customized software for the ICT sector has been created and proponents will be invited to input and update their capabilities frequently.

INTRD, as lead support and partner on the Strategic Partnership, engages in a variety of meaningful research with emphasis on applied research to bridge effective solutions around labour force, technology enhancement and market access. The Strategic Partnership in 2010-11 provided funding to the Harris Centre to support its Applied Research Fund (ARF). The ARF builds on the Harris Centre's mandate of connecting Memorial University with communities throughout the province to assist in providing solutions to, or advice on, regional policy and development issues. Through partnerships with other line departments and federal agencies, academic research in market and product development in aquaculture, transportation and agrifoods as well as value added forestry and fishery have been identified.

Exciting opportunities are developing that have encouraged INTRD to partner with industry and the Federal Government to actively explore and pursue prospective business in the markets of Brazil, India, China and Greenland. Market research is being undertaken to define the most advantageous opportunities for the province and the best approach to facilitate success in these markets for the province's business community. This market information is being communicated to the local business community through a variety of ways including market information sessions, targeted client outreach meetings, industry and business association communications and the department's province-wide network of economic development offices.

The department has been active in the process of negotiating improvements to the Agreement on Internal Trade with respect to procurement, labour mobility and agriculture. The improvements to labour mobility will allow regulated workers to have qualifications recognized across Canada, thus removing barriers for job seekers. Provincial exporters move supplies and ship finished products and services to market. This community is sensitive to any changes in the availability, scheduling or cost of transportation services. In response, the department undertakes activities to improve transportation infrastructure and enhance the capabilities of companies to avail of emerging opportunities around the world.

MISSION, INDICATORS, PROGRESS AND ACCOMPLISHMENTS

This year (2010-11) marks the end of the 2008-11 strategic planning period and therefore also marks the conclusion of the department's 2006-11 mission. Below you will find evidence of the department's progress towards accomplishment of this mission, in accordance with the *Transparency and Accountability Act*.

Mission

By 2011, the Department of Innovation, Trade and Rural Development will have stimulated economic and business development to foster regional and provincial prosperity.

Measures

- Stimulated economic and business development
- Fostered regional and provincial prosperity

Mission Indicator 1: Provincial and leveraged dollars invested in client enterprises

Progress and Accomplishments

- For the period 2006-11, the Small and Medium-sized Enterprise (SME) fund invested \$15.8 million in 118 firms throughout the province. This investment activity leveraged approximately \$35.1 million in additional investment. The investment portfolio is positioned as a revolving fund so that funds repaid from enterprises are reinvested in start-up and expansion opportunities in all regions of the province. Since 2006 recoveries of \$14.8 million have been reinvested in the portfolio.
- Business Retention and Expansion (BR&E) leveraged uptake of INTRD programs totaling \$1,869,154.
- Since its inception in October 2009, the Workplace Skills Enhancement Program has invested \$3,093,075 in client enterprises and leveraged \$286,250.

Workplace Skills Enhancement Program: Provincial and Leveraged Investments

Year	Total Project Value	INTRD Investment	Leveraged
2009-10	\$30,000	\$12,321	\$0
2010-11	\$5,916,623	\$3,080,754	\$286,250
Total	\$5,946,623	\$3,093,075	\$286,250

- Since 2006, the Business and Market Development (BMD) program has invested, through grants, \$4.3 million in 366 projects in all regions of the province. These grants have leveraged an equal amount of funds. The regional distribution of the BMD program is listed below:

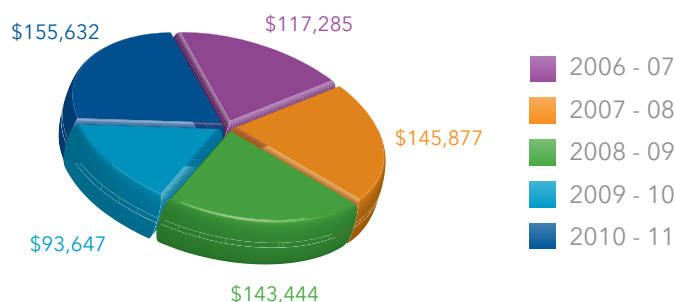
Business and Market Development Program: Approvals

Year	Avalon	Central	Eastern	Labrador	Western	Total
2006-07	\$200,000	\$132,000	\$157,000	\$63,000	\$580,000	\$1,132,000
2007-08	\$378,000	\$90,000	\$162,000	\$11,000	\$255,000	\$896,000
2008-09	\$234,000	\$100,000	\$117,000	\$0	\$116,000	\$567,000
2009-10	\$406,000	\$20,000	\$109,000	\$56,000	\$230,000	\$821,000
2010-11	\$439,000	\$156,000	\$142,000	\$16,000	\$168,000	\$921,000
Total	\$1,657,000	\$498,000	\$687,000	\$146,000	\$1,349,000	\$4,337,000

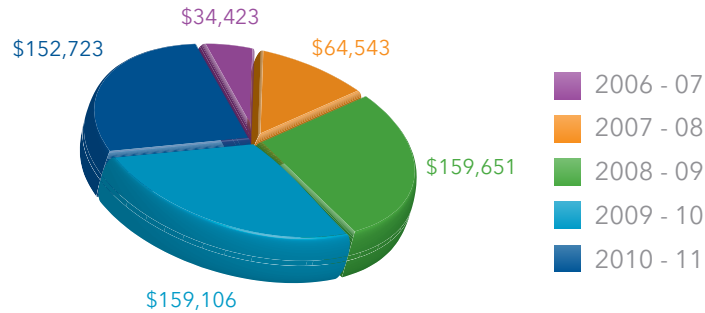
Mission Indicator 2: Percentage of INTRD total investments made in export-oriented projects

Progress and Accomplishments

- The International Trade Assistance Program (ITAP) is available to projects that have an export development orientation, with 100 per cent of INTRD investments through the program designated for export-oriented projects. Investments through ITAP since 2006 are as follows:



- Again, 100 per cent of INTRD investments through the Business Networks program are toward export-oriented projects, as that is a condition of eligibility. A breakdown of investment through the program since 2006 is as follows:



- Since 2006, BMD investment of \$4.3 million leveraged \$4.3 million.

Mission Indicator 3: Provincial and leveraged dollars invested in innovation activities

Progress and Accomplishments

- Since 2006, the Commercialization program has approved investments totaling \$8.5 million, which in turn leveraged in excess of \$17.5 million from private investment, other Provincial Government and Federal Government investments.
- The Innovation Enhancement program, since 2006, has approved the following:

Innovation Enhancement Program-Approved Investments

Year	INTRD Investment	Leveraged Amounts
2006-07	\$538,130	\$2,936,030
2007-08	\$737,115	\$927,105
2008-09	\$1,154,240	\$4,894,498
2009-10	\$261,121	\$594,884
2010-11	\$99,615	\$291,262
Total	\$2,790,221	\$9,643,779

- The OceanTech Smart Growth, OceanTech Intelligence and OceanTech Global programs were launched in 2009 following the release of the *Oceans of Opportunity* strategy.
- The OceanTech Smart Growth program approved investments of almost \$1 million since its inception in June 2009. This investment has leveraged almost another \$1 million from other investors including clients and other private investors.

- OceanTech Intelligence approved grant contributions of \$2.8 million since June 2009. The leveraged amount from various private, client and governments sources is in excess of \$11.2 million.
- OceanTech Global, since its inception in 2009, has approved 62 projects. Total assistance approved for these projects was \$282,000, leveraging an additional \$282,000.
- Since the launch of the Young Entrepreneurs and Innovators Program in 2009, investments totaling \$30,000 was made in innovative businesses in the advanced technologies and manufacturing sector, for which \$36,200 was leveraged.

Mission Indicator 4: Provincial and leveraged dollars invested in regional and sectoral initiatives

Progress and Accomplishments

- The Regional Sectoral Diversification Fund, from 2006-11, had 505 projects with amount approved totaling \$31,958,257.

Regional Sectoral Diversification Fund				
Year	Total Project Value	RSDF Amount Approved	No. of Initiatives	Total Leveraged amount
2006-07	\$24,708,977	\$6,141,546	107	\$17,893,497
2007-08	\$32,614,935	\$6,096,278	114	\$24,813,963
2008-09	\$20,267,833	\$4,204,858	85	\$15,816,900
2009-10	\$47,372,189	\$9,254,965	110	\$34,026,425
2010-11	\$33,118,276	\$6,260,610	89	\$25,846,092
Total	\$158,082,210	\$31,958,257	505	\$118,396,876

Note: Total leveraged amount includes Federal Government and private sources and client contributions. Other provincial sources are not included in amount listed above.

- Craft Industry Development Program funding was as follows:

Craft Industry Development Program			
Year	Total	ACOA Leveraged Funding	INTRD Funding
2006-07	\$431,613	\$323,710	\$107,903
2007-08	\$442,961	\$332,221	\$110,740
2008-09	\$431,125	\$323,344	\$107,781
2009-10	\$423,242	\$317,411	\$105,831
2010-11	\$416,941	\$312,705	\$104,235
Total	\$2,145,881	\$1,609,390	\$536,490

Mission Indicator 5: Percentage of client enterprises reporting growth or expansion

Progress and Accomplishments

- Companies which participated in department-led trade missions for the period 2006-11 reported increased growth as a result of the activity. For example, 20 per cent of clients reported immediate sales as a result of the mission, while 65 per cent indicated that they expect sales within the next 12-18 months of the mission. These export sales are incremental to existing business activity. There were 27 per cent of companies that signed partnership agreements while on the mission which is a good indicator of future business growth.
- For the SME fund, 47 firms (39.8 per cent) of the 118 approvals reported increases in sales. Overall, sales volume increased by 230 per cent among the reporting firms.

Mission Indicator 6: Percentage of clients reporting growth in employment/payroll

Progress and Accomplishments

- For the period 2006-11, the SME fund invested in 118 firms creating 208 new jobs and maintaining an additional 360 jobs. Data from a review of all firms with investment from the SME fund indicated that there has been a 7 per cent increase in employment in the firms (68 of the 118 approved firms reported this data).

- The micro-loans component of the YEIP helped to create and maintain 20 full-time positions, 17 part-time positions and 11 seasonal positions.
- The WSEP invested over \$1.1 million in wage subsidies to fill over 60 new skilled jobs with 42 employers.

Mission Indicator 7: Percentage of clients reporting increase in export activity

Progress and Accomplishments

- From 2006 to 2011, 289 companies participated in 68 international missions. Companies which participated in department-led missions reported increased export activity. This can be attributed to a variety of activities including in-market activities and activities within the company. For example, 91 per cent indicated that further market follow-up was planned and 51 per cent of companies dedicated more internal resources to exporting.

TAKING ACTION ON PRIORITY ISSUES

The suite of INTRD's programs and services enhance the capacity of businesses and organizations in the province, making them more productive and competitive which will lead to the creation of strong regional economies with firm economic growth throughout the province. Though all program outcomes meet our mandate, INTRD is selectively reporting on those programs and services under the indicators for the mission, goals and objectives for conciseness. The department's accomplishments are embedded in the activities under the set of indicators and are a reflection of the diverse work that the staff does on a day-to-day basis to serve our clients.

Issue 1: Competitiveness

In the 2010 Budget, the Government of Newfoundland and Labrador continued its commitment to its Innovation Strategy with a \$2 million allocation to the Commercialization and Innovation Enhancement programs. These programs support companies in becoming competitive with the rest of the world and continue to build on their successes by developing innovative solutions to meet the needs of their clients.

Investments in priority strategic sectors like ocean technology, tourism, manufacturing and environmental industries have supported firms and clients to strengthen and diversify economies throughout the province. Clients in these sectors receive support through the development and delivery of information products and entrepreneurship skills enhancement activities including one-on-one counseling, site visits, outreach events, as well as other business information resources. The programs and services such as Manufacturing Insights and the Supplier Development program are designed to inform local entrepreneurs on best practices and supply chain opportunities to assist them in making informed strategic decisions. Creating networks of business contacts to share best practices is another effective tool to assist clients to build their capacity for a competitive advantage.

Business Retention and Expansion (BR&E) enhances the department's business counseling services through a proactive approach of encouraging and supporting business growth and sustainable employment opportunities. BR&E assists firms with competitiveness by providing trained staff to identify issues related to growth and survival. Particular focus is on marketing, operations, finances, and human resources. BR&E provides a plan to address issues related to profitability, productivity and competitiveness. The program promotes uptake and matches existing INTRD and partner organizations with supports for businesses.

For the purpose of enhancing overall competitiveness provincially, nationally and internationally, INTRD encourages, promotes and financially supports local firms that are looking to expand their presence in international markets, explore new markets, and increase export activity. INTRD works with clients to increase global competitiveness, reduce market expansion risks, diversify and expand export opportunities and help increase the value and volume of local goods internationally. It leads trade and business development missions outside the province and is focused on enhancing trade partnerships through business matchmaking; helping clients overcome trade barriers in other jurisdictions; acting as the primary provincial resource for export and trade development and trade policy issues; and provid-

ing policy advice and support with respect to the province's interests in international and inter-provincial trade agreements. Additionally, it provides trade and infrastructure advice and support to private sector companies, government agencies and organizations and helps to link transportation infrastructure improvements with projected economic requirements to promote long-term trade growth for the province.

In the course of negotiating trade agreements, new opportunities are created for individuals and companies throughout the province. Tariff reduction is one outcome that can help create better access to markets by lowering entry costs. The recognition of professional qualifications across the country is another outcome that provides enhanced labour mobility which in turn helps individuals and companies become more competitive and capable of bidding on and winning more business.

INTRD works with other Provincial Government departments, the Federal Government, through such initiatives as the Atlantic Gateway, and the private sector to identify targeted investments in transportation infrastructure with the potential to enhance economic growth opportunities and, by extension, improve the competitive position of local companies.

Competitiveness Goal

By 2011, INTRD will have assisted business clients compete for and access market opportunities.

Measures:

- INTRD will have assisted business clients to compete (Indicators 1-3)
- INTRD will have assisted business clients access market opportunities (Indicators 4-7)

Goal Indicator 1: Description of client engagement in productivity and competitiveness related initiatives

Progress and Accomplishments

For a firm, becoming and staying competitive requires investment in productivity-enhancing machinery and equipment, in human capital development, in process and service innovation and in research and development - in addition to all the other areas of running a well managed business. Investment, productivity and competitiveness are inextricably linked.

- Clients in our Workplace Skills Enhancement Program (WSEP) totaled 94, with 42 of them availing of the wage subsidy component and 65 availing of the skills development component. In the first full fiscal year of the WSEP, the uptake on training initiatives for client companies was high. Training initiatives accounted for 59 per cent of the total grants and subsidies spending. Training ranged from small initiatives with an individual of a single company and a WSEP investment of less than \$1,000, to large industry led initiatives for 15 companies with over 100 employees and a WSEP contribution of over \$150,000. On average, the WSEP investment for each trained individual in 2010-11 was approximately \$3,000. Some of these training projects were on-site and provided by experts already on staff. Others involved travel, formal coursework and professional certification from educational institutes and industry recognized experts and trainers.

- INTRD partnered with the Newfoundland and Labrador Organization of Women Entrepreneurs (NLOWE) to setup a network of women business owners (WBOs) interested in exporting products and/or services to large corporations and governments internationally. INTRD is also leveraging contacts made through the Southeastern United States-Canadian Provinces (SEUS//CP) Alliance to further advance the WBO Export Network.
- Canada Business Network-Newfoundland and Labrador, conducted 140 outreach activities including training and mentoring in the form of Guest Advisor sessions and other business training workshops and networking and promotion activities such as network site visits, presentations to external groups and participation in trade shows, conferences and industry workshops. There were 168 clients that participated in the Guest Advisor program. Training and mentoring included approximately 32 Guest Advisor sessions and 16 training events and 12 presentations to external groups. Network sites reported approximately 2,000 clients submitting information requests.

Goal Indicator 2: Feedback from events/initiatives

Progress and Accomplishments

Feedback obtained from workshops and initiatives held by INTRD, yielded positive results.

- **In 2008-11, Trade Mission program, survey results showed:**

Gathered market intelligence	98%
Identified sales leads	99%
Made on-site sales	68%
Introduced product/company to the market	97%
- **In 2010, a three-month follow-up survey conducted for the WSEP, showed:**

Satisfied with the overall experience of participating in the program	98%
Training was directly related to their job duties	97%
Training helped them improve their skills and knowledge	98%
Promotable as a result of the skills development	92%

Goal Indicator 3: Provincial and leveraged investment in competitive improvements

Progress and Accomplishments

- The International Business Development Agreement (IBDA) which is a Federal/Provincial Government funding agreement to increase economic performance in Atlantic Canada through exports had a total budget of \$11 million for a six-year period. The contributing partners to this Agreement were the four Atlantic Provinces and the Atlantic Canada Opportunities Agency (ACOA). Newfoundland and Labrador's contribution to the Agreement for this period was \$550,000. This contribution leveraged the remaining \$10.5 million for pan-Atlantic projects-\$7.7 million from ACOA and \$2.8 million from the other three Atlantic Provinces.

- Since 2008, the Business and Market Development program has invested \$2.3 million, through grants leveraging an equal amount of funds.

Business and Market Development Program: Approvals

Year	Avalon	Central	Eastern	Labrador	Western	Total
2008-09	\$234,000	\$100,000	\$117,000	\$0	\$116,000	\$567,000
2009-10	\$406,000	\$20,000	\$109,000	\$56,000	\$230,000	\$821,000
2010-11	\$439,000	\$156,000	\$142,000	\$16,000	\$168,000	\$921,000
Total	\$1,079,000	\$276,000	\$368,000	\$72,000	\$514,000	\$2,309,000

Goal Indicator 4: Description of market research and dissemination activity

Progress and Accomplishments

- INTRD partnered with industry and the Federal Government to actively explore and pursue prospective business in the high-growth markets of Brazil, India and China. Market research has been undertaken to define the most advantageous opportunities for the province, and the best approach to facilitate success in these markets for the province's business community. Market information is communicated to the Newfoundland and Labrador business community through market information sessions, lunch and learns, presentations and direct client outreach. Based on the feedback from clients to these market research studies a variety of relevant market activities are organized and delivered to them.

Goal Indicator 5: Description of export readiness and export development activity and results

Progress and Accomplishments

- INTRD supported export readiness for clients using a variety of methods during the period 2008-11. The Beyond Your Backyard Export Diagnostic was developed and delivered to 12 companies during the period. In addition, 24 market information and market preparation sessions were held to better prepare clients for particular export markets. Session topics include:
 - Doing Business in Ireland;
 - INTRD export programs and services;
 - Opportunities in Panama;
 - UK market information session;
 - Doing Business in Greenland;
 - Tradeshow training;
 - Best practices in exporting and market intelligence;
 - The Business Networks program—leveraging international opportunities through collaboration; and

- Opportunities in New England.
- Other activities included signing the Agreement on Government Procurement, between Canada and the United States, in February 2010, which provided billions of dollars worth of new procurement opportunities to this province's companies in 37 states and various U.S. federal programs. Also, over the past three years the Provincial Government has worked with the other Agreement on Internal Trade (AIT) parties to strengthen the AIT through negotiations and the signing of four Protocols of Amendment. Significant improvements have been made to the Labour Mobility Chapter (which provided full labour mobility for regulated professions across Canada); the Dispute Resolution Chapter (to improve the government to government dispute resolution process) as well as the Agricultural and Food Goods and Procurement Chapters.

Goal Indicator 6: Provincial and leveraged investment in export-related firm projects (SME, BMD, etc)

Progress and Accomplishments

Some of the INTRD programs that provided funding to clients for the export related activities or projects are listed below, for fiscal years 2008-09, 2009-10 and 2010-11.

- Small Medium-sized Enterprise fund:

Provincial and leveraged investment in export-related firm projects (SME)			
Funding Source	2008-09	2009-10	2010-11
SME Investment	\$970,000	\$650,000	\$791,000
Leveraged	\$3,600,000	\$166,000	\$4,400,000

- Business and Market Development program:

Provincial and leveraged investment in export-related firm projects (BMD)			
Funding Source	2008-09	2009-10	2010-11
BMD Investment	\$136,000	\$221,000	\$239,000
Leveraged	\$136,000	\$221,000	\$239,000

- International Trade Assistance Program:

Provincial and leveraged investment in export-related firm projects (ITAP)

Year	INTRD investment	Leveraged
2008-09	\$143,444	\$143,444
2009-10	\$93,647	\$93,647
2010-11	\$155,632	\$155,632
Total	\$392,723	\$392,723

BMD and ITAP leverage the same amount as INTRD funding. Therefore, it is 1:1 ratio between INTRD investment and leveraging partners.

Goal Indicator 7: Provincial and leveraged investment in commercialization projects

Progress and Accomplishments

Since 2008, the Commercialization program has approved investments totaling \$3.9 million, which in turn leveraged in excess of \$8.4 million from private investment, other Provincial Government investment and federal agencies.

Competitiveness Annual Objective:

By 2010-11, INTRD will have supported clients to enhance their competitiveness.

Measure: Supported clients to enhance their competitiveness

Objective Indicator 1: Business network activities undertaken to enhance enterprise and entrepreneurial skills

Progress and Accomplishments

- In 2010-11, the Business Networks program delivered four program information sessions and made an investment of \$152,723 in provincial business networks.
- With support from the Business Networks program, INTRD partnered with the Newfoundland and Labrador Organization of Women Entrepreneurs (NLOWE) to establish a network of women business owners (WBOs) interested in exporting products and services to large corporations and governments internationally. Together, a long-term strategy has been developed to build a strong business network that leverages the advantages of being certified as a Women Owned Business to start and expand the level of exporting among women entrepreneurs in the province.

- Newfoundland and Labrador is leading the country in developing a supplier diversity strategy for certified WBOs working directly with in-market certified Regional Partner Organizations. This is as a unique way to reach new customers, take advantage of partnering with U.S. based companies and develop a supplier diversity distribution channel. INTRD is leveraging contacts made through the SEUS//CP Alliance to further advance the WBO Export Network.
- The WBO Export Network has had a successful first year, with seven companies from the province completing the certification process and four awaiting final certification. Interest in supplier diversity and the certification process as a channel to international business has increased with new interest in the area of channel opportunities for aboriginal firms.
- Strategic Industries division of INTRD worked closely with craft organizations, institutions, guilds and networks to deliver the Craft Industry Development Program

Objective Indicator 2: Identified and promoted opportunities for businesses in various sectors

Progress and Accomplishments

- With an opportunity to work with the Newfoundland Environmental Industries Association (NEIA) and other stakeholders to transition to the new green economy, INTRD partnered with NEIA at their 2010 annual conference, Green is the New Black. This was a successful conference and well attended. In 2010, INTRD partnered with the Office of Climate Change, Energy Efficiency and Emissions Trading (CCEEET) on a major study to identify the economic development opportunities associated with the green economy for Newfoundland and Labrador. Two additional projects will further assist the department in moving the green economy agenda forward. These are a "green lens" to review existing INTRD programming to help identify specific priorities for action and an online "green road map" to be developed to help INTRD clients and internal employees navigate the relevant green programming.
- INTRD promotes opportunities in sectors like manufacturing, food and beverage, craft, gift and apparel, through initiatives like manufacturing insights sessions, annual provincial craft wholesale show and trade shows.
- INTRD through its supplier development initiative, collaborated with its extensive network of public sector partners and community and industry organizations to deliver regional events aimed at helping provincial businesses determine where they could fit within the public sector supply chain - outlining the who, what, when, where and how of public sector procurement. Supplier development is about providing suppliers with what they need to be successful in the supply chain.

Embracing regional collaboration to improve the competitiveness of firms in Atlantic Canada, the Atlantic Supplier Development Team held its fourth Atlantic Provinces Reverse Trade Show, in Charlottetown, P.E.I., in conjunction with the Annual Biz to Biz Expo. Attendees said their attendance at these shows could generate business for their companies.

The department recognizes the importance of creating a sustainable connection between buyers and sellers and promoting the provincial manufacturing industry which is a key industry for large industrial projects. Therefore, it rolled out two key resources for manufacturers, buyers and sellers: the online Manufacturers Directory and the Public Sector Procurement Directory.

Objective Indicator 3: Supported clients and identified new markets for clients

Progress and Accomplishments

- In 2010-11, INTRD led 26 successful trade development missions to global export markets, including: New England, Chicago, Brazil, Panama, Greenland, Louisiana, Ireland and the United Kingdom. Over 70 companies participated in these trade missions, some companies participating more than once. Of these 70 companies, 38 per cent indicated this was their first activity in the particular market.
- In an effort to help clients diversify into new markets, INTRD examined the business potential in Brazil, India and China. INTRD, in partnership with other provincial and federal departments and the other Atlantic Province organized two trade development missions to Brazil in 2010. Both missions revolved around opportunities for firms in the oil and gas supply and service and aerospace sectors. A pan-Atlantic work plan for China for the next several years is under development which includes initial focus on the following sectors: education, ocean technology, food and beverage and clean technologies. Finally, information gathered on opportunities in India is being compiled and market outreach sessions are being planned throughout Atlantic Canada. A longer-term approach is being developed for specific sectors, namely aerospace and defence, ocean technology including boatbuilding and port infrastructure, food and beverage and information and communications technologies.
- The current negotiations between Canada and the European Union on a Comprehensive Economic and Trade Partnership Agreement bring tremendous opportunity to facilitate increased exports and imports in strategic industries, as well as enhanced cooperation in research and innovation.

Objective Indicator 4: Developed new Export Advantage Internship program

Progress and Accomplishments

- In 2010-11, as a part of the province's Youth Retention and Attraction Strategy (YRAS), INTRD initiated the Export Advantage Internship program which enhances the exporting capabilities of companies by providing them the opportunity to hire individuals with trade and exporting training. For a period of 12 months, interns assisted companies with export activities, such as identifying and conducting research into new market opportunities and developing an export strategy.

In 2010-11, \$125,000 was provided through Export Advantage for five interns per year. Four companies received interns in 2010-11 and the work placements will continue into 2011-12.

Issue 2: Capacity Building

The Department of Innovation, Trade and Rural Development's programs assist in the development of business staff resources and the growing of the capacity of industries. Investing in the growth of employees is more than just financial outreach from government to the business community. It is the planting of a seed to develop a cultural attitude towards being faster, stronger and smarter than the competition in the global marketplace.

Through INTRD's Community Capacity Building program, staff assist groups with building capacity through enhancing the skills which are essential to regional economic planning, development and implementation. The program offers capacity building modules, planning sessions and industry development sessions to interested stakeholders with a clear link to economic and business development. To build capacity, the program includes different sessions some of which enhance enterprise and entrepreneurial skills and some others which help to lead or support regional development initiatives. Additionally, Business Retention and Expansion (BR&E) provides macro-level support to help inform planning processes of communities and economic development organizations such as Regional Economic Development Boards (REDBs), industry associations, municipalities, and chambers of commerce. Services through the BR&E program include project consulting, volunteer training, program resources, statistical analysis and retreat facilitation. BR&E informs the preparation of integrated business plans and strategic economic plans resulting in the identification of quality regional and sectoral initiatives and activities.

Other INTRD programs increase the capacity of youth through the marketing and promotion of entrepreneurship and innovation. The mentoring and advisory component assists to increase capacity among young entrepreneurs and other innovative youth. INTRD's trade development and export skills enhancement programs such as the ExportAdvantage Internship program develop company-level competencies in international business development and aim to enhance knowledge transfer and improve firms' overall export performance. Two key goals are to build export capacity in the province and to mitigate the risks for local firms associated with navigating global opportunities. For example, the ExportAdvantage Internship program of INTRD enhances the exporting capabilities of companies by providing them the opportunity to hire individuals with trade and exporting training.

The Provincial Government recognizes that a solid foundation of public support and infrastructure assist ocean technology companies to develop capacity, expand global markets and increase profitability. Therefore, the oceans technology strategy, Oceans of Opportunity, was introduced to increase the level of oceans activity in Newfoundland and Labrador. Goals of the strategy include improving supports to business, strengthening ties between institutions and industry, and developing a new marketing approach for select target markets. Overall, the strategy supports measures to accelerate development in the province's naturally strong ocean technology sector.

Capacity Building Goal

By 2011, INTRD will have assisted business, community and economic development stakeholders to build capacity through:

- facilitating company access to training and supports to enhance enterprise and entrepreneurial skills essential to competitiveness;
- participating in business network activities;
- enhancing skills essential to regional economic coordination, planning and implementation;
- facilitating access to enterprise and entrepreneurial skills for non-profit groups;
- enhancing skills essential to project leadership and implementation; and
- leading or supporting regional development initiatives.

Measures:

- Assisted business clients to build capacity
- Assisted economic development stakeholders to build capacity

Goal Indicator 1: Description of information and training sessions held with clients and target groups

Progress and Accomplishments

- In 2010-11, INTRD implemented a new performance measurement strategy for Regional Economic Development Boards (REDBs). It offered a consistent approach to the review and assessment of economic development initiatives. Key indicators include the long-term benefits, sustainability, regional scope, linkage to government priorities and partner engagement of each initiative. Groups assessed short and long-term initiatives by applying enterprise selection criteria to ensure their energies are focused on the best initiatives for the region. Opportunity management ensured the board's focus was on quality initiatives in the context of a comprehensive strategic plan.
- A co-operative basics training session was held in partnership with Newfoundland Federation of Co-operatives. Fourteen people participated in the training session, including INTRD staff as well as representatives from co-ops and partners such as the Newfoundland and Labrador Organization of Women Entrepreneurs. The session outlined information about the co-op model, principals and conditions for success.
- Since 2008, Getting the Message Out (GMO) has provided 800 presentations to high-school students, post-secondary students and community based groups promoting entrepreneurial success and opportunities in the province.
- Since 2008, the Ambassador program has coordinated nine Ambassador networking receptions which bring together diverse groups of individuals in-market for the purpose of promoting and connecting local business and industry sectors from every region with potential business development opportunities.

- The Strategic Partnership held its second public policy symposium in November, 2010 in Corner Brook. The event attracted over 80 stakeholders, primarily from the west coast of the province, representing government, business, labour, education, community and regional organizations. The event, The Future of Work, featured speakers and panelists who commented on the changing dynamics in the workplace resulting from demographic and attitudinal shifts.
- Through BR&E one-on-one counseling sessions were conducted with business clients in priority sectors. These sectors included manufacturing, aquaculture, tourism and culture, aerospace, advanced technologies, forestry, agriculture, aquaculture and environmental industries. Through the program, information sessions were also held throughout the province with 542 participants and in partnership with economic stakeholders.
- Young Entrepreneurs and Innovators Program (YEIP), facilitated a 'Navigating Systems' session for the Community Youth Network in St. John's and held 11 YEIP information sessions in partnership with the Angel Business Development Program.
- Export Market Information and Intelligence Sessions provided clients and stakeholders with export and market information and intelligence, identifying opportunities and applying knowledge to trade development activities. Sessions in 2010-11 included:
 - Doing Business In Ireland, market information session;
 - INTRD Export programs and services;
 - ExportAdvantage program presentation;
 - Opportunities in Panama, market information session (webinar);
 - United Kingdom market information session; and
 - Doing Business in Greenland.
- Export and Innovation Awards and Export Week highlighted local exporters and innovators, celebrated successes, advances and opportunities through province-wide information sessions, workshops and local events.

Goal Indicator 2: Number and category of participants

Progress and Accomplishments

- Over 900 provincial business representatives and in-market ambassadors participated in networking events as part of the Ambassador program. These events often coincide with trade missions and other business development opportunities to enhance their effectiveness.
- The GMO message was presented to 20,125 individuals.
- YEIP's Navigating Systems session had 140 participants and the YEIP information dissemination sessions had 250 participants.
- Community Capacity Building (CCB) program supported 20 sessions in opportunity identification and opportunity management for non-profit entities to enhance enterprise and entrepreneurial skills.

These sessions included approximately 411 participants. CCB also supported four sessions in cooperative development to enhance enterprise and entrepreneurial skills to 53 participants.

- Through CCB, 61 sessions were completed by 1,793 participants in strategic planning and regional economic development. Under the Poverty Reduction Strategy-Community Capacity Building (PRS-CCB), 27 sessions were completed by 865 participants in strategic planning and community development.

Goal Indicator 3: INTRD and leveraged investments in capacity building projects

Progress and Accomplishments

INTRD programs assist in capacity building projects. However, not every program leverages funds from other sources.

- In 2008-11, for the capacity building sessions, CCB program and the PRS-CCB program investments were as follows:

CCB and PRS-CCB Funding		
Year	CCB	PRS-CCB
2008-09	\$175,625	\$46,259
2009-10	\$187,282	\$89,193
2010-11	\$171,661	\$122,483
Total	\$534,568	\$257,935

- Investment through the Craft Industry Development Program (CIDP) for workshops were as follows:

CIDP Funding for Capacity Building			
Year	INTRD Funding	ACOA Leveraged Funds	Total
2008-09	\$8,815	\$26,445	\$35,260
2009-10	\$10,250	\$30,749	\$40,998
2010-11	\$9,988	\$29,963	\$39,951
Total	\$29,053	\$87,157	\$116,209

- Business Networks in 2008-11 invested \$471,480 in capacity building projects.

Goal Indicator 4: INTRD and leveraged funds invested to support skills enhancement

Progress and Accomplishments

- Since its inception in October 2009, the Workplace Skills Enhancement Program has invested \$3,093,075 in client enterprises and leveraged \$286,250.

Workplace Skills Enhancement Program

Year	Total Project Value	INTRD Investment	Leveraged
2009-10	\$30,000	\$12,321	\$0
2010-11	\$5,916,623	\$3,080,754	\$286,250
Total	\$5,946,623	\$3,093,075	\$286,250

- Craft Industry Development Program, funding for professional skills development;

CIDP Funding for Professional Skills Development

Year	INTRD Funding	ACOA Leveraged Funds	Total
2008-09	\$4,190	\$12,591	\$16,781
2009-10	\$2,983	\$8,949	\$11,932
2010-11	\$3,057	\$9,170	\$12,227
Total	\$10,230	\$30,710	\$40,940

Goal Indicator 5: Description of business networks, activities and results

Progress and Accomplishments

- The Women Business Owners (WBO) Export Network trade initiative involved a successful three-phased approach.

Phase I: Identification, education and commitment of WBO's to WBO certification and exporting. This completed phase of the project took five business women from four companies to the WEConnect Canada conference held in Toronto October 2009. This opportunity provided training to women owned businesses on the certification process, workshops on how to sell to large corporations and government offices, as well as opportunities to meet with buyers from large corporations.

Phase II: WBO certification, export readiness training, development of market entry strategies and market familiarization. This completed phase included NLOWE participating in the Women's Business Enterprise National Council's Summit and Salute to Women's Enterprises in Washington, D.C. in March 2010 and the certification of several women business owners. To date, six companies from the province have been certified and five are awaiting final certification.

Phase III: Specialized export consulting, matchmaking services, trade show and conference attendance, contract negotiation training and capacity building. This completed phase saw the WBOs test their new export skills through participation in the Women's Business Enterprise National Council National Conference and Business Fair held in Baltimore, Maryland, June 2010. This event provided certified companies key opportunities to meet with global corporate buyers in a one-on-one setting. Local companies have seen success from attending this event.

- The Fluent Network is a consortium of independent companies striving to achieve world class operations through continuous improvement and employing cooperation among member companies to build better business practices and increase company capacity. They undertook best practices and training that is not readily available in the province to allow members to stay competitive in international markets-lean and green in operations.
- The Specialty Food Network, comprised of three companies interested in similar markets, has identified similar objectives in reaching their sales potential, finding the most economical means of transporting goods and positioning their unique products. It has been formed to work together to explore the export opportunities and to find wholesalers, distributors and brokers to carry the network's specialty products.
- The Producers Association Network (PAN) targets the co-production film market. PAN has coordinated meetings and events with the target market participants over the past three years including meetings with Los Angeles producers at various global film events, as well as meetings with representatives from the L.A. Canadian consulate liaising with the L.A. film industry and sector specific research. Twelve Newfoundland and Labrador film production companies are a part of the network, supported by INTRD and the Film Development Corporation and Film Producers Association.

Goal Indicator 6: Description of stakeholder plans and projects resulting from capacity building efforts

Progress and Accomplishments

- INTRD has engaged with Regional Economic Development Boards (REDBs) in the development of yearly Integrated Business Plans (IBP) outlining strategic initiatives leading competitive regions. These plans are developed with principles of opportunity management, requiring community consultation, key stakeholder engagement and regional buy-in, ensuring effective identification, evaluation and prioritization of quality regional initiatives. The department has also provided support to the Newfoundland and Labrador Regional Economic Development Association (NLREDA) to enable delivery of targeted opportunity management sessions, designed to build capacity within partners for development of organizational and regional planning priorities.
- In partnership with NLREDA and ACOA, the department provided funding support to deliver performance management training sessions to all REDBs in the province. Five sessions were conducted throughout the province.
- The Stewardship Association of Municipalities was formed to encourage stewardship responsibilities within and outside municipal boundaries. In November 2010, they received \$3,620 for 11 participants in Gander to participate in a project management session. This session was a vital part of their stewardship learning process and informed participants on the principles of project management before they can manage projects.

Goal Indicator 7: Client feedback on capacity-building initiatives (by client group)

Progress and Accomplishments

- INTRD continues to work with the Newfoundland and Labrador Organization of Women Entrepreneurs (NLOWE) on a network of women business owners who have joined forces to pursue export markets for their products and services. Stakeholders believed that networks and greater collaboration provided entrepreneurs with new opportunities. Collaborating with other businesses and thinking beyond the province's borders has led NLOWE to generate business in Northern Canada, the United States and as far away as South Africa.
- Film Producer Network said that the Newfoundland and Labrador Film Trade Mission to Los Angeles in March, 2010 enhanced their presence in the U.S. market and continued to build on already established relationships. Over 100 meetings took place over three days between 10 local participating production companies and various Los Angeles based producers and industry professionals. Several formal co-production and co-venture relationships have been established as a result. Initiatives such as this are essential to assist in the promotion of the film industry in this province in an international market that otherwise would be difficult to access to this extent.

Capacity Building Annual Objective

By 2010-11, regional capacity building has resulted in projects and plans that had a positive impact on people, communities and regions.

Measure:

- Projects and plans have been supported that build regional capacity and have benefited people, communities and regions.

Objective Indicator 1: Implementation of capacity building tools to enhance skills of the people in regions

Progress and Accomplishments

Capacity building tools encompass training sessions, information and networking sessions and opportunity identification, which are used by INTRD to enhance the skills of the people in regions.

- Training sessions and one-on-one consultations were provided by INTRD staff in all regions.
- Beyond Your Backyard, which is an export preparation tool, is used for SMEs interested in exporting goods and services.
- Numerous capacity building sessions highlighting CCB modules were conducted with various economic development groups. Opportunity management sessions were also held with REDBs.
- In March 2011, a CCB facilitator led 14 central REDB representatives through the key elements of project management. Development of project management skills is the starting point to make each REDB's strategic plan a reality. In addition, individuals and other groups often turn to REDBs for project management support because they lack the internal capacity to effectively manage initiatives. If development organizations do not have these skills there is a high risk that many good initiatives will fail.

Objective Indicator 2: Number of economic development initiatives (projects and plans) supported

Progress and Accomplishments

- Through the Regional Sectoral Diversification Fund, INTRD supported 84 clients in 2010-11 and funded 89 new projects and 17 amendments for a total of 106 projects.
- Through the Craft Industry Development Program, INTRD funded 112 projects.

Issue 3: Strong Regions

INTRD supports initiatives that focus on regional strengths and growth sectors, facilitating the creation of economic clusters, to create strong and vibrant regions throughout the province.

Through the Regional Sectoral Diversification Fund (RSDF), INTRD provides funding to not-for-profit organizations, municipalities and other community-based groups for the development and implementation of economic initiatives that address regional development. Programs like the Workplace Skills Enhancement Program (WSEP) focus on helping businesses in strategic sectors train employees to improve productivity and global competitiveness.

Finally, the department also provides commercial lending and sector development programs like the INTRD innovation programming or the Small and Medium-sized Enterprise fund and Business and Market Development program. Through this diverse suite of programming, INTRD is able to support companies throughout the province to grow from regionally based businesses to fully developed industry clusters, capable of capitalizing on international market opportunities.

The Labrador Region consists of four distinct geographic and strategic areas: northern, central, southern and western Labrador. In northern Labrador, Nunatsiavut, the community of Natuashish and other Innu Land Claims Area, the focus is on mineral exploration and extraction, specifically Voisey's Bay. Central Labrador, the home of 5 Wing Goose Bay, is the centralized service location of the Aboriginal, Federal and Provincial Governments in the region. In southern Labrador, focus remains on fish harvesting and processing and the tourism sector. Western Labrador, the hub of the province's mining sector, continues to experience an industrial economic boom.

INTRD helped to stimulate economic development in the region through support of its partners, the Regional Economic Development Boards (REDBs), in zones two through five, as well as strategic investments through RSDF in projects like the Power Line Technician and Mining Simulation Courses at College of the North Atlantic campuses in central and western Labrador, and strategic tourism infrastructure at Red Bay and at the Torngat National Park Base Camp site.

The Western Region, which extends from St. Anthony in the north to Port aux Basques in the south, encompasses regional economic zones six through ten. The five economic zones are supported by their respective REDBs, as well as the INTRD Western Regional Office and the department's five field offices in the region. In the past, the Western Region has relied on a mixture of both traditional and non-traditional industries as its key economic drivers.

However, in recent years the region's predominate source of growth has been the non-traditional service sector, which has expanded greatly compared to the traditional resource sector. The health care sector is now the largest employer in the Corner Brook-Humber Valley area. Numerous other public and private service industries related to primary and post-secondary education, as well as a robust all-season tourism industry are increasingly becoming major contributors to the regional economy. Finally, major public construction projects associated with the refit of Corner Brook High School, a new long term chronic care facility and the new Corner Brook city hall have injected over \$100 million in construction activity into the local economy.

The Central Region is comprised of four regional economic zones (zones 11-14) that represent a distinct and diverse set of economic opportunities and challenges. For instance, zone 11 is home to the majority of shellfish aquaculture activity in the province. While the sector represents considerable promise, it is currently experiencing significant challenges, particularly with respect to market penetration and access. Zone 11 is also prominent in the mining sector where revitalization of previously abandoned properties is creating significant activity and economic benefit. In zone 12, response efforts to the closure of the mill in Grand Falls-Windsor have given rise to enhanced training capacity in the area as well as the establishment of the foundation for a valuable cranberry industry. Continued growth of the finfish aquaculture industry dominates the economic landscape in zone 13, representing great opportunity while presenting challenges related to infrastructure, biosecurity, and waste management that require ongoing diligence. Zone 14, the most populous and geographically diverse zone in Central Region, has received major public and private investments in tourism infrastructure, notably at Fogo Island, Twillingate, Lewisporte, and Glovertown which has positioned the zone for tourism growth. In Gander, economic development efforts continue to be focused on aerospace and defense.

INTRD has made strategic investments through the SME fund in productivity enhancements to a gold mining operation in zone 11. The expansion and upgrade of an antimony mine near Glenwood, and a high quality accommodations venture startup in Lewisporte. Further investment through RSDF has contributed to major tourism and cultural infrastructure initiatives throughout the Central Region. Some examples include whale pavilions in zone 11, a recreational marina in Glovertown, restoration of the historic Long Point Lighthouse in Twillingate, enhancement and expansion of arts and cultural spaces in Glovertown and Eastport, contribution to ArtEx in the Exploits region, and major participation in the transformative social enterprise activities of the Shorefast Foundation on Fogo and Change Islands. An investment of RSDF funding was also approved to facilitate the establishment of a marine training centre in Lewisporte by the Marine Institute.

The Eastern Region is comprised of three distinct strategic areas: the Bonavista Peninsula with a vibrant cultural tourism industry; the Isthmus with its cluster of oil and gas facilities; and the Burin Peninsula which is strategically growing its fabrication and small manufacturing sector. The region is segmented into two regional economic zones (15 and 16). INTRD continues to support and strengthen the Eastern Region through partnership with the REDBs in the region, as well as strategic investments in initiatives like the Bonavista Institute for Cultural Tourism, the Eastern Suppliers Development Alliance who are working to support private sector opportunities in the oil and gas sector and the marine industrial park for the Town of Marystown.

The Avalon Region, a diverse mixture of urban and rural areas, is comprised of regional economic zones 17 through 20. In those zones, INTRD partners with the Regional Economic Development Boards (Mariner Resource Opportunities Network Inc., Avalon Gateway Regional Economic Development Inc., Northeast Avalon Regional Economic Development Board and Irish Loop Regional Economic Development Board) to provide support to the region. The Northeast Avalon serves as a hub for ocean technology activity, while most non-oceans related funding provided by INTRD was provided in manufacturing, tourism, environmental industries and advanced technology sectors.

Strong Regions Goal

By 2011, INTRD will have supported regional economies to diversify and become more self-sustaining.

Measures:

- Supported regional economies to diversify
- Supported regional sustainability

Goal Indicator 1: Proportion of investments made in enterprises important for diversification

Progress and Accomplishments

- INTRD investment in projects important for diversification through its Small and Medium-sized Enterprise fund is as follows:

Year	INTRD Approved Investments	Total Project Value	Proportion of Investment
2008-09	\$3,256,075	\$8,424,474	38.60%
2009-10	\$2,916,767	\$5,161,538	56.30%
2010-11	\$2,292,351	\$7,219,889	31.70%
Total	\$8,465,193	\$20,805,901	

- INTRD investment through Commercialization fund for diversification projects is as follows:

Year	INTRD Approved Investments	Total Project Value	Proportion of investment
2008-09	\$2,347,300	\$8,646,174	27.10%
2009-10	\$1,448,524	\$3,586,365	40.30%
2010-11	\$145,000	\$220,000	65.90%
Total	\$3,940,824	\$12,452,539	

Goal Indicator 2: INTRD and leveraged funds invested to support regional diversification opportunities

Progress and Accomplishments

- INTRD through its Regional Sectoral Diversification Fund invested in projects that provided support for regional diversification. The table below shows the RSDF approved and leveraged amounts for the period 2008-11.

Year	Total Project Value	RSDF Amount Approved	No. of Initiatives	Total Leveraged amount*
2008-09	\$20,267,833	\$4,204,858	85	\$15,816,900
2009-10	\$47,372,189	\$9,254,965	110	\$34,026,425
2010-11	\$33,118,276	\$6,260,610	89	\$25,846,092
Total	\$100,758,298	\$19,720,433	284	\$75,689,417

*Note: Total leveraged amount includes Federal Government and private sources and client contributions. Other provincial sources are not included in amount listed above.

- Implementation of the Forest Diversification Initiative, in partnership with the Department of Natural Resources, assisted the forestry industry in competing globally and developed new products and market opportunities. Focusing on creating a sustainable sawmill sector through an infrastructure diversification program has led to a number of sectoral initiatives including production of new forest products to gain access to new markets; mill diagnostics and the development of sustainable business plans; a marketing program that supports all integrated sawmills to access new global markets and the exploration of an opportunity to use local wood pellets as a fuel source.
- In response to AbitibiBowater's decision to close the mill, the Provincial Government established a Ministerial Task Force. Through the Department of Innovation, Trade and Rural Development, the Provincial Government had a series of business development programs that support this approach in developing a regional approach to diversifying and strengthening the economy. The mill closure impacted a region and therefore strategies and initiatives that were developed had to impact the entire region. A series of initiatives totaling in excess of \$5 million mark the first step in positioning the region and economy for the long-term.
- Utilizing the region's natural environment, the cranberry industry has the potential to provide meaningful employment and bring significant economic benefits to the area.
- Through re-developing Grand Falls-Windsor downtown core, INTRD assisted in improving the region's ability to attract new business and visitors.

- The health and social sciences sector emerged as a key growth sector. Memorial University's community based outreach office and the new Medical Laboratory Assistant Program at the College of the North Atlantic represent the continued progression of a developing cluster of health initiatives.

Goal Indicator 3: INTRD and leveraged funds invested in client enterprises (by region, by sector) (various INTRD business financing programs)

Progress and Accomplishments

The tables below outlines INTRD and leveraged funds invested in client enterprises for the Small Medium-sized Enterprise (SME) fund and the Commercialization fund.

SME: Invested and Leveraged Funds by Region:						
	2008-09		2009-10		2010-11	
	INTRD	Leveraged	INTRD	Leveraged	INTRD	Leveraged
Eastern	\$231,000	\$1,696,600	\$10,000	\$0	\$245,000	\$0
Western	\$779,365	\$804,541	\$1,019,392	\$301,040	\$426,480	\$16,650
Central	\$300,000	\$500,000	\$605,610	\$100,000	\$1,120,871	\$4,830,478
Labrador	\$200,000	\$0	\$0	\$0	\$0	\$0
Avalon	\$1,745,710	\$2,167,258	\$1,281,765	\$1,843,731	\$500,000	\$100,000
Total	\$3,256,075	\$5,168,399	\$2,916,767	\$2,244,771	\$2,292,351	\$4,947,128

SME: Invested and Leveraged Funds by Sector:

Sector	2008-09		2009-10		2010-11	
	INTRD Amount	Leveraged	INTRD Amount	Leveraged	INTRD Amount	Leveraged
Accommodations and Food Services	\$221,000	\$0	\$74,985	\$259,840	\$435,171	\$441,218
Argiculture, Forestry, Fishing and Hunting	\$0	\$0	\$315,610	\$0	\$100,000	\$0
Arts, Entertainment and Recreation	\$40,000	\$0	\$40,000	\$0	\$90,000	\$0
Construction	\$63,000	\$0	\$100,000	\$0	\$500,000	\$100,000
Health Care and Social Assistance	\$612,000	\$2,371,617	\$300,000	\$100,000	\$0	\$0
Information and Cultural Industries	\$0	\$0	\$194,000	\$0	\$50,000	\$0
Manufacturing	\$910,000	\$2,630,358	\$188,072	\$542,535	\$245,000	\$0
Mining and Oil and Gas Extraction	\$250,000	\$0	\$324,000	\$0	\$791,000	\$4,405,910
Other Services(except public Admin)	\$0	\$0	\$36,000	\$4,000	\$0	\$0
Real Estate and Rental and Leasing	\$0	\$0	\$350,000	\$888,996	\$0	\$0
Professional, Scientific, Technical Services	\$195,865	\$159,924	\$0	\$0	\$0	\$0
Transportation and Warehousing	\$58,500	\$6,500	\$181,600	\$120,400	\$0	\$0
Wholesale Trade	\$73,000	\$0	\$70,000	\$329,000	\$0	\$0
Other	\$832,710	\$0	\$742,500	\$0	\$81,180	\$0
Total	\$3,256,075	\$5,168,399	\$2,916,767	\$2,244,771	\$2,292,351	\$4,947,128

Commercialization: Invested and Leveraged Funds by Region:

Year	Region	INTRD	Leveraged
2008-09	Avalon	\$1,847,300	\$4,448,874
2008-09	Central	\$500,000	\$1,820,000
2009-10	Avalon	\$948,524	\$837,841
2009-10	Eastern	\$500,000	\$1,300,000
2010-11	Avalon	\$145,000	\$75,000
Total		\$3,940,824	\$8,481,715

Commercialization: Invested and Leveraged Funds by Sector:

Year	Sector	INTRD	Leveraged
2008-09	Oceans	467,500	2,748,704
	Forest Products	500,000	1,820,000
	Energy	248,480	328,965
	Life Sciences	500,000	700,000
	Advanced Technology	26,320	8,780
	Information and Communications	605,000	662,425
2009-10	Advanced Technology	748,524	342,341
	Manufacturing	515,000	1,315,000
	Life Sciences	185,000	480,500
2010-11	Information and Communications	145,000	75,000
Total		3,940,824	8,481,715

Goal Indicator 4: INTRD and leveraged funds invested in initiatives important to regional sustainability

Progress and Accomplishments

- The Provincial and Federal Governments collectively provided funding for the core operational support of the Regional Economic Development Boards, which is important for regional sustainability. The province contributed 25 per cent (approximately \$1.2 million) and ACOA contributed 75 per cent (approximately \$3.2 million), for a total cost of approximately \$4.4 million.

- In response to industry adjustment and diversification, INTRD continued to play a key role in the coordination and implementation of government's first response plans to community and industry downturns. Whether through joint task force initiatives or other community engagement processes, INTRD works with its partners to increase engagement in economic diversification activities, while ensuring support for those individuals and families directly impacted. In those areas of the province that have been adversely impacted by the loss of its largest employer, dialogue has enabled the Provincial Government to step-in and help stabilize local economies and create more diversified, stronger communities.
- By collaborating with our community partners in the Central Region, Stephenville and the Coast of Bays, INTRD was able to quickly mobilize resources and advance key initiatives. The Provincial Government helped transition workers to new career opportunities and offset the financial concerns of displaced mill workers in the Central Region with an unprecedented \$43 million investment, which provided the necessary support to rural communities.
- Additionally, INTRD has mobilized its own resources to identify and action economic and business development initiatives. For example, following the mill closure in Stephenville more than \$4 million (54 projects) were approved for the Bay St. George area. Similarly, in the Central Region, over a relatively short period of time the Provincial Government worked with local municipalities and community partners to advance initiatives totaling in excess of \$5 million. These initiatives are creating new economic opportunities in the region.
- In direct response to challenges in the fishery, INTRD participated in a Senior Officials Working Committee whose mandate is to develop a provincial response to fisheries issues. Government initiated a set of adjustment services for workers at fish plants designated as permanently closed.

Strong Regions Annual Objective

By 2010-11, INTRD, in collaboration with the key partners, will have identified and advanced priority infrastructure initiatives in support of sector priorities.

Measure:

- Identified and advanced economic infrastructure initiatives

Objective Indicator 1: Undertake a SWOT analysis for positioning the province as a northern gateway, as part of an overall approach to the Arctic including an assessment of potential infrastructure improvements

Progress and Accomplishments

- In the fall of 2010 lead responsibility for Northern Gateway and Arctic Opportunities was moved to the Department of Business. An interdepartmental working group, consisting of staff from INTRD, the Department of Business, the Department of Natural Resources, the Department of Labrador and Aboriginal Affairs and the Intergovernmental Affairs Secretariat was struck with the mandate to coordinate the Government of Newfoundland and Labrador's efforts related to the Arctic, identify possible

opportunities for consideration by the Deputy Ministers Steering Committee for Arctic Opportunities, and build the province's knowledge and capacity. The Arctic Opportunities Working Group's 2011 report to the Deputy Ministers Steering Committee for Arctic Opportunities contained a detailed strengths, weaknesses, opportunities and threats (SWOT) analysis. The report also included an analysis of current government and research activities related to Arctic development, as well as a summary of a broad-based user-needs survey of industry stakeholders. Potential infrastructure improvements were identified as part of this stakeholder survey.

Objective Indicator 2: Advanced a set of provincial infrastructure priorities to the Federal Government for funding under the Atlantic Gateway Initiative

Progress and Accomplishments

- On March 23, 2011, provincial contributions amounting to \$14.43 million were announced for the St. John's International Airport, the Gander International Airport and the SmartBay project of the Marine Institute. The total value of the projects, including proponent share where applicable, was \$40.8 million.

Objective Indicator 3: Re-examined the approach to Government Broadband Initiative and build on progress from examination

Progress and Accomplishments

- Advanced communications is fundamental to the advancement of the province's economic and social development. INTRD worked towards a solution for government's broadband requirements as well as looked at options to address the high speed internet access gap for remote and rural areas of the province.
- In an effort to address the economic and social challenges faced by remote and rural communities that lack reasonable and affordable access to broadband services, INTRD proposed the creation of the Rural Broadband Initiative (RBI). Not to be confused with Government's Broadband Initiative, RBI will address some of the chronically unserved and underserved communities through a funding program that targets the telecommunications industry.

Objective Indicator 4: Number of infrastructure initiatives funded and the amount leveraged by the RSDF

Progress and Accomplishment:

- Thirty-two new infrastructure initiatives received \$4,384,581 in funding and that leveraged \$15,711,766 in 2010-11; and eight amended infrastructure initiatives received \$250,176, and that leveraged \$1,073,773 in 2010-11. Total leveraged amount includes Federal/Private sources and client contributions. Other Provincial sources are not included.

OPPORTUNITIES AND CHALLENGES

Opportunities

The efforts of IBRD staff paired with the department's extensive suite of programs and initiatives support a holistic approach to economic development within the province. IBRD works to build capacity at the individual firm level and within a variety of industries, while pursuing market exploration and development.

A robust provincial economy, with strong regions throughout Newfoundland and Labrador, coupled with the strong, productive relationships that exist among clients and other stakeholders and IBRD's network of development officers, has led to a stable and growing interest in exporting by provincial SMEs.

Through its SME funding programs, facilitation of clusters and consortiums and the sharing of best practices, IBRD is in a position to enable companies in the province to capitalize on opportunities in niche markets by providing innovative and high quality products.

Recent Canadian free trade agreements and the Buy America Agreement with the United States are opening doors for Newfoundland and Labrador companies. In particular, the ongoing Canada-European Union negotiations have the potential to provide significant benefit for local firms selling or pursuing opportunities in European Union countries, and other parts of Europe.

Beyond an increase in exports and imports, a Comprehensive Economic and Trade Partnership Agreement with the European Union has the potential of enhancing cooperation in research and innovation, and encouraging mobility of a highly-skilled workforce.

Opportunities to enhance research and innovation within the province are particularly important as IBRD continues to capitalize on the emerging strengths in technology development within the ocean technology sector and the province's ocean-related capabilities. Introducing clean technology to many of the province's other strategic sectors will provide an opportunity to develop products, services, and processes that reduce the use of natural resources and cut waste. Furthermore, IBRD continues to work with the environmental sector, facilitating the transition of the sector in order to capture the economic opportunities presented by the new green economy.

IBRD's continued support of the Strategic Partnership presents a valuable and unique opportunity through which IBRD works with business and labour partners to accomplish many of the Department's goals. In 2010-11, over 60 individuals from government, business and labour participated in the Strategic Partnership Council and its five committees, including 19 senior government officials, representing 11 departments and agencies. The Partnership has been lauded by several national commentators as being a model for social and economic cooperation and collaboration that other jurisdictions in Canada and the United States should embrace.

Challenges

The Newfoundland and Labrador economy is not immune to global economic conditions and with the U.S. being Canada's greatest export market, the high Canadian dollar has posed a significant challenge for many local firms. Also, Newfoundland and Labrador's geographic isolation and its impacts on shipping costs and logistics remains a consistent challenge for local manufacturers and exporters as does the small and dispersed population of the province, underscoring the importance of recruiting and retaining skilled workers.

While geographic location remains a concern for many firms, it represents a significant opportunity within the ocean technology sector in terms of the province's ocean-related capabilities. As well, the relative proximity to the eastern Arctic positions Newfoundland and Labrador as a hub for education, research, defense, security, search and rescue, civilian and commercial operations, including supply and service, in the Arctic.

The financial costs associated with initiatives to address the access gap to make broadband available throughout the province is substantial. However, government plans to tackle this challenge in collaboration with industry, by its new Rural Broadband Initiative to find a balance between providing connectivity in all regions with the significant costs associated with providing the service.

Maintaining relevant and accessible programming is an ongoing priority for IBRD. As part of the regular management of its extensive suite of programs and services, the Department is planning a review to be completed over the next three years. The purpose of this review is to consider client demands for funding, internal processes and public program marketing in light of changing demographics, business challenges and market opportunities.

**Appendix A: Report on the Program Expenditures and Revenues
of the Consolidated Revenue Fund for the Year Ended
31st March 2011 (Unaudited)**

Line Item	Source of Expenditure	Original Estimate (\$)	Amended Estimate (\$)	Actual (\$) (Unaudited)
1.1.01	Minister's Office	413,800	413,800	359,053
1.2.01	Executive Support	1,036,700	1,135,300	1,128,516
1.2.02	Administrative Support (Less Revenue)	788,400	786,300	704,439 (8,228)
1.2.03	Policy and Strategic Planning	540,600	577,600	546,137
1.2.04	Strategic Initiatives	1,061,600	996,100	773,212
1.2.05	Strategic Human Resources (Management)	1,916,000	1,723,000	1,475,558
1.2.06	Administration Support -Capital	20,000	41,200	19,380
2.1.01	Trade and Export Development (Less Revenue)	4,133,100 (400,000)	4,220,100 (400,000)	3,457,595 (13,000)
3.1.01	Business Analysis (Less Revenue)	5,506,600	5,584,600	4,475,692 (32,193)
3.1.02	Investment Portfolio Management	598,600	598,600	561,694
3.1.03	Canada Business Network	451,400	451,400	413,187
3.1.04	Enterprise Outreach and Marketing	841,100	810,100	647,964
3.1.05	Strategic Enterprise Development Fund (Less Revenue)	1,000,000	1,000,000	1,000,000 (1,002,304)
3.2.01	Strategic Industries Development (Less Revenue)	1,377,100	1,395,100	1,244,484 (2,025)
4.1.01	Regional Economic Development Services	2,725,900	2,770,900	2,586,011
4.2.01	Business & Economic Development Services	5,280,500	4,977,800	4,835,116

4.3.01	Comprehensive Economic Development (Less Revenue)	20,225,000 (6,700,000)	20,225,000 (6,700,000)	15,419,725 (4,500,000)
5.1.01	Innovation, Research And Technology	5,180,500	5,390,000	3,619,588
5.1.02	Commercialization Initiatives -Capital	1,000,000	1,000,000	160,000
5.1.04	Ocean Technology Initiative - Capital	2,000,000	2,000,000	991,185
	Gross Budget	56,096,900	56,096,900	44,418,536
	Related Revenue	(7,100,000)	(7,100,000)	(5,557,750)
	Net Budget	48,996,900	48,996,900	38,860,979

Appendix B: Contact Information

General Inquiries

Department of Innovation, Business and Rural Development
P.O. Box 8700, Confederation Building
St. John's, Newfoundland and Labrador A1B 4J6
Toll Free: 1-800-563-2299
Telephone: 709-729-7000
Fax: 709-729-0654
E-mail: IBRD@gov.nl.ca
For more information about the department, visit: www.gov.nl.ca/ibrd/publications

Other Department Sites

The Ambassador: www.theambassador.ca
Canada / Newfoundland and Labrador Business Service Centre: www.canadabusiness.gc.ca./nl
Capacity Building: www.cedresources.ca
Crafts of Character: www.craftsofcharacter.com
Getting the Message Out: www.gmo.nl.ca
Ireland Business Partnerships: www.ibp.nl.ca

Corporate Office- St. John's

Reception	729-7000
Minister's Office	729-4728

Corporate Office-Marystown

Reception	279-0204
-----------	----------

Labrador Region

Charlottetown	949-0378
Forteau	931-2908
Happy Valley-Goose Bay	896-2400
Labrador City	944-4046
Postville	479-9731

Western Region

Corner Brook	637-2976
Deer Lake	635-2613
Port aux Basques	695-9871/9872
Port Saunders	861-3004/3096
St. Anthony	454-3521/3508
Stephenville	643-2600/1228

Central Region

Baie Verte	532-4772
Gander	256-1480
Grand Falls-Windsor	292-4450/4451
St. Alban's	538-3476/3796
Springdale	673-3481

Eastern Region

Clarenville	466-4170
Marystown	279-5533

Avalon Region

Carbonear	596-4109/4116
Ferryland	432-3019
Placentia	227-1350
St. John's	729-7017

Appendix C: Acronyms

A

ACOA - Atlantic Canada Opportunities Agency
ADIANL - Aerospace and Defence Industry Association of Newfoundland and Labrador
ARF - Applied Research Fund
AIT - Agreement on Internal Trade

B

BMD - Business and Marketing Development Program
BR & E - Business Retention and Expansion
BUS - Department of Business (former)

C

CIDP - Craft Industry Development Program
CBN - Canada Business Network - Newfoundland and Labrador
CRDS - Comprehensive Regional Diversification Strategy
CCB - Community Capacity Building
CME - Canadian Manufacturers and Exporters
CETA - Comprehensive Economic and Trade Partnership Agreement
CCEET - Climate Change, Energy Efficiency and Emissions Trading

D

E

EDGE - Economic Diversification & Growth Enterprises
EU - European Union

F

FPWEAP - Fish Plant Workers Employee Assistance Program

G

GMO - Getting the Message Out
GDP - Gross Domestic Product

H

I

IBDA - International Business Development Agreement
IBP - Integrated Business Plans
IBRD - Department of Innovation, Business and Rural Development
INTRD - Department of Innovation, Trade and Rural Development (former)
ITAP - International Trade Assistance Program
IGAS - Intergovernmental Affairs Secretariat

J

K

L

LMA - Labor Market Agreement

LMDA - Labor Market Development Agreement

LAA - Department of Labrador and Aboriginal Affairs (former)

M**N**

NATI - Newfoundland and Labrador Association of Technology Industries

NEIA - Newfoundland and Labrador Environmental Industry Association

NLREDA - Newfoundland and Labrador Regional Economic Development Association

NLOWE - Newfoundland and Labrador Organization of Women Entrepreneurs

O**P**

PAN - Producers Association Network

PRS - Poverty Reduction Strategy

Q**R**

REDB's - Regional Economic Development Boards

RSDF - Regional/Sectoral Diversification Fund

RBI - Rural Broadband Initiative

S

SEUS-CP - South Eastern United States- Canadian Provinces Alliances

SME - Small and Medium-sized Enterprise

T

TMNP - Torngat Mountains National Park

U**V****W**

WBO - Women Business Owners

WSEP - Workplace Skills Enhancement Program

X**Y**

YRAS - Youth Retention and Attraction Strategy

YEIP - Youth Entrepreneurs and Innovators Program

Z



