



Department of Finance

**Newfoundland and
Labrador Industrial
Development Corporation**

Activity Plan

April 1, 2011 – March 31, 2014

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**NEWFOUNDLAND AND LABRADOR INDUSTRIAL
DEVELOPMENT CORPORATION**

P. O. Box 8700
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June 30, 2011

Honourable Thomas W. Marshall, QC
Minister of Finance
Government of Newfoundland and Labrador
Confederation Building
St. John's, NL
Canada A1B 4J6

Dear Minister Marshall:

Newfoundland and Labrador Industrial Development Corporation is a Crown Corporation which is periodically used as a vehicle for commercial investments made on behalf of the Province. Pursuant to the provisions of the *Transparency and Accountability Act*, the Board of Directors is accountable for the preparation of an Activity Plan and the achievement of the Plan's objectives. As this Corporation has very limited activity and transacts business only at the direction of the Minister, the Strategic Directions of the Minister of Finance are not considered applicable to its operations.

As Chairman of the Board, it is my pleasure to submit the Activity Plan covering the three year period from April 1, 2011 to March 31, 2014.

Sincerely,



Terry Paddon
Chairman of the Board

Activity Plan

1.0 Overview

The Newfoundland and Labrador Industrial Development Corporation (“NIDC”) was established in 1967 and operates pursuant to the provisions of the *Industrial Development Corporation Act*. NIDC operates with a March 31 fiscal year end and the results of its activities are fully consolidated in the Province’s annual financial statements.

2.0 Mandate

NIDC’s primary purpose is to provide long term financing to industrial and resource based projects in accordance with the powers conferred on it by the *Act*. However, in recent years, NIDC has been relatively inactive with most investment activity being undertaken either directly by the Province or through other Crown Corporations. The most recent investment made by NIDC occurred during the fiscal year ended March 31, 2005. Any future activities of NIDC would be at the direction of the Minister and would be consistent with the Department’s values.

3.0 Primary Clients and Stakeholders

The Board’s primary responsibility is to Government by overseeing NIDC’s affairs.

4.0 Support of Vision and Mission of Department

The vision of the Department of Finance is of a vibrant and self-reliant economy and prosperous people. This is supported by the NIDC. The mission of the Department of Finance is to support Government in its commitment to fiscal sustainability and a healthy economy for the Province. By March 31, 2017, the NIDC will have continued to support the mission of the Department through its fiduciary oversight and approval of the corporation's financial statements.

5.0 Board Representation and Accountability

The affairs of NIDC are overseen by a Board of Directors appointed by the Lieutenant Governor in Council. All Board members are employees of the Province with the position of Chair held by the Deputy of Minister of Finance. The Board meets no less often than annually and approves its Financial Statements and Annual Report, both of which are then tabled in the House of Assembly by the Minister of Finance. The current members of the Board and their positions are as follows:

Mr. Terry Paddon (Chair)
Deputy Minister of Finance

Mr. Alastair O’Rielly
Deputy Minister of Fisheries & Aquaculture.

Mr. Brent Meade
Deputy Minister of Innovation,
Trade and Rural Development

Mr. Robert Constantine
Assistant Deputy Minister
Taxation and Fiscal Policy
Department of Finance

Mr. Paul Myrden (Secretary)
Director of Debt Management
Department of Finance

6.0 Source of Funding

Because of its limited activity, there is no requirement for annual budgetary allocations as NIDC's revenue on existing investments, together with its cash resources, is sufficient to fund its annual operations. However, from time to time, NIDC has been used as the Province's investment proxy where it is deemed appropriate to make an investment through a Crown Corporation, rather than directly by the Province. In these situations, investment funds have been made available to NIDC on a one-of basis.

7.0 Objective

For each of the years ended March 31, 2012, 2013 and 2014, the NIDC has developed the following objective which will be reported upon in each of the respective annual reports:

NIDC will have entered into commercial investments or other arrangements as directed by the Province.

Measure: Commercial investments or other arrangements completed as directed by the Province.

Indicator:

- Executed transactions as directed by the Province including Board approval of completed transactions as documented and approved in the Annual Report.