

Atlantic Canada Opportunities Agency

2018-19

Departmental Results Report

The Honorable Mélanie Joly, P.C., M.P.
Minister of Economic Development and Official Languages

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Minister's message

I am pleased to present the 2018-19 Departmental Results Report for the Atlantic Canada Opportunities Agency (ACOA).

Over the past year, the various organizations in the Innovation, Science and Economic Development portfolio, together, have worked hard to make Canada a global innovation leader and to build an economy that works for everyone.

Our primary objectives were, and continue to be, to empower businesses to reach their innovation potential to compete in a global, knowledge-based economy; to enhance Canada's economic strengths by supporting science and research; and to promote Canadian tourism. These objectives were supported by new and existing policies and programs designed to help Canadian entrepreneurs from across the country and from diverse backgrounds grow and reach new markets. We also continued to implement multi-year investments in science, including historic investments in fundamental research, while our robust tourism industry was bolstered by support for national initiatives.

In 2018-19, ACOA continued its work to advance a dynamic and diverse economy in Atlantic Canada by supporting businesses and by helping build strong communities across the region, including in rural areas. In addition to the Agency's ongoing collaboration with federal and provincial partners to promote innovation, business growth, tourism and community development under the Atlantic Growth Strategy, ACOA was responsible for the regional delivery of new Innovation and Skills Plan initiatives, including:

- the Regional Economic Growth through Innovation program, to help businesses grow and become more innovative and competitive;
- the Women's Entrepreneurship Strategy, to support the development and growth of women entrepreneurs and their businesses;
- the Canada Coal Transition Initiative, to support workers and communities through the transition away from the coal industry; and
- the Steel and Aluminum Initiative, to help steel and aluminum manufacturers and users adopt new technologies to become more productive, competitive and able to create more highly skilled jobs.

These are just a few examples of ACOA's work on behalf of Canadians through collaboration, dialogue and partnerships across the country. I invite you to read this report to learn more about how we are working with and for Canadians to build our innovation nation.



The Honourable Mélanie Joly
Minister of Economic Development and Official Languages

Results at a glance

Total actual spending for 2018-19	Total actual full-time equivalents for 2018-19
\$349,597,552	572

In 2018-19, the Atlantic Canada Opportunities Agency (ACOA) invested in strategic projects across Atlantic Canada and continued work to advance the Innovation and Skills Plan, a whole-of-government, multi-year approach designed to establish Canada as one of the world's most innovative countries and to foster a culture of innovation from coast to coast to coast, as well as the Atlantic Growth Strategy designed to drive economic development in the region by delivering concrete and measurable results in priority areas.

In collaboration with other regional development agencies and Innovation, Science and Economic Development Canada, ACOA implemented the Regional Economic Growth through Innovation (REGI) Program, a nationally coordinated, regionally tailored program designed to foster an entrepreneurial environment conducive to innovation, growth and competitiveness. This program focuses on business scale-up and productivity; and creating, growing and nurturing inclusive regional innovation ecosystems.

The Agency also launched various national initiatives announced in Budget 2018, including the Women Entrepreneurship Strategy (WES) and its two components: the WES Ecosystem Fund, to strengthen capacity and close gaps in service for women entrepreneurs, and the Women Entrepreneurship Fund (WEF), to help women-owned and women-led businesses grow and reach export markets. ACOA further launched two other initiatives: the Steel and Aluminum Initiative for small and medium-sized enterprises (SMEs) operating within the Canadian steel and aluminum supply chain, to support projects that enhance productivity, increase competitiveness and create more highly skilled jobs through the adoption of new and innovative technologies; and the Canada Coal Transition Initiative with Western Economic Diversification Canada, to help workers and communities in Nova Scotia and New Brunswick affected by the future closure of coal-fired electricity plants transition to a low-carbon economy.

ACOA's client-centric approach not only served its clients but also connected them with other federal programs and services. A [recent evaluation](#) found that "ACOA offers unique supports to address regional economic challenges, such as a declining workforce... and skills gaps. The programming achieves key expected outcomes... ACOA is a valued and trusted partner in economic development in Atlantic Canada."ⁱ

In 2018-19, the Agency focused on key priorities such as advanced manufacturing, clean growth, food, tourism, skills, Indigenous economic development, oceans, innovation ecosystems and immigration. Activities included the following:

Technologies – ACOA invested close to \$81 million in 186 projects to support the development, commercialization and adoption of innovative technologies. As part of these efforts, the Agency fostered partnerships and collaborations between the private

sector and research and business support organizations; and it provided \$5.8 million to 14 business accelerators and incubators in the region to address gaps in support of start-ups.

- With ACOA funding, Nova Scotia based Sustane Technologies Inc. acquired clean technology that converts municipal garbage into clean fuel products and recyclable materials. This initiative will support new jobs, affordable and sustainable energy development and significant export opportunities.
- ACOA supported the Smart Grid Innovation Network, a collaborative partnership between NB Power, the University of New Brunswick and Siemens Canada. The network developed, tested and commercialized smart-grid-ready technologies that help integrate renewable energy into power grids and reduce greenhouse gases.

Businesses – ACOA helped grow globally competitive businesses by investing more than \$128 million in 764 projects to support the development of products and services, the adoption and adaptation of advanced technology, and the acquisition of skills and market knowledge. It supported company-oriented growth plans under the Accelerated Growth Service, worked with federal and provincial partners to implement the multi-year Atlantic Trade and Investment Growth Strategy, and helped businesses and tourism operators expand through the Atlantic Canada Tourism Agreement.

- ACOA helped Prince Edward Island’s New Leaf Essentials Ltd., a food manufacturing company, invest in new equipment to further process dried seed and sell it into the pet food ingredient market in Canada and the United States, thus enabling further automation and expansion into new markets.
- With assistance from ACOA, Ocean Choice International (OCI), from Newfoundland and Labrador, implemented an innovative factory production line on a new groundfish vessel. This enhanced OCI’s harvesting and production capability while reducing its overall environmental impact.

Communities – ACOA fostered inclusive growth by investing over \$70 million in 399 projects to develop and diversify communities. The Agency helped attract and retain global talent, supported strategic investment to help communities adapt to changing economic circumstances, and engaged with governments, businesses and community stakeholders to foster economic growth in Indigenous communities.

- ACOA supported the pan-Atlantic expansion of the Study & Stay initiative in 2018. The initiative is designed to recruit international students and retain them as permanent residents in Atlantic Canada upon their post-secondary graduation. A cohort of more than 150 international students across all four Atlantic provinces was recruited from countries such as China, India and the Philippines.
- With ACOA funding, the Mi’kmaq Confederacy of Prince Edward Island developed initiatives to further advance social enterprises for First Nation communities of Prince Edward Island and to establish new ones. It also provided Indigenous entrepreneurial support and increased the number of product offerings and the entrepreneurship skills of Indigenous tourism operators and vendors.

For more information on ACOA’s plans, priorities and results achieved, see the “[Results: what we achieved](#)” section of this report.

Results: what we achieved

Core Responsibility:

Economic development in Atlantic Canada

Description

Support Atlantic Canada's economic growth, wealth creation and economic prosperity through inclusive clean growth and by building on competitive regional strengths. Help SME growth through direct financial assistance and indirectly through business support organizations. SMEs become more innovative by adopting new technologies and processes and pursuing new avenues for expansion and market diversification in order to compete and succeed in a global market.

Results

In 2018-19, ACOA delivered the Government of Canada's priorities and, through the Innovation and Skills Plan and portfolio suite of initiatives and programs, worked with Atlantic Canadian businesses in order to respond to today's challenges and opportunities, strengthen the region's competitiveness on the global stage and create a culture of innovation. It acted as a catalyst for economic development and as a convener of partners to take joint actions. With new and existing regionally tailored programming, the Agency helped firms to scale up, develop new markets and adopt new technologies and processes in key sectors such as oceans, food, aquaculture, clean technology, tourism, and startups. It supported communities in diversifying their economies, while leveraging opportunities for immigrants, Indigenous people, women and youth. The Agency also supported Atlantic businesses to better access and benefit from federal investments through national programs such as the Strategic Innovation Fund and the Industrial Research Assistance Program. ACOA's strong culture of collaboration was demonstrated through many initiatives, including the Atlantic Growth Strategy and the preparation of key reports and policy papers, including the Atlantic Growth Strategy's [Year 2 Results Report](#)ⁱⁱ.

Businesses invest in the development and commercialization of innovative technologies in Atlantic Canada

In 2018-19, ACOA invested in creating, growing and nurturing inclusive regional ecosystems that support business needs and foster an entrepreneurial environment conducive to innovation, growth and competitiveness. The Agency helped connect the business community and the region's SMEs with the opportunities offered by the ocean supercluster and the emerging electronic data security cluster. The Agency fostered partnerships and collaborations between the private sector and research and business support organizations as well as with higher education institutions to foster the development and commercialization of new technologies in priority sectors. Efforts from the Agency helped amplify private-sector investment in research and innovative

technologies in the region as the value of business expenditures in research and development by firms receiving ACOA funding reached an average of \$86.7 million in 2018-19, surpassing the Agency's target of \$66 million.

In partnership with Atlantic Canadian businesses, stakeholders, industry, institutions and federal partners, ACOA has helped the region rank in the top 15 ecosystems in the world for start-ups' ability to secure funding and hire a skilled workforce. Atlantic Canada also led the world in early-stage funding per start-up and ranked fourth worldwide in high-growth ecosystems in the activation phase.¹ In 2018-19, the Agency addressed gaps in support of start-ups by engaging with Atlantic Canada's business accelerators and incubators, providing targeted support to foster entrepreneurial culture, developing a robust financing chain, and ensuring the early-stage companies' pathways to globalization.

The Agency also played a key role in positioning companies and communities to adopt clean technologies and raise awareness of the opportunities in the clean-technology sector in Atlantic Canada. In line with the Government of Canada's commitments to assist communities transitioning to the low carbon economy, ACOA invested over \$34 million in 2018-19 for economic development projects that foster the development, commercialization, export and adoption of clean technologies, and the scaling up of clean-technology firms.

With these activities, ACOA supported the development of new technologies and an effective regional start-up ecosystem. For instance:

- A joint partnership between ACOA, the National Research Council, the Province of New Brunswick and the Collège communautaire du Nouveau-Brunswick was established to build new research capacity involving the development of computer-assisted welding technology solutions to reduce productivity losses and improve the global competitiveness of SMEs in the region.
- The Genesis Centre in Newfoundland and Labrador implemented a microfunding initiative for early stage technology-based start-ups as well as women in the technology industry. This filled an immediate need for access to early stage investment and acted as a catalyst for future growth.
- Business growth and investor-readiness programming was offered at the Creative Destruction Lab housed at Dalhousie University. The lab is a seed-stage program for scalable, science-based companies available nationally. Efforts supported approximately 24 start-up ventures in 2018-19.
- Prince Edward Island's Startup Zone hosted Invest Atlantic 2018, a two-day event focused on raising growth capital. Atlantic Canadian start-ups connected with local, national and international investors, learned how to scale their business, exchanged best practices, and networked to secure partnerships.

¹ Startup Genome, Global Startup Ecosystem Report 2019, <https://startupgenome.com/reports>.

Businesses are innovative and growing in Atlantic Canada

ACOA supported businesses at various stages of development to accelerate their growth, assist them in scaling up, and enhance their productivity and competitiveness in both domestic and global markets. Firms supported by ACOA programs reported strong revenue growth rates, higher than the set target, at an average rate of 9% in 2018-19.² To help increase the potential of and to scale up Atlantic Canadian businesses, the Agency, in collaboration with federal and provincial partners, targeted strategic support for high-potential firms under the Accelerated Growth Service, which resulted in 24 high-potential companies being enrolled by the end of 2018-19. It further focused on the development of talent and labour market needs of businesses.

Through the Atlantic Trade and Investment and Growth Agreement, which is investing \$20 million from federal and provincial sources over five years (2017 to 2022), the Agency supported 25 projects, including 19 trade missions involving over 300 participants, to help businesses grow their exports and diversify into new markets. These efforts proved beneficial to help businesses grow in Atlantic Canada, with the value of exports of goods from Atlantic Canada reaching a high of \$26.4 billion in 2018-19, surpassing the Agency's target of \$19.5 billion.

As part of a pan-Atlantic tourism approach, ACOA, Destination Canada and the four provincial governments worked together to develop innovative ways to strengthen the tourism sector in the region. Through the Atlantic Canada Tourism Agreement and the Tourism International Market Expansion Program, tourism operators expanded their offerings to target profitable international markets, notably the United States, the United Kingdom and key overseas markets. In addition, through the Tourism International Market Expansion Program, ACOA and the four Atlantic provinces examined growth opportunities in non-traditional overseas markets and delivered training on how to attract, work with and host Chinese tourists.

Throughout the year, the Agency ensured that Atlantic Canada's interests were considered in federal policies, programs and regulations through advocacy efforts in priority areas such as defence procurement, tourism and clean growth. The Agency also collaborated with the Atlantic Canada Energy Office to work on issues that affect the competitiveness of the region's oil and gas industry. For example, the Agency helped facilitate over 580 meetings between Atlantic Canadian stakeholders – including SMEs and leading global aerospace and defence contractors – to leverage potential investments from major Coast Guard and defence procurement opportunities through the application of Canada's Industrial Technological Benefits policy.

ACOA fostered the adoption of advanced manufacturing technology and business activities between Atlantic Canada and international markets. For instance:

- Food-automation workshops were held in each Atlantic province to expose local companies to automation technology solutions and suppliers. Close to

² A five-year average is used to calculate revenue growth. For fiscal year 2018-19, the period from 2013 to 2017 is used.

370 government representatives, industry stakeholders and technology suppliers attended the workshops.

- As part of an Atlantic trade mission to China in November 2018, in collaboration with federal and provincial partners, ACOA promoted the region's food, clean growth, education and tourism sectors. Over 70 regional businesses and organizations participated in the mission.
- The Oceans Technology Council of Nova Scotia launched a multi-year initiative to develop the annual H₂O industry conference in Halifax into a major international business event with a focus on export development within the Atlantic Canada ocean-technology sector. The H₂O conference has grown over the past few years, and in 2019 hosted representatives from 14 countries.

Communities are economically diversified in Atlantic Canada

In 2018-19, ACOA invested in the economic diversification of communities to promote the inclusion of groups such as women, newcomers, Indigenous peoples, younger and older workers, and persons with disabilities in the Atlantic economy. ACOA has largely met its targets for inclusiveness, and economic diversification as demonstrated through the percentage of professional, science and technology-related jobs in the region. These jobs represented 32% of all jobs in Atlantic Canada's economy, slightly above the Agency's target of 31%, as well as the amount leveraged per dollar invested by ACOA in community projects, which reached \$1.32 in 2018-19, above the target of \$1.17.

As well, through the Women Entrepreneurship Fund stream of the Women Entrepreneurship Strategy, ACOA approved 18 Atlantic projects totalling \$1.8 million. The Agency played a leadership role in developing strategic partnerships with key federal departments such as Immigration, Refugees and Citizenship Canada and the Atlantic provinces through the promotion of the Atlantic Immigration Pilot and the expansion of the Study & Stay program. It supported the Federal Framework for Aboriginal Economic Development by working closely with Indigenous leadership and businesses, the Atlantic provincial governments, and Indigenous Services Canada. The Agency also supported various Indigenous economic development priorities in the region, including Aboriginal economic development research and business skills development. In total, the Agency invested \$10.5 million for 46 projects.

Moreover, a [recent evaluation](#) found that ACOA's "programming addresses Government of Canada priorities related to rural economic development [by]... help[ing] communities respond to economic business development opportunities and challenges, and support[ing] strengthened and expanded businesses.... Programming has also supported priorities through projects aimed at diversity groups, such as women, Indigenous communities and language minorities." In 2018-19, the Agency approved 16 projects for a total of \$1.1 million under the Economic Development Initiative, in official minority language communities mostly in rural francophone communities. Further, ACOA's support to the Community Business Development Corporation (CBDC) network translated into 1,361 loans valued at \$73.4 million and the leveraging of an additional \$65 million in funds for the creation and expansion of small businesses throughout rural

communities in Atlantic Canada. Of the \$73.4 million, 41% went to start-up ventures, assisting 579 businesses.

ACOA helped partners support women entrepreneurs, and attract and retain skilled global talent in Atlantic Canada:

- In New Brunswick, ACOA supported SomaDetect, a women-owned start-up in the advanced agri-food sector. This award-winning company will validate its sensor technology by developing a case study and marketing materials to highlight the product's capacity to prevent diseases among cows, thus helping owners of large dairy farms to save money – money that can then be used to develop export markets.
- In Newfoundland and Labrador, ACOA helped the Association for New Canadians to operate satellite offices in a highly rural region. This allowed it to assist employers and employees in developing a settlement plan, to implement a series of settlement supports, and to serve as a liaison with employers and agencies delivering pre-arrival services for newcomers.

Results achieved

Departmental results	Performance indicators	Target	Date to achieve target	2018 19 Actual result	2017 18 Actual result	2016 17 Actual result
Communities are economically diversified in Atlantic Canada	Percentage of Atlantic Canadian SMEs that are majority owned by women, Indigenous people, youth, visible minorities and persons with disabilities	14.7% female ownership, 1.3% Indigenous ownership, 10.5% youth ownership, and 2.0% visible minority ownership; 2018-19 will be used as a baseline year for persons with disabilities and a target will be established for 2019-20	March 31, 2019	17.1% female ownership, 1.1% Indigenous ownership, 10.6% youth ownership, 4.5% visible minority ownership, and 0.3% persons with disabilities ownership	Not available ³	Not available ³
	Percentage of professional, science and technology-related jobs in Atlantic Canada's economy	31%	March 31, 2019	32%	32%	31%
	Amount leveraged per dollar invested by ACOA in community projects	\$1.17	March 31, 2019	\$1.32	\$1.37	\$1.17
Businesses invest in the development and commercialization of innovative technologies in Atlantic Canada	Value of business expenditures in research and development by firms receiving ACOA program funding, in dollars	\$66.0 million	March 31, 2019	\$86.7 million	Not available ³	Not available ³
	Percentage of businesses engaged in collaborations with higher education institutions in Atlantic Canada	2018-19 will be used as a baseline year and a target will be established for 2019-20	March 31, 2019	18%	Not available ³	Not available ³
Businesses are innovative and growing in Atlantic Canada	Number of high-growth firms in Atlantic Canada	790 ⁴	March 31, 2019	Not available ⁴	Not available ⁴	Not available ⁴
	Value of export of goods (in dollars) from Atlantic Canada	\$19.5 billion	March 31, 2019	\$26.4 billion	\$24.8 billion	\$19.5 billion
	Value of exports of clean technologies (in dollars) from Atlantic Canada	Not available ³	March 31, 2019	Not available ³	Not available ³	Not available ³
	Revenue growth rate of firms supported by ACOA programs	8%	March 31, 2019	9%	7%	7%

³ Not available. Some data are not available because either a) the indicator was new for the 2018-19 fiscal year, and data for previous fiscal years are not available for that indicator, or b) there is a lag in statistical data, meaning that such data are only available for a specific period prior to the fiscal year.

⁴ There was a change in the methodology used by Statistics Canada to measure the number of high-growth firms by revenue, and historical data has not yet been revised. The target had been set using the previous methodology. The target and results for this indicator will be revised in the 2020–21 Departmental Plan to reflect changes in Statistics Canada's methodology.

Budgetary financial resources (dollars)

2018 19 Main Estimates	2018 19 Planned spending	2018 19 Total authorities available for use	2018 19 Actual spending (authorities used)	2018 19 Difference (Actual spending minus Planned spending)
300,441,040	300,441,040	341,646,917	323,354,426	22,913,386

Human resources (full-time equivalents)

2018 19 Planned full time equivalents	2018 19 Actual full time equivalents	2018 19 Difference (Actual full time equivalents minus Planned full time equivalents)
391	378	(13)

Financial, human resources and performance information for ACOA's Program Inventory is available in the [GC InfoBase](#).ⁱⁱⁱ

Internal Services

Description

Internal Services are those groups of related activities and resources that the federal government considers to be services in support of Programs and/or required to meet corporate obligations of an organization. Internal Services refers to the activities and resources of the 10 distinct services that support Program delivery in the organization, regardless of the Internal Services delivery model in a department. These services are:

- Acquisition Management Services
- Communications Services
- Financial Management Services
- Human Resources Management Services
- Information Management Services
- Information Technology Services
- Legal Services
- Materiel Management Services
- Management and Oversight Services
- Real Property Management Services

Results

ACOA continued to strive for excellence with organizational initiatives that prioritized streamlining and improving processes and systems. For example, the Agency digitized or streamlined processes related to invoice management, travel approvals, fleet management, post-payment verification and client proposal processing, while providing Government of Canada Wi-Fi services in its main regional offices to support a more modern and mobile workplace. Further, it collaborated with other regional development agencies to improve the efficient delivery of programs and services to Canadians, including the development of a common platform for the management of grants and contributions programs.

The Agency continued to enhance workplace well-being by implementing the Agency's Mental Health Action Plan in support of the Federal Public Service Workplace Mental Health Strategy. Through key initiatives launched over the past year, employees have access to tools to help lower stress, increase resilience, improve teamwork, strengthen leadership skills and provide effective feedback. For example, the Agency launched an employee-wide mindfulness initiative to help lower stress, increase resilience, improve teamwork and strengthen leadership skills. It also implemented an online learning platform linked to its Employee Assistance Program to promote well-being and a positive and productive workplace.

ACOA also focused on implementing a more robust approach to human resources planning, including standardized processes and tools, to ensure a consistent approach across the Agency. This new approach will facilitate enhanced recruitment and succession planning and enable the Agency to meet its business priorities. Values and

ethics remain at the foundation of ACOA’s corporate culture, and it launched an Agency-wide values and ethics campaign to raise awareness and promote open dialogue at all levels of the organization.

In support of evidence-based decision making, ACOA maintained a strong focus on results and impact through improvement of performance information profiles and tools, ongoing performance measurement, and evaluation of its programs and services. The Agency also undertook an [evaluation](#) of its Communities and Inclusive Growth programming that covered the majority of ACOA’s community development expenditures. As well, the Agency participated in a horizontal evaluation of the Community Futures Program, led by ISED.

ACOA ensured that its key activities and budgetary resources remain aligned with Government of Canada priorities and the Agency’s mandate. It integrated human resources, financial management, risk management, performance measurement and evaluation considerations into its planning and decision-making processes.

Experimentation
In 2018-19, ACOA continued to find new ways to work differently and more effectively to improve client services. One initiative was aimed at reducing the evaluation and approval process for commercial projects and resulted in a reduced processing time – from 182 to 47 days – allowing more time for staff to provide assistance and advice to clients. In light of these successes, ACOA plans to apply this approach to non-commercial projects in the future. Furthermore, the Agency experimented with a “100-Day Rapid Results Initiative” to modernize its policies and procedures manual, which resulted in a streamlined and user-friendly guide to review projects.

Budgetary financial resources (dollars)

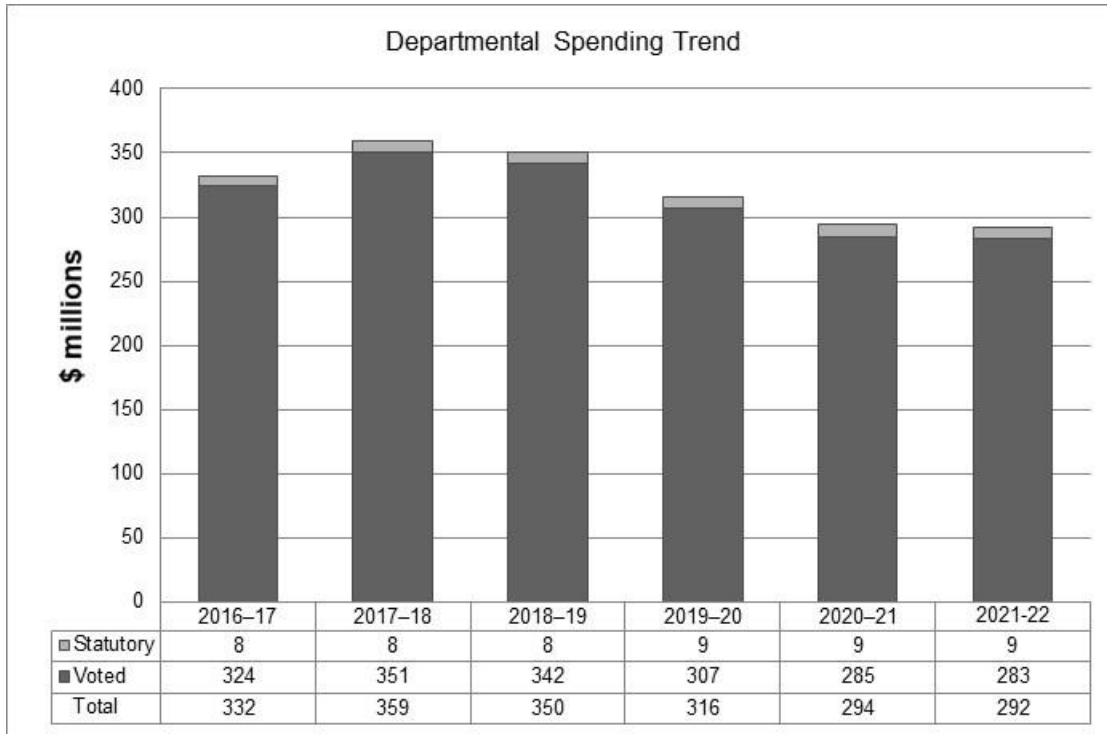
2018 19 Main Estimates	2018 19 Planned spending	2018 19 Total authorities available for use	2018 19 Actual spending (authorities used)	2018 19 Difference (Actual spending minus Planned spending)
26,917,122	26,917,122	27,297,945	26,243,126	(673,996)

Human resources (full-time equivalents)

2018 19 Planned full time equivalents	2018 19 Actual full time equivalents	2018 19 Difference (Actual full time equivalents minus Planned full time equivalents)
199	194	(5)

Analysis of trends in spending and human resources

Actual expenditures



Actual spending: 2016-17, 2017-18, 2018-19. Planned spending: 2019-20, 2020-21, 2021-22.

Planned spending for 2020-21 and 2021-22 does not include excess amounts related to the collection of repayable contributions because decisions on the excess amount of collections that can be re-invested by the Agency are made later in the fiscal cycle.

In 2018-19, the Agency's spending was \$9 million less than in the previous year, mainly due to the following changes in authorities:

- an increase of \$9.2 million in temporary funds announced in Budget 2018 in support of the Regional Economic Growth through Innovation (REGI) Program;
- an increase of \$8.9 million in excess amounts of collections related to the reinvestment of repayable contributions;
- a decrease of \$16.6 million related to the termination of funding for the Canada 150 Community Infrastructure Program;
- a decrease of \$4.9 million related to the termination of funding announced in Budget 2014 for the Spruce Budworm Outbreak Intervention Program;
- a decrease of \$1.9 million in temporary funding announced in Budget 2017 to promote and advance an innovative and knowledge-based economy in Atlantic Canada;
- a decrease of \$1.8 million announced in Budget 2018 for a transfer to Natural Resources Canada on intervention measures to prevent the spread of spruce budworm in the forests of the Atlantic provinces; and

- various adjustments due to variations that occurred in the normal course of business.

From 2019-20 to 2021-22, the decrease in planned spending is attributable mainly to the amount transferred from the Department of National Defence in support of the Halifax International Security Forum, the sunsetting of support for specific projects in innovation, commercialization and community development in New Brunswick, and the exclusion of excess amounts of collections related to the reinvestment of repayable contributions, as explained in the note under the above graph.

Budgetary performance summary for Core Responsibility and Internal Services (dollars)

Core Responsibility and Internal Services	2018 19 Main Estimates	2018 19 Planned spending	2019 20 Planned spending	2020 21 Planned spending	2018 19 Total authorities available for use	2018 19 Actual spending (authorities used)	2017 18 Actual spending (authorities used)	2016 17 Actual spending (authorities used)
Economic development in Atlantic Canada	300,441,040	300,441,040	289,063,006	267,187,006	341,646,917	323,354,426	332,744,431	307,684,045
Subtotal	300,441,040	300,441,040	289,063,006	267,187,006	341,646,917	323,354,426	332,744,431	307,684,045
Internal Services	26,917,122	26,917,122	26,553,941	26,501,876	27,297,945	26,243,126	26,241,166	24,681,457
Total	327,358,162	327,358,162	315,616,947	293,688,882	368,944,862	349,597,552	358,985,597	332,365,502

For 2018-19, planned spending of \$327.4 million increased by \$41.5 million over the previous year, resulting in total authorities available for use of \$368.9 million. This was due to the following additional authorities received during the fiscal year:

- \$25.5 million resulting from the excess amounts of collections related to the reinvestment of repayable contributions;
- \$9.2 million in temporary funds announced in Budget 2018 in support of REGI;
- \$3.2 million due to an operating budget carry-forward from 2017-18;
- \$3.1 million in funds transferred from the Department of National Defence in support of a project; and,
- \$0.5 million related to compensation adjustments.

From the 2018-19 total authorities of \$368.9 million, actual spending was \$349.6 million. This resulted in a surplus of \$19.3 million. Of that amount, \$3.3 million was carried forward as part of the Agency's operating budget; \$12.5 million was reprofiled as a result of project/contracting delays; \$1.8 million was transferred to Natural Resources Canada for intervention measures to prevent the spread of spruce budworm in the forests of the Atlantic provinces; and the remaining balance lapsed.

Actual human resources

Human resources summary for Core Responsibility and Internal Services (full-time equivalents, or FTEs)

Core Responsibility and Internal Services	2016 17 Actual FTEs	2017 18 Actual FTEs	2018 19 Planned FTEs	2018 19 Actual FTEs	2019 20 Planned FTEs	2020 21 Planned FTEs
Economic development in Atlantic Canada	387	376	391	378	381	381
Subtotal	387	376	391	378	381	381
Internal Services	195	195	199	194	196	196
Total	582	571	590	572	577	577

Human resource levels at ACOA remain stable. The minor fluctuations that occur reflect the realignment of human resources to support priorities and projects. The Agency will continue to achieve its results by allocating its human resources to best support its priorities and programs.

Expenditures by vote

For information on ACOA's organizational voted and statutory expenditures, consult the [Public Accounts of Canada 2018-2019](#).^{iv}

Government of Canada spending and activities

Information on the alignment of ACOA's spending with the Government of Canada's spending and activities is available in the [GC InfoBase](#).^v

Financial statements and financial statements highlights

Financial statements

ACOA's financial statements (unaudited) for the year ended March 31, 2019, are available on the [Agency's website](#).^{vi}

Financial statements highlights

Condensed Statement of Operations (unaudited) for the Year Ended March 31, 2019 (dollars)

Financial Information	2018 19 Planned results	2018 19 Actual results	2017 18 Actual results	Difference (2018 19 Actual results minus 2018 19 Planned results)	Difference (2018 19 Actual results minus 2017 18 Actual results)
Total expenses	276,387,024	256,386,179	268,184,518	(20,000,845)	(11,798,339)
Total revenues	19,351	23,177	0	3,826	23,177
Net cost of operations before government funding and transfers	276,367,673	256,363,002	268,184,518	(20,004,671)	(11,821,516)

Expenses:

Actual total expenses were \$256.4 million in fiscal year 2018-19, a decrease of \$11.8 million (4.4%) compared to the previous fiscal year.

The decrease was mainly due to a decision to defer some spending against the top-up funding to promote and advance an innovative and knowledge-based economy in Atlantic Canada (Budget 2017) to a future year as a result of project delays.

Of the total expenses of \$256.4 million, \$228 million (88.9%) was used to support economic development in Atlantic Canada while \$28.4 million (11.1%) was expended for Internal Services.

Condensed Statement of Financial Position (unaudited) as of March 31, 2019 (dollars)

Financial information	2018 19	2017 18	Difference (2018 19 minus 2017 18)
Total net liabilities	60,894,073	59,580,983	1,313,090
Total net financial assets	55,472,270	53,250,345	2,221,925
Departmental net debt	5,421,803.09	6,330,638	(908,835)
Total non-financial assets	2,006,821.82	1,552,836	453,986
Departmental net financial position	(3,414,981.27)	(4,777,802)	1,362,821

Liabilities:

Total net liabilities were \$60.9 million at the end of the 2018-19 fiscal year, representing an increase of \$1.3 million (2.2%) from fiscal year 2017-18. The liabilities primarily consist of “Accounts payable and accrued liabilities” (\$55.2 million).

Assets:

Total net financial assets equalled \$55.5 million at the end of the 2018-19 fiscal year, an increase of \$2.2 million (4.2%) over the previous year’s total. The assets primarily consist of the “Due from the Consolidated Revenue Fund” (\$55 million), which is used to discharge the Agency’s liabilities.

Total non-financial assets were \$2.0 million at the end of the 2018-19 fiscal year, an increase of \$0.5 million (29.2%) over the previous fiscal year’s total. The increase is mainly attributable to work in progress related to the Grants and contributions program management system.

Supplementary information

Corporate information

Organizational profile

Appropriate minister:

The Honourable Navdeep Bains, P.C., M.P.

Institutional head:

Francis P. McGuire, President

Ministerial portfolio:

Innovation, Science and Economic Development

Enabling instrument:

Part I of the *Government Organization Act, Atlantic Canada 1987*, R.S.C., 1985, c. 41 (4th Supp.), also known as the *Atlantic Canada Opportunities Agency Act*. See the [Department of Justice Canada website](#)^{vii} for more information.

Year of incorporation/commencement:

1987

Raison d'être, mandate and role: who we are and what we do

“Raison d'être, mandate and role: who we are and what we do” is available on [ACOA's website](#).

For more information on ACOA's organizational mandate letter commitments, see the [Minister's mandate letter](#).

Operating context and key risks

Information on “Operating context and key risks” is available on [ACOA's website](#).

Reporting framework

ACOA’s Departmental Results Framework and Program Inventory for 2018-19 are shown below.

Departmental Results Framework	Core Responsibility: Economic development in Atlantic Canada		Internal Services
	Departmental Result: Communities are economically diversified in Atlantic Canada	Indicator: Percentage of Atlantic Canadian small and medium-sized enterprises that are majority owned by women, Indigenous people, youth, visible minorities and persons with disabilities	
		Indicator: Percentage of professional, science and technology-related jobs in Atlantic Canada’s economy	
		Indicator: Amount leveraged per dollar invested by ACOA in community projects	
	Departmental Result: Businesses invest in the development and commercialization of innovative technologies in Atlantic Canada	Indicator: Value of business expenditures in research and development by firms receiving ACOA program funding in dollars	
		Indicator: Percentage of businesses engaged in collaborations with higher education institutions in Atlantic Canada	
	Departmental Result: Businesses are innovative and growing in Atlantic Canada	Indicator: Number of high-growth firms in Atlantic Canada	
		Indicator: Value of export of goods (in dollars) from Atlantic Canada	
		Indicator: Value of exports of clean technologies (in dollars) from Atlantic Canada	
		Indicator: Revenue growth rate of firms supported by ACOA programs	
Program Inventory	Program: Inclusive Communities		
	Program: Diversified Communities		
	Program: Research and Development, and Commercialization		
	Program: Innovation Ecosystem		
	Program: Business Growth		
	Program: Trade and Investment		
	Program: Policy Research and Engagement		

Supporting information on ACOA's Program Inventory

Financial, human resources and performance information for “ACOA's Program Inventory” is available in the [GC InfoBase](#).^{viii}

Supplementary information tables

The following supplementary information is available on [ACOA's website](#).

- Departmental Sustainable Development Strategy^{ix}
- Details on transfer payment programs of \$5 million or more^x
- Gender-based analysis plus^{xi}
- Responses to parliamentary committees and external audits^{xii}

Federal tax expenditures

The tax system can be used to achieve public policy objectives through the application of special measures such as low tax rates, exemptions, deductions, deferrals and credits. The Department of Finance Canada publishes cost estimates and projections for these measures each year in the [Report on Federal Tax Expenditures](#).^{xiii} This report also provides detailed background information on tax expenditures, including descriptions, objectives, historical information and references to related federal spending programs. The tax measures presented in this report are the responsibility of the Minister of Finance.

Organizational contact information

Atlantic Canada Opportunities Agency
P.O. Box 6051
Moncton, New Brunswick E1C 9J8
Courier address:
644 Main Street
Moncton, New Brunswick E1C 1E2

General inquiries: 506-851-2271
Toll free (Canada and the United States): 1-800-561-7862
Facsimile: 506-851-7403
Secure Facsimile: 506-857-1301
TTY: 1-877-456-6500
Access to Information/Privacy: 506-851-2271
<https://www.canada.ca/en/atlantic-canada-opportunities.html>

Appendix: definitions

appropriation (crédit)

Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

budgetary expenditures (dépenses budgétaires)

Operating and capital expenditures; transfer payments to other levels of government, organizations or individuals; and payments to Crown corporations.

Core Responsibility (responsabilité essentielle)

An enduring function or role performed by a department. The intentions of the department with respect to a Core Responsibility are reflected in one or more related Departmental Results that the department seeks to contribute to or influence.

Departmental Plan (plan ministériel)

A report on the plans and expected performance of an appropriated department over a three-year period. Departmental Plans are tabled in Parliament each spring.

Departmental Result (résultat ministériel)

A Departmental Result represents the change or changes that the department seeks to influence. A Departmental Result is often outside departments' immediate control, but it should be influenced by program-level outcomes.

Departmental Result Indicator (indicateur de résultat ministériel)

A factor or variable that provides a valid and reliable means to measure or describe progress on a Departmental Result.

Departmental Results Framework (cadre ministériel des résultats)

Consists of the department's Core Responsibilities, Departmental Results and Departmental Result Indicators.

Departmental Results Report (rapport sur les résultats ministériels)

A report on an appropriated department's actual accomplishments against the plans, priorities and expected results set out in the corresponding Departmental Plan.

experimentation (expérimentation)

Activities that seek to explore, test and compare the effects and impacts of policies, interventions and approaches, to inform evidence-based decision-making, by learning what works and what does not.

full-time equivalent (équivalent temps plein)

A measure of the extent to which an employee represents a full person-year charge against a departmental budget. Full-time equivalents are calculated as a ratio of assigned hours of work to scheduled hours of work. Scheduled hours of work are set out in collective agreements.

gender-based analysis plus (GBA+) (analyse comparative entre les sexes plus [ACS+])

An analytical process used to help identify the potential impacts of policies, Programs and services on diverse groups of women, men and gender differences. We all have multiple identity factors that intersect to make us who we are; GBA+ considers many other identity factors, such as race, ethnicity, religion, age, and mental or physical disability.

government-wide priorities (priorités pangouvernementales)

For the purpose of the 2018–19 Departmental Results Report, those high-level themes outlining the government’s agenda in the 2015 Speech from the Throne, namely: Growth for the Middle Class; Open and Transparent Government; A Clean Environment and a Strong Economy; Diversity is Canada’s Strength; and Security and Opportunity.

horizontal initiative (initiative horizontale)

An initiative where two or more departments are given funding to pursue a shared outcome, often linked to a government priority.

non-budgetary expenditures (dépenses non budgétaires)

Net outlays and receipts related to loans, investments and advances, which change the composition of the financial assets of the Government of Canada.

performance (rendement)

What an organization did with its resources to achieve its results, how well those results compare to what the organization intended to achieve, and how well lessons learned have been identified.

performance indicator (indicateur de rendement)

A qualitative or quantitative means of measuring an output or outcome, with the intention of gauging the performance of an organization, Program, policy or initiative respecting expected results.

performance reporting (production de rapports sur le rendement)

The process of communicating evidence-based performance information. Performance reporting supports decision making, accountability and transparency.

plan (plan)

The articulation of strategic choices, which provides information on how an organization intends to achieve its priorities and associated results. Generally a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead up to the expected result.

planned spending (dépenses prévues)

For Departmental Plans and Departmental Results Reports, planned spending refers to those amounts presented in the Main Estimates.

A department is expected to be aware of the authorities that it has sought and received. The determination of planned spending is a departmental responsibility, and departments must be able to defend the expenditure and accrual numbers presented in their Departmental Plans and Departmental Results Reports.

priority (priorité)

A plan or project that an organization has chosen to focus and report on during the planning period. Priorities represent the things that are most important or what must be done first to support the achievement of the desired Departmental Results.

program (programme)

Individual or groups of services, activities or combinations thereof that are managed together within the department and focus on a specific set of outputs, outcomes or service levels.

result (résultat)

An external consequence attributed, in part, to an organization, policy, program or initiative. Results are not within the control of a single organization, policy, program or initiative; instead they are within the area of the organization's influence.

statutory expenditures (dépenses législatives)

Expenditures that Parliament has approved through legislation other than appropriation acts. The legislation sets out the purpose of the expenditures and the terms and conditions under which they may be made.

Strategic Outcome (résultat stratégique)

A long term and enduring benefit to Canadians that is linked to the organization's mandate, vision and core functions.

target (cible)

A measurable performance or success level that an organization, Program or initiative plans to achieve within a specified time period. Targets can be either quantitative or qualitative.

voted expenditures (dépenses votées)

Expenditures that Parliament approves annually through an Appropriation Act. The Vote wording becomes the governing conditions under which these expenditures may be made.

Endnotes

- ⁱ Atlantic Canada Opportunities Agency, <https://www.canada.ca/en/atlantic-canada-opportunities/corporate/transparecy/acoa-cig-eval-2019.html>
- ⁱⁱ Atlantic Growth Strategy Year Two Report – Update to Atlantic Canadians, <http://www.acoa-apeca.gc.ca/ags-sca/Eng/agsupdate-en.html>
- ⁱⁱⁱ GC InfoBase, <https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start>
- ^{iv} Public Accounts of Canada 2018-2019, <http://www.tpsgc-pwgsc.gc.ca/recgen/cpc-pac/index-eng.html>
- ^v GC InfoBase, <https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start>
- ^{vi} 2018-19 Financial Statements, Atlantic Canada Opportunities Agency, <https://www.canada.ca/en/atlantic-canada-opportunities/corporate/transparency/drr-2018-19-fin-stmts.html>
- ^{vii} Government of Canada, Justice Laws Website, <http://laws-lois.justice.gc.ca/eng/acts/G-5.7/page-1.html>
- ^{viii} GC InfoBase, <https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start>
- ^{ix} Atlantic Canada Opportunities Agency, <https://www.canada.ca/en/atlantic-canada-opportunities/corporate/transparency/drr-2018-19-dsds.html>
- ^x Atlantic Canada Opportunities Agency, <https://www.canada.ca/en/atlantic-canada-opportunities/corporate/transparency/drr-2018-19-tpp.html>
- ^{xi} Atlantic Canada Opportunities Agency, <https://www.canada.ca/en/atlantic-canada-opportunities/corporate/transparency/drr-2018-19-gba.html>
- ^{xii} Atlantic Canada Opportunities Agency, <https://www.canada.ca/en/atlantic-canada-opportunities/corporate/transparency/drr-2018-19-rpcea.html>
- ^{xiii} Report on Federal Tax Expenditures, <http://www.fin.gc.ca/purl/taxexp-eng.asp>