# **Atlantic Canada Opportunities Agency**

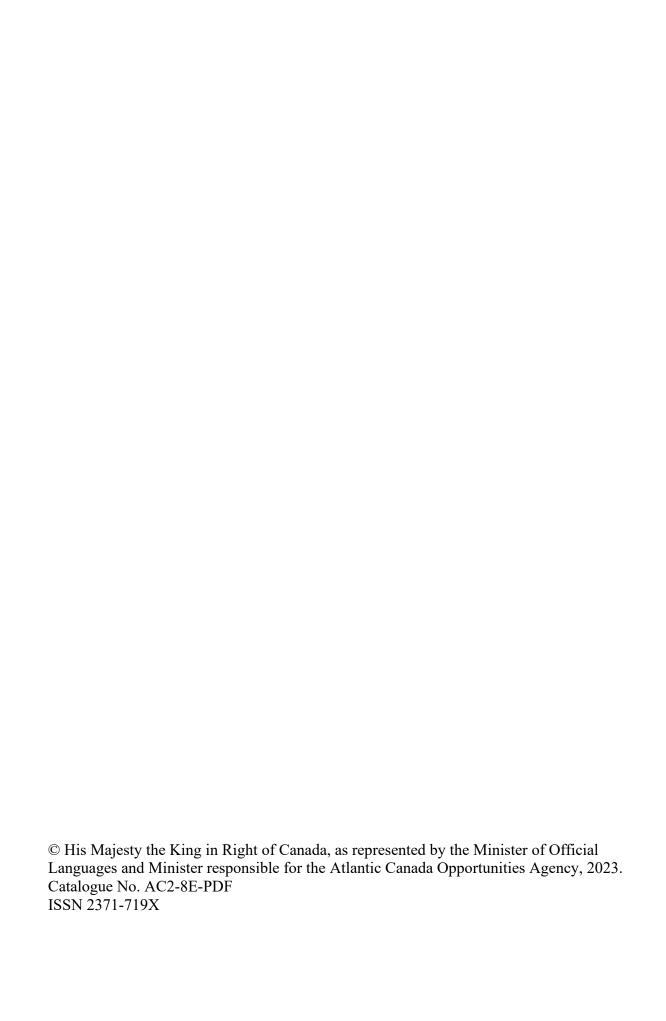
2023-24

Departmental Plan

The Honourable Ginette Petitpas Taylor Minister of Official Languages and Minister Responsible for the Atlantic Canada Opportunities Agency







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### From the Minister

It is my pleasure to present the 2023-24 Departmental Plan for the Atlantic Canada Opportunities Agency (ACOA).

With countries around the world facing varied economic outlooks, the Government of Canada is committed to ensuring that the national economy remains strong, stable and on track for continued growth.

In Atlantic Canada, ACOA will support the big, bold entrepreneurial thinking that will drive new growth in the economy. It will work to attract opportunities by championing the region's strengths and capacity, and by raising its profile within Canada and abroad.



The Agency's overarching objective is to build a more innovative, inclusive, diversified and sustainable regional economy. Investing in projects led by women, Indigenous people, visible minorities and youth is one way ACOA aims to achieve this. In addition, engaging with Francophone and Acadian communities will help develop a new path forward for their economic development and success.

To ensure that Atlantic businesses remain competitive, growing and resilient, ACOA will help them build up and scale up, export, and apply new technologies and approaches, such as automation and digitalization. The Agency will continue to play a leadership role in helping entrepreneurs adapt and adopt more clean technology, emphasizing to businesses the critical need to green their operations and meet consumer demand for products and services that are environmentally friendly, or risk being left out of global supply chains.

The Agency will work with small and rural communities to strengthen local economies by helping to launch and grow businesses and by helping communities increase their appeal to attract new residents. It will focus efforts on creating clean jobs and addressing climate-related challenges to help build a greener future. Moreover, ACOA will coordinate the Hurricane Fiona Recovery Fund to support the repair and rebuilding of affected businesses and communities and help them improve their resilience against future storms.

Through the Atlantic Growth Strategy, ACOA will continue to collaborate with federal and provincial partners on actions that will stimulate economic growth and foster long-term prosperity in Atlantic Canada.

I invite you to read the pages that follow for greater detail on ACOA's plans to cement Atlantic Canada's place among the world's top spots for talent, creating a solid foundation for continued economic growth, and increasing the vitality and prosperity of the region's communities.

## Plans at a glance

In 2023-24, ACOA will continue to leverage its 35 years of experience to fuel long-term economic growth in Atlantic Canada. The Agency will provide regionally tailored, client-centric, and place-based assistance to small and medium-sized enterprises (SMEs), ecosystems and communities in urban and rural areas. As affected areas rebuild from Hurricane Fiona and the region continues its recovery from the economic slowdowns and supply-chain difficulties stemming from the COVID-19 pandemic, it will also face the headwinds of rising inflation and global economic uncertainty.

ACOA's efforts will directly contribute to the Government of Canada's plan to build an economy that works for everyone, as outlined in the 2022 Fall Economic Statement and the 2021 Speech from the Throne. ii Activities will complement and bolster federal initiatives such as the Innovation and Skills Plan, iii the 2022-2026 Federal Sustainable Development Strategy, iv the 2030 Emissions Reduction Plan, and the Sustainable Jobs Plan to guide the region's path to a net-zero economy. A new action plan for Official Languages is expected to inform priorities and actions for Atlantic Canada. Efforts will also be informed by collaboration with the network of regional development agencies across Canada, other federal departments, the four provincial governments in Atlantic Canada, municipalities, Indigenous partners, and other stakeholders such as the Community Business Development Corporations (CBDCs).

The Agency will support the Minister responsible for ACOA and her engagements with Atlantic Canadians, key stakeholders, federal colleagues and provincial governments. Together, activities will advance ministerial mandate letter commitments, notably:

Continuing to promote short- and long-term job creation and economic development in Atlantic Canada in a way that supports the whole-of-government effort to reduce emissions, create clean jobs and address communities' climate-related challenges

The Agency will support long-term, sustainable growth with economic development initiatives in communities of every size, helping SMEs access financing, and investing in the local infrastructure that helps communities grow. Building on the region's competitive strengths, ACOA will contribute to economic prosperity, inclusion and clean growth while advancing its three departmental results for Atlantic Canada: businesses that are innovative and growing; businesses that invest in developing and commercializing innovative technologies; and communities that are economically diversified.

Assistance will be guided by four overarching strategic lenses: digitization as a competitive advantage, supporting the workforce of the future, greening the economy, and inclusion of under-represented groups in Atlantic Canada's workforce.

Emphasis will be placed on priority areas with a high potential for growth including information and communications technology, clean technology, ocean economy, life sciences and biosciences, and tourism sectors. Businesses will be supported to invest in new technologies to improve their efficiency, productivity, competitiveness and growth. The Agency will also remain strong in its advocacy for the Atlantic region across the Government of Canada's activities,

including efforts to competitively position Atlantic Canadian firms for defence and Canadian Coast Guard procurement through Canada's Industrial Benefits Policy.

Assistance will continue to respond to regional needs and be delivered through flexible core programs such as the Regional Growth Through Innovation program and temporary initiatives such as the Hurricane Fiona Recovery Fund and the Prince Edward Island Potato Stabilization and Innovation Initiative (PSII). The Agency will continue improving the design and delivery of programming, informed by lessons learned from COVID-19 relief and recovery initiatives.

## Supporting initiatives that advance the goals of the Atlantic Growth Strategy

In 2023-24, the Agency will actively support the Minister responsible for ACOA and the lead Minister responsible for the Atlantic Growth Strategy in their work with the Leadership Committee to refresh the Strategy's goals and carefully consider the way forward. For ACOA, this could include the possibility of renewing the Atlantic Canada Agreement on Tourism, and leveraging the renewed Atlantic Trade and Investment Growth Strategy and its agreement to help SMEs become successful through market diversification and expansion.

# Supporting local and regional economic diversification and transforming how we power our economy and communities, including contributing to the new Futures Fund for Newfoundland and Labrador

The Government of Canada is committed to promoting a greener, more sustainable economy and ACOA will support this goal. Sustainability will be an important guiding principle for the Agency as it explores new growth opportunities and mitigates the impacts of industries transitioning to a cleaner economy. In 2023-24, the Agency will table its 2023 – 2026 Departmental Sustainable Development Strategy that outlines its expected contributions to Canada's sustainable development goals, notably on meaningful work and economic growth. A new Futures Fund is expected to help Newfoundland and Labrador' economy diversify, become more inclusive (including for rural and Indigenous communities) and transition to a low carbon future in a way that is consistent with the Government of Canada's plan for a just transition to sustainable jobs. This includes support for green initiatives in areas such as critical mineral development, enabling technologies such as Information and Communication Technologies and in sectors such as the blue economy, and sustainable tourism and aquaculture.

## Supporting entrepreneurs in official language minority communities and other underrepresented communities

Throughout 2023-24, Agency officials will support a renewed action plan for official languages, including a targeted approach to support the needs of Acadian and Francophone entrepreneurs across Atlantic Canada.

ACOA will continue to invest in areas that create more diversified and inclusive communities, solidifying economic development undertakings. Activities will strive to support better inclusion of under-represented groups in Atlantic Canada's economy, including Black entrepreneurs, women and Indigenous peoples. Initiatives such as the Black Entrepreneurship Program's (BEP) National Ecosystem Fund will continue to build capacity in our region's SMEs and communities.

For more information on ACOA's plans, see the "Core responsibilities: planned results and resources, and key risks" section of this plan.

## Core responsibilities: planned results and resources, and key risks

This section contains information on the Agency's planned results and resources for each of its core responsibilities. It also contains information on key risks related to achieving those results.

## **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 small and medium-sized enterprises (SMEs) grow through direct financial assistance, and indirectly through business support organizations. SMEs become more innovative by adopting new technologies and processes and by pursuing new avenues for expansion and market diversification to compete and succeed in a global market.

### Planning highlights

In 2023-24, ACOA will be the main sponsor of place-based investments in Atlantic Canada to build a strong and more resilient economy that works for everyone. This will help firms scale up, develop new markets and adopt new technologies and processes to be more productive and sustainable. Activities will also help communities advance and diversify their economies in an inclusive way.

As outlined in the 2022 Fall Economic Statement<sup>viii</sup> and the 2021 Speech from the Throne, ix the economy has mostly recovered from COVID-19 levels and new opportunities can be leveraged for long-term growth. For ACOA, supporting these goals means operating in a way that reflects the interconnectedness of the environment, the economy and society, which is more apparent now than ever. Through its suite of programming, ACOA's investments will help Atlantic Canadians seize economic opportunities provided by the global transition to net-zero and thrive in good-paying jobs. ACOA will help its clients navigate labour shortages, uneven supply of goods and services, and the region's ability to attract world-class investments. Four strategic lenses will guide the Agency: achieving digitization as a competitive advantage, supporting the workforce of the future, greening the economy, and inclusion of under-represented groups in Atlantic Canada's workforce.

Operating context: As the region rebuilds from Hurricane Fiona and continues its recovery from economic slowdowns and supply chain difficulties stemming from the global pandemic, it must also face economic uncertainty. Along with rising inflation and input costs, growing labour and skills shortages will remain a key challenge for Atlantic Canadian businesses.

To mitigate these risks, the Agency will leverage the current population growth and support efforts to increase the participation rate of under-represented groups in the labour force, including women, youth, Indigenous peoples and persons with disabilities, to support Atlantic firms in meeting their labour requirements and to help sustain the region's economic growth. These efforts, along with increases in automation, digitization and the integration of advanced technologies, will help regional businesses adapt to labour shortages and an aging demographic, while increasing their productivity and competitiveness.

To support economic stability and future growth, the Agency will strategically invest in priority sectors such as food, oceans, clean technology, aquaculture, and tourism, all while supporting advanced manufacturing, the start-up ecosystem, exports and a workforce of the future through immigration and skills development as drivers of competitiveness. ACOA will also remain a strong advocate for Atlantic Canada and will coordinate its activities across the country with

other regional development agencies, federal departments, and other governments and stakeholders.

The Agency will maximize the potential of its suite of programming, including the Regional Economic Growth through Innovation<sup>x</sup> (REGI) Program, one of the Government of Canada's four flagship platforms for economic development. It will also enhance competitiveness and growth through technology development, commercialization, adoption and adaptation, productivity improvements, and market expansion. Broad-based support under REGI will be complemented by more targeted recovery measures using initiatives such as:

- Prince Edward Island Potato Stabilization and Innovation Initiative<sup>xi</sup> –to support the stability and future growth of Prince Edward Island's potato sector and its supply chain in response to the ongoing market disruption from the detection of potato wart in fall 2021.
- Jobs and Growth Fund<sup>xii</sup> to provide funding to businesses and organizations to help create jobs and position local economies for long-term growth.
- Aerospace Regional Recovery Initiative<sup>xiii</sup> to support SMEs in improving productivity, strengthening commercialization, and greening their operations and products.
- Black Entrepreneurship Program National Ecosystem Fund<sup>xiv</sup> to strengthen capacity among Black-led non-profit business support organizations.
- Canada Coal Transition Initiative Infrastructure Fund<sup>xv</sup> to support a just and sustainable transition away from coal-powered plants in affected rural communities in Nova Scotia and New Brunswick.

In addition, targeted support will be provided under other ACOA transfer payment programs through the Hurricane Fiona Recovery Fund<sup>xvi</sup> to help local communities and businesses in Atlantic Canada affected by the storm and support long-term recovery efforts. ACOA will coordinate the fund in collaboration with federal departments and agencies to address recovery needs.

ACOA will act as a pathfinder for Atlantic businesses and organizations to better access and benefit from federal programs and investments, as well as to ensure short-term supports are complementary in areas such as skills development and the green economy. This includes working closely with federal departments with national programs on behalf of the region, and continuing to position and promote regional industry in major Canadian Coast Guard and defence procurement projects via Canada's Industrial Technological Benefits (ITB) policy. Finally, ACOA will continue to rely on well-informed policy decisions reflecting regional opportunities and challenges through the Atlantic Policy Research Initiative and other sources.

In 2023-24, ACOA will work to advance its three departmental results and the minister's mandate letter commitments with the following initiatives, activities and actions.

<u>Businesses are innovative and growing in Atlantic Canada</u> – The Agency will work with SMEs to capitalize on sector strengths and capacities, develop and diversify markets, and scale their businesses by:

 helping businesses at various stages of development – from start-up to high growth – to adapt and green their operations, accelerate their growth, scale up, enhance their productivity, optimize their supply chains, and be competitive in domestic and global markets. This includes leveraging company-oriented growth plans under the Accelerated Growth Service, led by ACOA in Atlantic Canada and involving other federal and provincial organizations, by building a pipeline of clients with strong potential for growth and providing them with focused sales and export support;

- accelerating digitalization and the use of transformative technologies in Atlantic Canada. This will ensure businesses have the capacity to implement advanced manufacturing solutions to be more innovative, agile and resilient in response to changing market conditions. This includes increasing the use of e-commerce to facilitate business transactions, better meet consumer demand, generate added sales and increase efficiency;
- collaborating with federal, provincial and industry partners to support the longer-term recovery of the tourism sector and its local businesses, and planning the renewal of the Atlantic Canada Agreement on Tourism with partners and other programming to support the
- enabling and diversifying growth through exports in key industry sectors, ensuring a greater presence for Atlantic Canadian companies in key markets either in person or through ecommerce and virtual trade, and promoting foreign direct investment with the renewed Atlantic Trade and Investment Growth Strategy and Agreement with Atlantic provincial governments;
- fostering the participation of Atlantic Canadian companies in emerging energy industries such as hydrogen, offshore wind, tidal, energy storage and small modular reactors, and support Atlantic Canadian companies in traditional energy industries as they transition to a low-carbon future; and
- positioning Atlantic Canadian firms to leverage major Canadian Coast Guard and defence procurement through Canada's ITB policy through networking between regional stakeholders and global aerospace and defence firms.

Businesses invest in the development and commercialization of innovative technologies in Atlantic Canada – The Agency will help businesses invest in new technologies to improve their efficiency, productivity, competitiveness and growth. ACOA will help Atlantic Canadian businesses to:

- support the greening of the region's economy through industrial decarbonization with new clean technologies and products. Activities will leverage the region's significant potential for renewable energy, electrification and energy efficiency;
- foster investments in research and development among Atlantic Canadian firms to enhance their productivity and capacity to innovate to help create industry-advancing solutions for some of the biggest sectoral challenges, and to grow trade through partnerships between innovators:
- create, grow and nurture inclusive regional ecosystems that support business needs and foster an entrepreneurial environment conducive to innovation, growth and competitiveness by convening innovation ecosystem stakeholders. This includes supporting collaboration between SMEs and the region's business incubators and accelerators, research organizations and post-secondary institutions;
- navigate changing market and technology dynamics of the global energy transition. This includes supporting SMEs' ability to innovate to lower greenhouse gas emissions and enhance their competitiveness in the global marketplace; and

 help advance energy innovation, including supporting the Atlantic Loop initiative to connect surplus clean power to regions transitioning away from coal to help transform how Atlantic Canada's economy and communities are powered.

<u>Communities are economically diversified in Atlantic Canada</u> – The Agency will invest in inclusive growth, support the launch and growth of SMEs, and invest in community capacity to plan, attract, hire and retain skilled talent to support a clean and sustainable economy. ACOA will:

- build on the government's response to Hurricane Fiona by coordinating and delivering a fund
  to affected communities, organizations and businesses in Atlantic Canada. ACOA will focus
  its efforts to support communities, organizations and businesses that have exhausted all other
  sources of financial support and have an immediate need, quantifiable loss, or damage
  directly resulting from Hurricane Fiona;
- promote diversity and inclusion to enhance SME competitiveness, by delivering support for under-represented entrepreneurs and addressing gaps in the ecosystem to help them grow their businesses and pursue new opportunities, including supporting a potential new action plan for official languages and a targeted approach for Acadian and francophone entrepreneurs;
- support local and regional economic diversification in communities affected by the transition to a net-zero economy. This includes supporting Newfoundland and Labrador's needs through the anticipated Futures Fund;
- support immigration to help address labour and skills shortages in Atlantic Canada, and act as a pathfinder, notably supporting federal and provincial partners, leveraging initiatives such as the Atlantic Immigration Program. In this regard, the Agency will continue to focus on employers, newcomers and international students;
- help communities address labour shortages with better labour market matches, accelerated transitions and improved settlement services. This includes working with provincial and federal partners to support the inclusive workforce of the future by improving school-to-work transitions, helping to build new skills in growing sectors, and increasing digital skills;
- reach a larger number of indigenous businesses by supporting efforts that target capacity building and increasing knowledge and awareness by convening federal, provincial, stakeholder and community partners through joint participation in key committees, initiatives and communities of interest; and
- help non-profit, third-party organizations such as CBDCs to support SMEs in small, rural and remote communities as they accelerate their recovery.

#### Gender-based analysis plus

ACOA programs will be delivered with an inclusion lens to support groups that are underrepresented in Atlantic Canada's economy and among its entrepreneurs and workforce, notably through capacity-building activities that increase access to opportunities for different groups in rural and urban communities. These groups include women, Indigenous people, Black and racialized Atlantic Canadians, newcomers, international students, women, youth, older workers and persons with disabilities, as well as remote and rural persons, and Acadians and francophones. The Agency will include and collaborate with various communities, and actively seek out and incorporate the diverse views of Atlantic Canadian stakeholders on economic development issues. For example, ACOA developed flexibility in its program guidelines to reduce barriers to access and adapt to the unique realities of Indigenous businesses on reserves. The Agency will train its staff and engage stakeholders to leverage this flexibility into better support for these businesses and communities.

ACOA integrates gender-based considerations for new initiatives, program evaluations, data and reporting mechanisms, including agreements with Statistics Canada for disaggregated data and enhancing administrative data collection with voluntary declarations for under-represented groups and gender and diversity commitments in contribution agreements. ACOA will also foster its internal corporate diversity and inclusiveness with several initiatives, including through its Office of Inclusion, Equity and Anti-Racism, and the continued implementation of its Employment Equity, Inclusion and Anti-Racism Action Plan.

## The United Nations 2030 Agenda for Sustainable Development and Sustainable Development Goals

The Agency's activities and initiatives under its sole core responsibility of supporting economic development in Atlantic Canada advance objectives related to several of the United Nation's sustainable development goals (SDGs), as outlined in the 2022 to 2026 Federal Sustainable Development Strategy. They include:

- working with partners on clean and renewal energy (SDG 7 Affordable and Clean Energy);
- delivering on the Canada Coal Transition Initiative in New Brunswick and Nova Scotia; and supporting workers, businesses and communities (SDG 8 – Decent Work and Economic Growth);
- investing in deployment, adoption and development of clean technologies (SDG 9 Industry, Innovation and Infrastructure); and
- ensuring sustainable consumption through low-carbon government initiatives (SDG 13 Climate Action, led by the Treasury Board Secretariat for greening government activities).

#### **Innovation**

In 2023-24, the Agency will continue to explore high-impact innovations and commits to making them an integral part of its operations. For example, ACOA will:

- accelerate the Agency's digital transformation by identifying and implementing program
  delivery enhancements to improve clients' experience and reduce workload. Potential
  outcomes include reduced turnaround times, clearer requirements and improved quality of
  information. To complement these changes, ACOA will develop a digital roadmap to guide
  digital adoption efforts and investments;
- leverage updated programming to support growth-oriented clients by de-risking strategic investments in areas such as skills and inclusive workforce, digitization and automation,

- international business growth and/or the green economy. The goal is to help SMEs anticipate future disruptions and support their long-term growth needs;
- continue to explore how data science such as artificial intelligence, machine learning and big data analytics algorithms can be applied to streamline operations, provide better service to clients and support evidence-informed decisions; and
- create firm-centric, growth-oriented pilot initiatives to explore and experiment with how the Agency can best grow Atlantic Canadian SMEs through trade and investment. This experimental approach will involve running a sample of pilots, each with their own features, monitoring and assessing lessons learned, and potentially scaling the most successful approach to benefit growth.

## **Key risks**

ACOA has identified two main risks to fulfill its mandate. The first is a risk that the Agency's economic development programming may be affected by external factors that contribute to uncertainties for economic growth in Atlantic Canada, including the implications of COVID-19 on economic activities. The second is a risk that the capacity of ACOA's stakeholders – other governments, partners, communities and clients – for the identification, development and successful implementation of strategic projects may not be sufficient to support the optimal achievement of ACOA's program objectives.

ACOA will continue to capitalize on the flexibility of its programs, including emergency funding, on its advocacy role, and on its integrated planning to mitigate potential risks associated with an evolving economy and the depth of regional stakeholders' capacity. The Agency will also conduct analyses on regional economic issues and collaborate with stakeholders to foster client and community capacity to help achieve targets under key federal priorities.

#### Planned results for economic development in Atlantic Canada

The following table shows, for economic development in Atlantic Canada, the planned results, the result indicators, the targets and the target dates for 2023-24, and the actual results for the three most recent fiscal years for which actual results are available.

Departmental result	Departmental result indicator	Target	Date to achieve target	2019-20 actual result	2020-21 actual result	2021-22 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	17% of female ownership, 1% of Indigenous ownership, 10% of youth ownership, 4% of visible minority ownership, and	March 31, 2024	17.1% female, 1.1% Indigenous, 10.6% youth, 4.5% visible minorities, and 0.3% persons with disabilities (2017)	Not available <sup>1</sup>	16.7% female, 0.4% Indigenous, 9% youth, 2.9% visible minorities, and 1.2% persons with disabilities (2020)

<sup>&</sup>lt;sup>1</sup> No data were published by Statistics Canada during this reference period.

	Percentage of professional-, science-and technology-related jobs in Atlantic Canada's economy	1% of SMEs majority owned by persons with disabilities 33%	March 31, 2024	31.8% (2019)	33.7% (2020)	33.7% (2021)
	Amount leveraged per dollar invested by ACOA in community projects	\$1.00 for every dollar invested by ACOA in Atlantic Canada	March 31, 2024	\$1.00 (2019- 20)	\$0.58 (2020- 21)	\$1.02 (2021- 22)
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	\$88M	March 31, 2024	\$113.2 million (2013 - 2017) <sup>2</sup>	\$99.6 million (2014 - 2018)	\$93.7 million (2015 - 2019) <sup>2</sup>
	Percentage of businesses engaged in collaborations with higher-education institutions in Atlantic Canada	16%	March 31, 2024	18% (2017)	16.9% (2019)	Not available (2021) <sup>1</sup>
Businesses are innovative and growing in	Number of high-growth firms in Atlantic Canada	600	March 31, 2024	620 (2017)	590 (2018)	660 (2019)
Atlantic Canada.	Value of export of goods (in dollars) from Atlantic Canada	\$33 billion	March 31, 2024	\$28 billion (2019)	\$23.3 billion (2020)	\$33.3 billion (2021)
	Value of export of clean technologies (in dollars) from Atlantic Canada	\$470 million	March 31, 2024	\$555 million (2018)	\$489 million (2019) <sup>3</sup>	\$458 million (2020) <sup>3</sup>
	Revenue growth rate of firms supported by ACOA programs	7%	March 31, 2024	9.2% (2013 – 2017) <sup>4</sup>	8.2% (2014 – 2019, excl. 2018) <sup>4</sup>	6.9% (2015 - 2020, excl. 2018) <sup>4</sup>

<sup>&</sup>lt;sup>2</sup> A five-year average is used. Statistics Canada revised historical data and past results are updated accordingly.

<sup>&</sup>lt;sup>3</sup> Preliminary total from Statistics Canada. This refers to clean technologies exported by firms from all sectors.

<sup>&</sup>lt;sup>4</sup> A five-year average is used.

The financial, human resources and performance information for ACOA's program inventory is available on GC InfoBase. xvii

Planned budgetary spending for economic growth in Atlantic Canada

The following table shows, for ACOA, budgetary spending for 2023-24, as well as planned spending for that year and for each of the next two fiscal years.

			2025-26 planned spending
\$362,794,782	\$362,794,782	\$276,265,398	\$266,392,741

Financial, human resources and performance information for ACOA's program inventory is available on GC InfoBase. xviii

Planned human resources for economic development in Atlantic Canada

The following table shows, in full-time equivalents, the human resources the Agency will need to fulfill this core responsibility for 2023-24 and for each of the next two fiscal years.

· · · · · · · · · · · · · · · · · · ·		2025-26 planned full time equivalents
387	381	381

Financial, human resources and performance information for ACOA's program inventory is available on GC InfoBase. xix

## Internal services: planned results

## **Description**

Internal services are the services that are provided within a department so that it can meet its corporate obligations and deliver its programs. There are 10 categories of internal services:

- management and oversight services
- communications services
- legal services
- human resources management services
- financial management services
- information management services
- information technology services
- ▶ real property management services
- materiel management services
- acquisition management services

Outside of these services, ACOA created the Office of Inclusion, Equity and Anti-Racism. This office is a neutral entity that provides leadership, strategic direction, policy advice, professional development, and expertise with respect to inclusion, equity and anti-racism within the Agency. It will engage external stakeholders in supporting corporate inclusion initiatives to remove systemic barriers.

## Planning highlights

In 2023-24, ACOA's Internal Services will support sustainable change in a post-pandemic public service. This includes being more inclusive, equitable and accessible, and aiming to be free of racism, harassment and discrimination. Ultimately, these efforts will support the Agency's standard of excellence for Atlantic Canadians through effective programs and services. To do so, ACOA will:

- implement the first year of its new Employment Equity and Anti-Racism Plan for 2023 to 2028 to promote and support a diverse and inclusive workplace;
- implement the Government of Canada's hybrid work model and ensure a safe and healthy workplace for Agency staff. Risks will be analyzed and mitigated, and the necessary protocols, directives, equipment and support will be provided;
- prioritize mental health, wellness and official languages by supporting activities and initiatives aligned with the Clerk's call to action and other government-wide strategies such as the "Nothing Without Us" accessibility strategy, the Federal Public Service Workplace Mental Health strategy, and the Workplace Harassment and Violence Prevention program;
- develop employee leadership at all levels with the implementation of a new leadership initiative with specific considerations for employees from equity groups;
- oversee the implementation of the remaining features of the Agency's Grants and Contributions Program Management business system and the associated client web portal; and
- support the Government of Canada's Digital Ambition 2022 strategy, notably by:
   modernizing the Agency's dashboard reporting capabilities;

- o transitioning additional legacy systems over to cloud storage;
- o implementing new security mechanisms for managing sensitive information; and
- o leveraging new capabilities to facilitate information sharing and collaboration with other federal departments.

#### **Planning for Contracts Awarded to Indigenous Businesses**

ACOA is resolute in supporting the Government of Canada's commitment that 5 percent of the total value of contracts be awarded to Indigenous businesses. ACOA will hold awareness sessions at management tables to support this commitment. Dashboards will be developed to monitor, build awareness and ensure focus as the Agency progresses toward this goal. ACOA's procurement specialists will continue to identify and advocate for the use of Indigenous suppliers.

5% reporting field description	2021-22 actual % achieved	2022-23 forecasted % target	2023-24 planned % target
Total percentage of contracts with Indigenous businesses	N/A	5%	5%

## Planned budgetary spending for Internal Services

The following table shows, for Internal Services, budgetary spending for 2023-24, as well as planned spending for that year and for each of the next two fiscal years.

	the state of the s	the state of the s	2025-26 planned spending
\$27,434,430	\$27,434,430	\$27,295,761	\$27,177,515

#### Planned human resources for Internal Services

The following table shows, in full-time equivalents (FTEs), the human resources the Agency will need to carry out its Internal Services for 2023-24 and for each of the next two fiscal years.

2023-24 planned FTEs	2024-25 planned FTEs	2025-26 planned FTEs
197	196	196

16

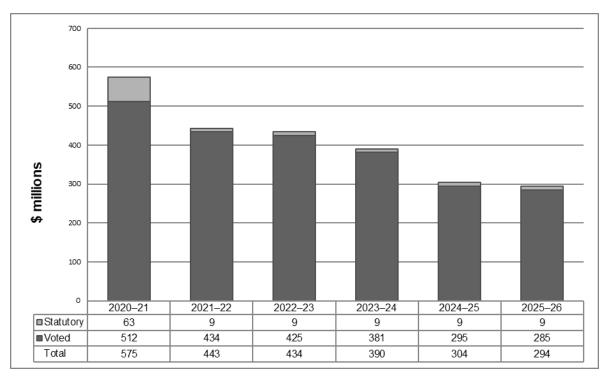
## Planned spending and human resources

This section provides an overview of the Agency's planned spending and human resources for the next three fiscal years and compares planned spending for 2023-24 with planned spending for the current year and actual spending for the previous year.

## Planned spending

Departmental spending 2020-21 to 2025-26

The following graph presents planned spending (voted and statutory expenditures) over time.



Actual spending: 2020-21, 2021-22. Planned spending: 2022-23, 2023-24, 2024-25, and 2025-26.

Planned spending for 2024-25 and 2025-26 does not include excess amounts related to the collection of repayable contributions because decisions on the excess amount of collections that can be reinvested by the Agency are made at a later date.

Budgetary planning summary for core responsibilities and Internal Services (dollars)

The following table shows information on spending for each of ACOA's core responsibilities and for its Internal Services for 2023-24 and other relevant fiscal years.

Core responsibilities and internal services	2020-21 actual expenditures	2021-22 actual expenditures	2022-23 forecast spending	2023-24 budgetary spending (as indicated in Main Estimates)	2023-24 planned spending	2024-25 planned spending	2025-26 planned spending
Economic Development in Atlantic Canada	545,036,957	414,266,127	404,089,423	362,794,782	362,794,782	276,265,398	266,392,741
Subtotal	545,036,957	414,266,127	404,089,423	362,794,782	362,794,782	276,265,398	266,392,741
Internal services	30,008,659	29,224,086	29,669,305	27,434,430	27,434,430	27,295,761	27,177,515
Total	575,045,616	443,490,213	433,758,728	390,229,212	390,229,212	303,561,159	293,570,256

In the 2023-24 Main Estimates, the Agency's available funding is \$390.2 million. This represents a decrease of \$43.6 million from the 2022-23 forecast spending of \$433.8 million, largely due to the planned phase-out of COVID-19 programming. The variance is explained as follows.

- A total decrease of \$92.4 million due to:
  - \$29.8 million attributable to the conclusion of temporary funding as part of COVID-19 measures announced in Budget 2021 related to the Canada Community Revitalization Fund;
  - \$29.0 million attributable to the conclusion of temporary funding as part of COVID-19 measures announced in Budget 2021 related to the Tourism Relief Fund;
  - \$17.4 million attributable to the conclusion of temporary funding as part of COVID-19 measures announced in Budget 2021 related to the Jobs and Growth Fund;
  - \$9.3 million attributable to the conclusion of temporary funding announced in Budget 2018 in support of Regional Economic Growth through Innovation measures;
  - \$4.3 million in temporary funding in support of the Halifax International Security Forum.
     (ACOA continues its role as the delivery agency, with a transfer of funds from the Department of National Defence for the annual initiative);
  - o \$1.3 million related to the Operating Budget Carry Forward; and
  - o \$1.3 million in compensation allocations resulting from revised collective agreements.
- This decrease is offset by a total increase of \$48.8 million due to:
  - \$31.5 million in excess amounts of collections related to the reinvestment of repayable contributions in prior years. This is an adjustment required annually to account for collections in excess of the base amount included in ACOA's reference levels;
  - o \$15.2 million related to the reprofiling of funds as a result of project/contracting delays;
  - \$2.0 million in temporary funding (resulting in a transfer of funds from the Department of Agriculture and Agri-Food) to support the establishment of a Dairy Secondary Processing project in Newfoundland and Labrador; and

o \$0.1 million in various adjustments.

In 2024-25, planned spending is \$303.6 million, a decrease of \$86.6 million from the \$390.2 million in the 2023-24 Main Estimates as a result of:

- \$31.5 million in excess amounts of collections related to the reinvestment of repayable contributions. It is anticipated that a similar amount will be added to the 2024-25 reference levels but this will only be confirmed at a later date;
- \$30.5 million related to the reprofiling of funds from fiscal year 2022-23 to fiscal year 2023-24:
- \$10.4 million attributable to the conclusion of temporary funding as part of COVID-19 measures announced in Budget 2021 related to the Jobs and Growth Fund;
- \$6.0 million attributable to the conclusion of temporary funding announced in Budget 2022 related to the Potato Stabilization and Innovation Initiative;
- \$5.0 million attributable to the conclusion of temporary funding as part of COVID-19 measures announced in Budget 2021 related to the Aerospace Regional Recovery Initiative;
- \$2.5 million in temporary funding (resulting in a transfer of funds from the Department of Agriculture and Agri-Food) to support the establishment of a Dairy Secondary Processing project in Newfoundland and Labrador; and
- \$0.7 million in temporary funding announced on September 9, 2020, by the Prime Minister of Canada related to the Black Entrepreneurship Program.

In 2025-26, planned spending is \$293.6 million, a decrease of \$10.0 million from the \$303.6 million in 2024-25 as a result of the following.

- A total decrease of \$10.2 million due to:
  - \$9.0 million attributable to the conclusion of temporary funding announced in Budget
     2019 related to the Canada Coal Transition Initiative Infrastructure Fund; and
  - \$1.2 million attributable to the conclusion of temporary funding announced in Budget 2021 related to the Black Entrepreneurship Program.
- This decrease is offset by a total increase of \$0.2 million due to various adjustments.

## Planned human resources

The following table shows information on human resources, in FTEs, for each of ACOA's core responsibilities and for its Internal Services for 2023-24 and the other relevant years.

Human resources planning summary for core responsibilities and Internal Services

Core responsibilities and Internal Services				2023-24 planned FTEs	2024-25 planned FTEs	2025-26 planned FTEs
Economic Development in Atlantic Canada	383	394	387	387	381	381
Subtotal	383	394	387	387	381	381
Internal Services	201	201	208	197	196	196
Total	584	595	595	584	577	577

Human resource levels at ACOA show an increase starting in 2020-21 that reflects the additional human resources required to support the efforts by the Government of Canada and ACOA to effectively deliver on COVID-19 emergency measures. The situation will normalize starting in fiscal year 2024-25. The remaining fluctuations occurring reflect the realignment of human resources to support priorities, projects and new temporary initiatives. The Agency will continue to achieve its results by allocating its human resources to best support its priorities and programs.

## Estimates by vote

Information on ACOA's organizational appropriations is available in the 2023-24 Main Estimates. xx

## Future-oriented condensed statement of operations

The future-oriented condensed statement of operations provides an overview of ACOA's operations for 2022-23 to 2023-24.

The forecast and planned amounts in this statement of operations were prepared on an accrual basis. The forecast and planned amounts presented in other sections of the Departmental Plan were prepared on an expenditure basis. Amounts may therefore differ.

A more detailed future-oriented statement of operations and associated notes, including a reconciliation of the net cost of operations with the requested authorities, are available on ACOA's website<sup>xxi</sup>.

Future-oriented condensed statement of operations for the year ending March 31, 2024 (dollars)

Financial information	2022-23 forecast results	2023-24 planned results	Difference (2023-24 planned results minus 2022-23 forecast results)
Total expenses	339,853,402	395,968,826	56,115,424
Total revenues	26,975	26,294	(681)
Net cost of operations before government funding and transfers	339,826,427	395,942,532	56,116,105

Planned total expenses for fiscal year 2023-24 are \$396.0 million, an increase of \$56.1 million compared to the 2022-23 forecast results. The planned expenses for fiscal year 2023-24 include anticipated amounts in support of initiatives for which Treasury Board submissions are not yet approved.

Total revenues represent the gain on disposal of tangible capital assets.

## Corporate information

## Organizational profile

**Appropriate minister:** The Honourable Ginette Petitpas Taylor, PC, MP

Institutional head: Catherine Blewett, President

Ministerial portfolio: Atlantic Canada Opportunities Agency

**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 xxii for more information.

Year of incorporation / commencement: 1987

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

Information on ACOA's raison d'être, mandate and role is available on the Agency's website xxiii.

Information on ACOA's mandate letter commitments is available in the Minister's mandate letter. xxiv

## Operating context

Information on the operating context is available on ACOA's website xxv.

## Reporting framework

ACOA's approved departmental results framework and program inventory for 2023-24 are as follows.

Departmental Results Framework	Core Responsibility: Economic development in Atlantic Canada		
	Departmental Result: Communities are economically diversified in Atlantic Canada.	Indicator: Percentage of Atlantic Canadian SMEs that are majority owned by women, Indigenous people, youth, visible minorities and persons with disabilities	Internal Services
		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 R&D 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 exports of goods (in dollars) from Atlantic Canada	
		Indicator: Value of exports of clean technologies (in dollars) from Atlantic Canada	

Program Inventory		Indicator: Revenue growth rate of firms supported by ACOA programs	
	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 the program inventory

Supporting information on planned expenditures, human resources and results related to ACOA's program inventory is available on GC InfoBase. xxvi

## Supplementary information tables

The following supplementary information tables are available on ACOA's website:

- ▶ Details on transfer payment programs<sup>xxvii</sup>
- ▶ Gender-based analysis plus<sup>xxviii</sup>
- ► The United Nations 2030 Agenda for Sustainable Development and Sustainable Development Goals<sup>xxix</sup>

## Federal tax expenditures

ACOA's Departmental Plan does not include information on tax expenditures.

Tax expenditures are the responsibility of the Minister of Finance. The Department of Finance Canada publishes cost estimates and projections for government-wide tax expenditures each year in the Report on Federal Tax Expenditures. \*\*xx\* This report provides detailed information on tax expenditures, including objectives, historical background and references to related federal spending programs, as well as evaluations, research papers and gender-based analysis plus.

## Organizational contact information

## Mailing address

Atlantic Canada Opportunities Agency P.O. Box 6051 Moncton, New Brunswick, E1C 9J8

## **Telephone:**

General inquiries: 506-851-2271

Toll free (Canada and the United States): 1-800-561-7862

**TTY:** 1-877-456-6500

Fax:

General: 506-851-7403 Secure: 506-857-1301

Email: acoa.information.apeca@acoa-apeca.gc.ca

Website(s): https://www.canada.ca/en/atlantic-canada-opportunities.htmlxxxi

## 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 document that sets out a department's priorities, programs, expected results and associated resource requirements, covering a three-year period beginning with the year indicated in the title of the report. Departmental Plans are tabled in Parliament each spring.

#### departmental result (résultat ministériel)

A change that a 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)

A framework that consists of the department's core responsibilities, departmental results and departmental result indicators.

#### Departmental Results Report (rapport sur les résultats ministériels)

A report on a department's actual performance in a fiscal year against its plans, priorities and expected results set out in its Departmental Plan for that year. Departmental Results Reports are usually tabled in Parliament each fall.

#### 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 Plus) (analyse comparative entre les sexes plus [ACS Plus])

An analytical tool used to support the development of responsive and inclusive policies, programs and other initiatives. GBA Plus is a process for understanding who is impacted by the issue or opportunity being addressed by the initiative; identifying how the initiative could be

tailored to meet diverse needs of the people most impacted; and anticipating and mitigating any barriers to accessing or benefitting from the initiative. GBA Plus is an intersectional analysis that goes beyond biological (sex) and socio-cultural (gender) differences to consider other factors, such as age, disability, education, ethnicity, economic status, geography, language, race, religion, and sexual orientation.

#### government-wide priorities (priorités pangouvernementales)

For the purpose of the 2023-24 Departmental Plan, government-wide priorities are the high-level themes outlining the Government's agenda in the 2021 Speech from the Throne: building a healthier today and tomorrow; growing a more resilient economy; bolder climate action; fighter harder for safer communities; standing up for diversity and inclusion; moving faster on the path to reconciliation and fighting for a secure, just, and equitable world.

#### high impact innovation (innovation à impact élevé)

High impact innovation varies per organizational context. In some cases, it could mean trying something significantly new or different from the status quo. In other cases, it might mean making incremental improvements that relate to a high-spending area or addressing problems faced by a significant number of Canadians or public servants.

## horizontal initiative (initiative horizontale)

An initiative in which two or more federal organizations 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.

#### 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.

#### program (programme)

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

#### program inventory (répertoire des programmes)

An inventory of a department's programs that describes how resources are organized to carry out the department's core responsibilities and achieve its planned results.

### 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.

#### target (cible)

A measurable performance or success level that an organization, program or initiative plans to achieve within a specified 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 Fall Economic Statement, 2022, https://www.budget.canada.ca/fes-eea/2022/home-accueil-en.html ii Speech from the Throne, 2021, https://www.ourcommons.ca/DocumentViewer/en/44-1/house/sitting-2/hansard#Int-11426929 Innovation and Skills Plan, Innovation, Science and Economic Development, iii https://www.ic.gc.ca/eic/site/062.nsf/eng/h\_00105.html#:~:text=The%20Innovation%20and%20Skills%20 Plan%20features%20a%20number,Research%20Chairs%20Program%20attracts%20and%20retains%20wo rld-leading%20researchers. Federal Sustainable Development Strategy, https://www.fsds-sfdd.ca/en iv Regional Growth through Innovation Program, ACOA, https://www.canada.ca/en/atlantic-canadaopportunities/services/regional-economic-growth-through-innovation.html Hurricane Fiona Recovery Fund, ACOA, https://www.canada.ca/en/atlantic-canadavi opportunities/services/hurricane-fiona-recovery-fund.html vii Prince Edward Island Potato Stabilization and Innovation Initiative (PSII), ACOA, https://www.canada.ca/en/atlantic-canada-opportunities/services/prince-edward-island-potato-stabilizationinnovation.html Fall Economic Statement, 2022, https://www.budget.canada.ca/fes-eea/2022/home-accueil-en.html viii Speech from the Throne, 2021, https://www.ourcommons.ca/DocumentViewer/en/44-1/house/sittingix 2/hansard#Int-11426929 Regional Growth through Innovation Program, ACOA, https://www.canada.ca/en/atlantic-canadaopportunities/services/regional-economic-growth-through-innovation.html Prince Edward Island Potato Stabilization and Innovation Initiative, ACOA, хi https://www.canada.ca/en/atlantic-canada-opportunities/services/prince-edward-island-potato-stabilizationinnovation.html xii Jobs and Growth Fund, ACOA, https://www.canada.ca/en/atlantic-canadaopportunities/campaigns/covid19/jgf.html xiii Aerospace Regional Recovery Initiative, ACOA, https://www.canada.ca/en/atlantic-canadaopportunities/campaigns/covid19/aerospace-regional-recovery-initiative.html Black Entrepreneurship Program National Ecosystem Fund, ACOA, https://ised-isde.canada.ca/site/blackxiv entrepreneurship-program/en/ecosystem-fund Canada Coal Transition Initiative, ACOA, https://www.canada.ca/en/atlantic-canada-XVopportunities/services/canada-coal-transition-initiative.html xvi Hurricane Fiona Recovery Fund, ACOA, https://www.canada.ca/en/atlantic-canadaopportunities/services/hurricane-fiona-recovery-fund.html xvii GC InfoBase, https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start xviii GC InfoBase, https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start GC InfoBase, https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start xix 2023-24 Main Estimates, https://www.canada.ca/en/treasury-board-secretariat/services/planned-XXgovernment-spending/government-expenditure-plan-main-estimates.html ACOA, Future oriented statement of operations, https://www.canada.ca/en/atlantic-canadaxxi opportunities/corporate/transparency/2023-24-departmental-plan/future-oriented-statement-operations.html ACOA Act, http://laws-lois.justice.gc.ca/eng/acts/G-5.7/page-1.html xxii ACOA Raison d'Être, https://www.canada.ca/en/atlantic-canadaxxiii opportunities/corporate/transparency/2023-24-departmental-plan/raison-detre.html Mandate letter for the Minister responsible for the Atlantic Canada Opportunities Agency, Minister of xxiv Official Languages and Minister responsible for the Atlantic Canada Opportunities Agency Mandate Letter (pm.gc.ca) ACOA, operating context, https://www.canada.ca/en/atlantic-canada-XXV opportunities/corporate/transparency/2023-24-departmental-plan/operating-context.html GC InfoBase, https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start xxvi ACOA, Details of Transfer Payment Programs, https://www.canada.ca/en/atlantic-canadaxxvii

opportunities/corporate/transparency/2023-24-departmental-plan/transfer-payment-programs.html

## 2019–20 Departmental Plan

xxviii	ACOA, https://www.canada.ca/en/atlantic-canada-opportunities/corporate/transparency/2023-24-
	departmental-plan/gender-based-analysis-plus.html
xxix	ACOA, Sustainable Development Goals, https://www.canada.ca/en/atlantic-canada-
	opportunities/corporate/transparency/2023-24-departmental-plan/sdg.html
XXX	Report on Federal Tax Expenditures, https://www.canada.ca/en/department-
	finance/services/publications/federal-tax-expenditures.html
xxxi	ACOA website, https://www.canada.ca/en/atlantic-canada-opportunities.html