



Strategic Plan

DEPARTMENT OF INNOVATION, TRADE AND RURAL DEVELOPMENT



2008-2011

TO OBTAIN A COPY OF THIS REPORT:

ONLINE

Website: www.gov.nl.ca/intrd/strategicplan.htm

REFERENCE PERIOD

This strategic plan covers the period April 1, 2008
through March 31, 2011.

PUBLISHED BY

The Department of Innovation, Trade and Rural Development
Government of Newfoundland and Labrador

ISBN # 0-9736635-0-2

Table of Contents

Message from the Minister	2
Plan at a Glance	4
Overview of the Department	6
Mandate	7
Lines of Business	8
Organizational Landscape	10
Values	11
Clients, Target Markets and Related Expectations	12
Vision and Mission	13
Strategic Considerations	14
Issues and Goals	15

Appendices

Strategic Directions	27
Organization Structure	30
Office Locations	31
Contact Information	32

Message from the Minister



As Minister responsible for the Department of Innovation, Trade and Rural Development, and in accordance with government's commitment to accountability, I hereby submit the 2008-2011 Strategic Plan of the department. This document was prepared under my direction and I am accountable for the achievement of the goals and objectives contained therein, pursuant to section 5(4) of the Transparency and Accountability Act. As the department is a category 1 entity, under the Act I will be reporting our achievements at the outcome as well as activity level for each year of this plan.

The province's economy continues to grow and expand. We have come a great distance from our historical roots. Today our resource economy is transforming into an economy that includes knowledge-based and value-added industries, innovative new sectors and globally competitive firms.

Awareness of Newfoundland and Labrador's world-class products, services, and institutions is growing. Over the next three years, my department will be targeting opportunities and supporting initiatives to advance these developments. Ocean technology is positioned to become our newest flagship industry, joining the ranks of our world-class renewable energy assets, offshore reserves, and resource industries in contributing to our wealth and prosperity.

Our focus remains a competitive environment. Priority areas include addressing the competitiveness of our private and public sector organizations, expanding the province's capacity to create new opportunities, and further cultivating an innovative culture.

To support this progression, the Provincial Government is committed to a regional approach to investing in the necessary resources and tools required to improve accessibility to programs and services. This strategic plan outlines the principles that will direct the Department of Innovation, Trade and Rural Development's economic development initiatives spanning 2008-2011. These principles serve as the framework for implementing the province's Comprehensive Regional Diversification Strategy, and ensure that our investments provide maximum benefit for the people of our province.

In collaboration with industry, community, academic institutions and other government organizations, the Provincial Government will identify where strategic investments are required to advance our growth sectors, contributing to the development of our regions and communities.

The plan is guided by the following strategic directions of government:

- 1. Regional Diversification and Industry Growth**
Outcome statement: Diversified and strengthened regional economies.
- 2. Innovation Enhancement**
Outcome statement: A culture of innovation.
- 3. Small and Medium-sized Enterprise Business Supports**
Outcome statement: An environment supportive of enterprise establishment and growth.
- 4. Business Promotion, Trade and Investment Development**
Outcome statement: Increased business promotion, trade and investment.
- 5. Business, Industry and Economic Intelligence**
Outcome statement: Improved understanding of and response to significant and long-term economic and competitiveness issues.

Collaboration and partnerships at the community level are central to diversifying and strengthening local economies, and the Provincial Government is a committed partner in filling a void that organizations face when seeking capital and support. Our investments will focus on providing Newfoundlanders and Labradorians with the opportunity to succeed today and in the future.



Hon. **TREVOR TAYLOR**
Minister
MHA, The Straits and White Bay North

PRIORITY AREAS INCLUDE ADDRESSING THE COMPETITIVENESS OF OUR PRIVATE AND PUBLIC SECTOR ORGANIZATIONS, EXPANDING THE PROVINCE'S CAPACITY TO CREATE NEW OPPORTUNITIES, AND FURTHER CULTIVATING AN INNOVATIVE CULTURE.

Plan at a Glance

...THIS PLAN SUPPORTS
THE PRINCIPLES BY WHICH
GOVERNMENT'S ECONOMIC
DEVELOPMENT INVESTMENTS
WILL BE GUIDED FOR THE
NEXT SEVERAL YEARS

This strategic plan is a statement of the actions the Department of Innovation, Trade and Rural Development will be undertaking over the next three years to help achieve government's economic development agenda. This document focuses on three priority issues - namely competitiveness, capacity building and strong regions - that are of critical importance to continued economic growth of the province. Most importantly, this plan supports the principles by which government's economic development investments will be guided for the next several years.

GOAL 1

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

Objectives:

1. By 2008-2009, INTRD will have supported ocean technology-related growth opportunities and, in partnership with industry stakeholders, enhanced the capacity of the ocean technology sector in the province.
2. By 2009-2010, INTRD will have supported clients to identify and realize market opportunities at home and abroad.
3. By 2010-2011, INTRD will have supported clients to enhance their competitiveness.

Plan at a Glance

GOAL 2

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

- Facilitating company access to training and supports to enhance enterprise and entrepreneurial skills essential to competitiveness.
- Participating in business network activities.
- Enhancing skills essential to regional economic coordination, planning and implementation.
- Facilitating access to enterprise and entrepreneurial skills for non-profit groups.
- Enhancing skills essential to project leadership and implementation.
- Leading or supporting regional development initiatives.

Objectives:

1. By 2008-2009, INTRD will have identified and promoted departmental programs and services to encourage and support youth innovation and entrepreneurship.
2. By 2009-2010, INTRD will have facilitated capacity-building and skills enhancement for business and economic development clients.
3. By 2010-2011, regional capacity building has resulted in projects and plans that have had a positive impact on people, communities and regions.

GOAL 3

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

Objectives:

1. By 2008-2009, INTRD will have worked with regional and other partners to identify and access economic opportunities in key sectors.
2. By 2009-2010, INTRD, in collaboration with the Office of the Chief Information Officer, will have initiated an advanced broadband telecommunications network for government operations across the province.
3. By 2010-2011, INTRD, in collaboration with key partners, will have identified and advanced priority economic infrastructure initiatives in support of sector priorities.

VISION

THE VISION OF THE DEPARTMENT OF INNOVATION, TRADE AND RURAL DEVELOPMENT IS A DIVERSIFIED, COMPETITIVE ECONOMY WITH PRODUCTIVE AND PROSPEROUS REGIONS ACROSS THE PROVINCE.

MISSION

BY 2011, THE DEPARTMENT OF INNOVATION, TRADE AND RURAL DEVELOPMENT WILL HAVE STIMULATED ECONOMIC AND BUSINESS DEVELOPMENT TO FOSTER REGIONAL AND PROVINCIAL PROSPERITY.

Overview of the Department

THE DEPARTMENT WORKS TO
ENHANCE ECONOMIC AND
BUSINESS DEVELOPMENT FOR THE
CITIZENS OF THE PROVINCE BY
PROVIDING SERVICE THAT MEETS
THE NEEDS OF CLIENTS.

Established in 2004, the Department of Innovation, Trade and Rural Development (INTRD) is the lead agency for economic development in the province.

The department has a deputy minister and four executive branches each headed by an assistant deputy minister. The four branches are: Business Development and Strategic Industries; Innovation; Trade and Export Development; and Regional Development. The department partners with the Atlantic Canada Opportunities Agency in managing and operating the Canada-Newfoundland and Labrador Business Service Centre/Network (See appendix 2 for a copy of the department's organizational chart).

In addition to a corporate headquarters in St. John's there are five regional offices and 17 local area offices. A second corporate office, responsible for portfolio management and administration, is located in Marystown. Approximately 40 per cent of employees operate from offices located outside of St. John's (See appendix 3 for contact information and maps of INTRD regions and office locations).

The department's business investment portfolio is overseen by a crown agency, the Business Investment Corporation. Also reporting to the Minister are the Ireland Business Partnerships, the Strategic Partnership Council, and the boards of directors for Economic Diversification and Growth Enterprises, the Newfoundland and Labrador Immigrant Investment Fund, the Newfoundland Hardwoods Corporation and Newfoundland Ocean Enterprises.

The department's budget for 2008-2009 is \$54.3 million and includes \$11.7 million for small and medium-sized enterprise financing, \$11.3 million for regional economic development including the regional/sectoral diversification fund, and \$12.5 million for innovation investment and infrastructure support to businesses and organizations. Funding available in the budget combined with funding available in the Small and Medium-sized Enterprise Revolving Fund totals just over \$20 million dollars available to support business development.

The department strives to continually improve its effectiveness as a comprehensive economic development agency, with a culture that emphasizes teamwork and partnerships. The department works to enhance economic and business development for the citizens of the province by providing service that meets the needs of clients. We also strive to create an enjoyable workplace with challenging career opportunities and high levels of job satisfaction for our employees.

Mandate

The mandate of the Department of Innovation, Trade and Rural Development is to lead:

- a.** the creation and maintenance of a competitive economic environment that encourages and supports private sector business growth and long-term sustainable employment opportunities for the people of the province;
- b.** the diversification of the economy on a provincial and regional basis, with particular attention to rural areas;
- c.** the promotion and encouragement of increased trade and export of goods and services by provincial industries and businesses in the national and international marketplace;
- d.** the creation of a climate conducive to innovation in business through the facilitation of research and development, technology transfer and technology commercialization within provincial industries and individual business enterprises;
- e.** the provision of business information, counselling and financial support programs and services to small and medium-sized enterprises; including private businesses, co-operatives, credit unions and community development corporations to stimulate economic and employment development within the province;
- f.** promoting the value of an enterprise culture and encouraging economic self-reliance throughout the province; and
- g.** the negotiation and administration of comprehensive federal/provincial economic development co-operation agreements and other forms of collaboration.

The department is responsible for administering:

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



Lines of Business

The department is responsible for supporting development and diversification throughout the province. To achieve this, it operates five lines of business supported by three corporate service areas: policy, communications and information management. In addition, INTRD is responsible for coordinating the delivery of the Strategic Partnership Initiative, Ireland Business Partnerships and federal-provincial comprehensive economic development arrangements.

The business lines are:

Small and Medium-sized Enterprise (SME) Development



Encompassing the business development, enterprise promotion, export development and trade functions of the department, SME development involves the provision of funding and business support services, such as counseling and export development services, to eligible small and medium-sized enterprises operating in the province. To qualify, client firms must be resident or plan to be resident in the province.

Industrial Diversification



The department supports new and emerging industries and value-added initiatives in established industries that show significant growth potential in the province as a whole or in one or more of its regions. This encompasses the regional economic development, strategic industries and technology sector development functions of the department. Supports include policy development, strategic planning, capacity building, counseling, negotiation, brokering, facilitating business networks and financial assistance.

Innovation



The department fosters the development of an innovative culture throughout the province and provides support to industry, labour, academic and other research and development institutions and businesses involved in innovation projects. Emphasis is placed on increasing public and private investment in research and development infrastructure, enhancing commercialization activity and supporting the growth of industry clusters.

Lines of Business

Investment



The department encourages and supports the investment activities of local firms to enhance competitiveness. The department also works with the Department of Business to ensure the successful attraction of direct investment to the province. Staff partner with officials from the Department of Business to provide support services to firms interested in locating and investing in the province.

Economic Intelligence



The department provides relevant business, economic and market intelligence and tracks competitiveness indicators for use by government, business, labour and other stakeholders. The four executive branches of INTRD partners with other departments to provide staff, clients and industry groups with information to remain competitive at a provincial, national and global level.

The lines of business are provided through the corporate office and the department's 23 offices located around the province. The Canada-Newfoundland and Labrador Business Service Network, co-managed with the Atlantic Canada Opportunities Agency, provides 24-7 electronic access to business information and resources.

Organizational Landscape



The department works within a complex environment and shares a mandate for economic development with multiple organizations and entities including other government departments, other orders of government, and a wide range of associations, community groups and development agencies. In fact, there are few areas where the department has exclusive jurisdiction. This means a major component of the department's work involves cultivating strong inter-agency relationships including joint investments in development initiatives, and sharing of staff expertise, project information and analysis.

Staff work closely with their counterparts at the Atlantic Canada Opportunities Agency, Industry Canada, the Department of Foreign Affairs and International Trade, and the National Research Council to ensure clients and projects benefit from the appropriate services each organization has to offer. The department is involved in multiple industry partnerships in addition to ongoing collaborative arrangements with provincial and regional industry and business associations.

Key partners at the regional level are the regional economic development boards and the Rural Secretariat regional and provincial councils which will help shape future local and government regional diversification directions. Municipal councils play a significant role in economic development within their communities and help influence the regional development agenda. The department also collaborates with Provincial Government departments including Tourism, Culture and Recreation; Fisheries and Aquaculture; Finance; and Natural Resources. In support of its business and industry development mandate, INTRD coordinates with these departments to develop sectors such as tourism, the cultural industry, fisheries, aquaculture, oil and gas, agriculture, forestry and manufacturing. Regional labour market matters, including youth retention and skills development, are also important to the work of INTRD; consequently, the department works with the departments of Education, and Human Resources, Labour and Employment under the current Labour Market Development Agreement and other provincial program/service arrangements.

INTRD has a close relationship with the Rural Secretariat and the Department of Business. The department partners with the Rural Secretariat to identify strategies to assist the Secretariat in fulfilling its mandate to promote a comprehensive and coordinated approach to the economic, social, cultural and environmental aspects of regional development. In return, the department seeks the resources and advice of the Rural Secretariat in developing its own

Organizational Landscape

program and policy priorities, particularly in the area of regional development. INTRD partners with the Department of Business to provide support services to firms interested in locating and investing in the province. The two departments coordinate resources to implement the province's investment attraction strategy and collaborate on economic policy issues. The following values and associated actions describe the way the department strives to conduct its business. All employees of the department should aspire to adopt these fundamental principles to guide their work.

Values

Innovativeness

Each person takes initiative to “think forward” generating ideas and presenting them for consideration. This entails openness and a willingness at all levels to receive and respond to the opportunities presented.

Resourcefulness

Each person focuses efforts on finding creative ways of addressing client needs utilizing the tools available from all sources.

Accountability

Each person answers for the obligations of his or her job assignment.

Cooperativeness

Each person develops and participates in team approaches to advancing the department's mandate.

Respect

Each person provides timely and meaningful services to clients in a respectful and courteous manner. Each person contributes to a respectful workplace that supports the physical, psychological and social well-being of all employees.

Communication

Each person takes initiative to promptly share information with co-workers in support of the department's mandate in a timely manner.

Effectiveness

Each person makes informed decisions in a timely and professional manner.

Responsiveness

Each person builds relationships of trust and collaboration with, and among, citizens and focuses effort on creating an environment supportive of economic development.

Clients, Target Markets and Related Expectations

THE DEPARTMENT WORKS
WITH ALL POTENTIAL CLIENTS
PROVIDING INFORMATION,
OPPORTUNITY IDENTIFICATION,
FACILITATION, BROKERING,
INCENTIVES AND COLLATERAL
MATERIALS.

The department focuses on both domestic and external markets. Internal clientele includes those businesses, entrepreneurs and organizations resident in the province that have the potential to generate economic activity or create the environment for economic growth. This includes existing businesses, industry organizations, emerging entrepreneurs including youth, local investors, the research and development community, economic development groups, volunteers and individuals. The department offers these clients a variety of services including financing, information and research, counselling, brokering, business planning, facilitation, partnerships, mentoring, opportunity identification, capacity building and network creation.

External clients include individuals or businesses with the potential to create or expand a business in the province and those who import goods and services from the province. These might be firms looking to expand, relocate or partner with an existing business in the province; outside investors; Newfoundland and Labrador expatriates in influential positions; and potential immigrants with needed skill sets or experience. The department works with all potential clients providing information, opportunity identification, facilitation, brokering, incentives and collateral materials. External markets tend to be defined by geography and industry type and are generally limited to goods and services for which a competitive advantage exists or can be reasonably created within the province.

While the department works with both domestic and international clients, the largest client group is the province's business and economic development communities. Small and medium-sized businesses, firms with less than 100 employees, play a lead role in creating employment and income in the province. Through our network of corporate, regional and field offices, the department handles inquiries and provides information to entrepreneurs, small business owners, individuals and groups from across the province, and provides programs and services directly aimed at helping small and medium-sized businesses to thrive and grow.

Vision and Mission

Our Mission

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

Measures

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

Indicators

- Provincial and leveraged dollars invested in client enterprises.
- Percentage of INTRD total investments made in export-oriented projects.
- Provincial and leveraged dollars invested in innovation activities.
- Provincial and leveraged dollars invested in regional and sectoral initiatives.
- Percentage of client enterprises reporting growth or expansion.
- Percentage of clients reporting growth in employment/payroll.
- Percentage of clients reporting increase in export activity.

We will achieve our mission by focusing on the factors that are fundamental to sustained economic growth: competitive businesses and a competitive business environment; enhanced productivity; stronger communities and regions; and confidence in ourselves. Implicit within each of these areas is a substantive policy commitment to innovation at the firm and industry and government level as the key to competitiveness over the long term.

VISION

A DIVERSIFIED, COMPETITIVE ECONOMY WITH PRODUCTIVE AND PROSPEROUS REGIONS ACROSS THE PROVINCE.

MISSION

THE MISSION STATEMENT IDENTIFIES THE LONGER-TERM RESULT THAT MY DEPARTMENT AND I WILL BE WORKING TOWARD AS WE MOVE FORWARD ON THE STRATEGIC DIRECTIONS OF GOVERNMENT. THE STATEMENT ALSO IDENTIFIES THE MEASURES AND INDICATORS THAT WILL ASSIST BOTH MY DEPARTMENT AND THE PUBLIC IN MONITORING AND EVALUATING SUCCESS.

Strategic Considerations

The department's first strategic plan, tabled in 2006, recognized the challenge and importance of supporting the development of a competitive, high-productivity, high-wage economy outside of the energy sector. Achieving that vision requires a dramatic increase in private sector capital investment, with a higher proportion of that investment directed at export-oriented production including technical and professional services. This will not be realized overnight, but will need to remain a central focus for government for the next 10 to 15 years. It involves a dual approach:

- building on our existing economic base by supporting the initiative of the private sector; and
- positioning the province as a competitive investment location.

It also encompasses the principles established under the Comprehensive Regional Diversification Strategy, that economic development policy:

- emphasize regional industrial development;
- link industrial development to business creation;
- recognize linkages between social and economic planning and investment;
- recognize innovation and technology as cornerstones for industrial development; and
- link strategies that will create new business operations and long-term sustainable employment.



While INTRD has a prominent role in moving these principles forward, ultimately the results come from the investment and risk undertaken by the private sector and the hard work of owners and their employees. Government's role, with some exceptions, is largely confined to ensuring a supportive and competitive environment, including an efficiently functioning labour market development, for investment and growth. Creating this environment involves the concerted action of many different departments and agencies working together to achieve the desired results.

Issues and Goals

After consideration of Government's strategic directions and the mandate and financial resources of the department, three issues – competitiveness, capacity building, and strong regions - have been identified as key priorities for INTRD over the next three years. Any of these three represent a significant challenge as they are all large in scale, complex in nature, dependent on viable regional labour markets, and largely outside of the control of any one department, or for that matter, the sole influence of government. Nevertheless they are three of the key challenges to realizing Government's long-term economic agenda, and ultimately the progress and prosperity of the province. It is INTRD's responsibility to show leadership in each of these issues within the context of our mandate and our resources.

The goals identified for each issue reflect the results expected in the three year time frame while the objectives provide an annual focus. Measures and indicators are provided for both the goal and the first year's objective to assist both the department and the public in monitoring and evaluating progress.

STRATEGIC ISSUE #1

Competitiveness

Being competitive in business goes beyond just managing the bottom line and the marketplace. It requires a new level of strategic thinking. Those who are better equipped to shift and adapt, who are adept at finding resources and solutions when most would say none exist, will be the next industry leaders. Who better than our people - Newfoundlanders and Labradorians - to lead the way.

Competitiveness is integral to economic growth as well as to growth in employment, personal income and the accumulation of wealth. Advances in technology, telecommunications and transportation have created a highly competitive global marketplace. The competitiveness of exporters is, now more than ever, dependent on their ability to produce and sell competitively-priced, high-quality, and more innovative goods and services. The cost, quality and innovation challenge is not just limited to exporters. All businesses, including those serving our local markets, are facing increasing competitive pressures as alternatives to local goods and services become available to more and more consumers.

Issues and Goals

STRATEGIC ISSUE #1

For a firm, becoming and staying competitive requires investment in productivity-enhancing machinery and equipment, in human capital development, in process and service innovation, and in research and development - in addition to all the other areas of running a well managed business. Investment, productivity and competitiveness are inextricably linked. Those firms, industries and regions which are most attractive to investors are those able to support higher rates of return (i.e. are more profitable). More profitable firms are those that are at or above the average productivity rates for their industry.

The creation of a high-productivity, high-wage economy in this province hinges on the ability of the private sector in Newfoundland and Labrador to dramatically accelerate investment in innovation enhancing activities. This includes, but is not limited to, accelerated efforts in research and development. Actions to enhance and expand the innovation capacity of our firms, industries and institutions are at the heart of the province's innovation strategy, and will remain a central focus for the department over the 2008-2011 planning cycle. Expanded access to export markets is essential for continued growth of the province's economy. INTRD continues to play a leadership role in helping our SMEs prepare to export internationally with more Newfoundland and Labrador companies seeing the benefits exporting brings to their bottom line. The majority of our exporters are small companies, and while they contribute only a small fraction of the total value of exports currently, they have much potential to grow. The challenge is adjusting to increasing competition from low-cost producers, higher energy and transportation costs, and a 40 per cent appreciation of the Canadian dollar since 2003.

INTRD recognizes that responding to these challenges is not easy. We are working with our partners and the business community to implement strategies, provide or identify research tools, and deliver programs and services to help companies adjust and succeed. We are improving access to international market intelligence, providing more targeted and customized export readiness assessment and training services, expanding market access supports to clients on overseas trade missions, and strengthening export promotion activities to sell our strengths in both national and international markets. Our trade support resources are being linked to the department's business investment and development programs and services to provide a seamless suite of tools for clients.

Issues and Goals

Competitiveness also applies at the industry level. Competitive industries that are productive and innovative create wealth and employment. These industries, especially in the natural resource sector, have been the cornerstone of our economy for hundreds of years and continue to generate much of the wealth enjoyed by the province currently. While many of our industries have seen positive gains in recent years, the potential of the ocean technology sector in particular stands out. Ocean technology, built on a solid foundation of research capacity and industrial activities, is a key economic development priority and an area where we have significant competitive potential. Government's role is to foster and accelerate growth in this industry by working with industry associations and technology companies in developing capacity, expanding markets and increasing profitability. Positioning the ocean technology sector globally will be a major focus of our industry development efforts over the next three years.

INTRD cannot mandate competitive improvements for firms, nor, with our limited resources and reach, can we significantly impact competitiveness indicators at the industry or whole economy level. What we can do is raise awareness of the importance of maintaining a competitive business environment, we can promote competitive practices at the firm and industry level, and we can encourage a more outward looking, global focus among citizens and business alike.

For the duration of the 2008 to 2011 Strategic Plan, INTRD's competitiveness objectives are targeted at supporting small and medium-sized Newfoundland and Labrador firms to become more competitive, moving the ocean technology agenda and industry forward globally, and realizing growth in SME export activity.



STRATEGIC ISSUE #1

Issues and Goals

STRATEGIC ISSUE #1

Competitiveness Goal:

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

Measure:

- INTRD will have assisted business clients to compete.
- INTRD will have assisted business clients access market opportunities.

Business Competitiveness Indicators:

- Description of client engagement in productivity and competitiveness related initiatives.
- Feedback from events/initiatives.
- Provincial and leveraged investment in competitive improvements.

Market Access Indicators:

- Description of market research and dissemination activity.
- Description of export readiness and export development activity and results.
- Provincial and leveraged investment in export-related firm projects (SME, BMD, etc).
- Provincial and leveraged investment in commercialization projects.

Annual Objectives:

1. **By 2008-2009, INTRD will have supported ocean technology-related growth opportunities and, in partnership with industry stakeholders, enhanced the capacity of the ocean technology sector in the province.**

Measure:

- Supported growth opportunities and enhanced ocean technology sector capacity.

Indicators:

- Provincial funding is secured to support ocean technology sector development.
- Industrial partnerships with academic institutions on industrial and research initiatives are initiated.
- Strategic programs have been developed.
- Export markets for ocean companies and technologies are being explored.

2. **By 2009-2010, INTRD will have supported clients to identify and realize market opportunities at home and abroad.**

3. **By 2010-2011, INTRD will have supported clients to enhance their competitiveness.**

Issues and Goals

STRATEGIC ISSUE #2

Capacity Building

Newfoundland and Labrador's greatest natural resource is its people and one of our people's greatest strengths is ingenuity – the capacity to create opportunity with the power of the mind.

At the centre of every organization – whether in the private or public sector – is its people. Whether you are selling products or providing services, the capacity of your business to compete and grow at home and abroad is directly tied to the capabilities of your staff, including your ability to recruit and retain staff. In smaller firms, such as those that make up most of this province's business community, this is even more true. Yet it is those small firms who face the greatest challenges in finding the time and resources to develop their staff's capacity.

Capacity building is a continuous process that involves establishing and maintaining a supportive environment that motivates and equips people, firms, communities and regions to take responsibility for their development. Building capacity within all stakeholders that contribute to economic growth, including both commercial and non-commercial entities, will allow for greater success in advancing regional economic development initiatives.

People, skills and knowledge are the foundation to economic success and INTRD will continue to invest in our people, organizations, and communities by working with them to access the skills to seize opportunities ahead. We will promote economic growth and development through innovation and ensure that the programs and services are available to further capitalize on opportunities. We will continue to work with our emerging entrepreneurs and community leaders to ensure our regions have the capacity to grow. Leadership development must focus on knowledge of the region, skills for working with groups and individuals and building positive attitudes about change and the future of our province.

INTRD will continue to support businesses interested in collaborating together, and with industry partners and economic development agencies. Through our work with business networks, co-operative development, cluster development, sector development, and the Business Retention and Expansion program, INTRD focuses on encouraging businesses to partner and support each other by sharing information, realizing opportunities, and resolving business barriers.

Issues and Goals

STRATEGIC ISSUE #2

Social and economic trends and factors including demographic shifts, an aging population, and a smaller labour force are important issues for the future economic competitiveness of our province. In Newfoundland and Labrador, the population is aging faster than the rest of the country and this is particularly true in rural regions of the province. Compounding this problem is high levels of youth out-migration. Investing in youth, entrepreneurship and innovation will help mitigate these issues.

Young people constitute an extremely important part of our population. Today's youth have been brought up in a very different environment and set of circumstances than their parents. They have tough choices to face, including choices about education and training, career paths, and where to live and work during the next phase of their lives. Through the Getting the Message Out (GMO) program and enterprise partnership with the education system, INTRD is already helping inform youth across the province about options and opportunities here at home, and in many cases, right in their own community. Over the next three years, the department will be placing even greater emphasis on our youth portfolio including positive one-on-one mentoring, leadership, critical and creative thinking workshops, youth awards and youth-focused entrepreneurship training.

These efforts are designed to link with and support provincial labour force development objectives as well as the recently announced youth recruitment and retention strategy under development by the Department of Human Resources, Labour and Employment. In addition, INTRD's Strategic Partnership, an initiative involving government, business and labour partners in exploration of issues critical to the economy, provides a unique forum for exploring opportunities to increase the rate at which our young people successfully enter and are retained in the province's labour force.

For the duration of the 2008 to 2011 Strategic Plan, INTRD's capacity building objectives are targeted at supporting small and medium-sized Newfoundland and Labrador firms to build enterprise skills and improve productivity, delivering on our portfolio of youth-oriented services in leadership, innovation and enterprise development, and extending our efforts in building community leadership and capacity for community economic development.

Issues and Goals

Capacity Building Goal:

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

- Facilitating company access to training and supports to enhance enterprise and entrepreneurial skills essential to competitiveness.
- Participating in business network activities.
- Enhancing skills essential to regional economic coordination, planning and implementation.
- Facilitating access to enterprise and entrepreneurial skills for non-profit groups.
- Enhancing skills essential to project leadership and implementation.
- Leading or supporting regional development initiatives.

Measures:

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

Indicators:

- Description of information/training sessions held with clients and target groups.
- Number and category of participants.
- INTRD and leveraged investments in capacity building projects.
- INTRD and leveraged funds invested to support skills enhancement.
- Description of business networks, activities and results.
- Description of stakeholder plans and projects resulting from capacity building efforts.
- Client feedback on capacity-building initiatives (by client group).

STRATEGIC ISSUE #2

Issues and Goals

STRATEGIC ISSUE #2

Annual Objectives:

1. By 2008-2009, INTRD will have identified and promoted departmental programs and services to encourage and support youth innovation and entrepreneurship.

Measure:

- Departmental portfolio of youth services identified and promoted.

Indicators:

- INTRD has defined a portfolio of youth oriented services that is coordinated with other existing programs and services.
- Youth clientele reached (by service and by total portfolio).
- Supports directed at youth-run enterprises, and potential youth entrepreneurs.
- Supports leveraged from other sources.

2. By 2009-2010, INTRD will have facilitated capacity-building and skills enhancement for business and economic development clients.

3. By 2010-2011, regional capacity building has resulted in projects and plans that have had a positive impact on people, communities and regions.

STRATEGIC ISSUE #3

Strong Regions

Achieving sustained economic self-reliance for people is key to the growth of strong regions.

Drivers of economic self-reliance and growth include skills, innovation, enterprise, investment, competition and employment. Success in developing and building on each of these variables provides the right conditions for economic growth. Economic growth, in turn, is a key contributor to well-being and vital to maintaining healthy, strong sustainable regions.

Issues and Goals

This province has experienced strong economic growth in recent years largely due to the natural resource sector, most notably oil and gas and, more recently, nickel. That growth has translated into provincial productivity gains that have been consistently at or above national levels, rising average income levels that are helping close the gap with other provinces, and record employment numbers for this province. Despite these gains, communities focused on a single industry continue to face challenges. The regional shifts in people, skills and capital that have resulted are a natural reaction to change in opportunity. The continued resilience of many communities in spite of these shifts is a credit to local leadership and the strength, attitude and entrepreneurial capacity of our people.

The challenge facing successive Newfoundland and Labrador governments has always been to achieve strong growth across all our regions and sectors, and it is no different for this government. Attaining economic growth is very much dependent on deepening and diversifying (within and across industry sectors), ensuring a continuing competitive business climate, supporting accelerated industry efforts in innovation and technology, and extending the province's incredible productivity performance beyond the resource sector, and in particular the major resource projects.

The Comprehensive Regional Diversification Strategy (CRDS) was developed during the last planning cycle as a systematic, strategic approach to economic development on a region-by-region basis. It recognizes that every region of the province is different, with its own particular strengths and opportunities, and its own challenges. Led by the Regional Development Branch of INTRD, the CRDS ensures other departments and agencies are involved in an integrated investment approach to realizing regional opportunities.

Developing stronger regions is an exercise in horizontal action. The CRDS can only become fully effective if we can engage in approaches that cut across departmental boundaries and involve communities and partner agencies. Identification of sector opportunities, regional infrastructure investments and labour market needs are important for development planning, but are not sufficient to make development happen. Regional economic progress can only fully happen if the choices and aspirations of people are related to the goals and opportunities being pursued. To be most effective, these investments must be accompanied by effective mechanisms to inform, engage, empower and collaborate with citizens and stakeholders with respect to regional and community development choices.

STRATEGIC ISSUE #3

Issues and Goals

STRATEGIC ISSUE #3

It is only by continuing to invest in the fundamentals – infrastructure to support people and the economy; a healthy business climate; balanced, sustainable development; innovation; and the skills and engagement of our people – that we will build strong diversified and self-sustaining regions.

Infrastructure development that is linked to industry and business expansion is instrumental to effecting meaningful growth in all regions of the province. Such “economic” infrastructure can be general, referring to such things as transportation and communications systems, that affect all sectors of the economy; sector specific, including specialized infrastructure such as a synchrolift, wave tank or a satellite ground station that applies to one or a few sectors; or local, such as extension of three-phase power or completion of wharf and harbour improvements.

As an example, broadband is fundamental to building strong regions and enhancing our competitiveness. Broadband access enables companies to reach markets anywhere in the world. It also provides the foundation for government to improve efficiencies for delivery of services to people in all regions of the province. The new trans-gulf fibre optic link will help bring Newfoundland and Labrador’s critical infrastructure to the level of telecommunications access and capability that already exists in the rest of Canada. Completion of the Government Broadband Initiative (GBI) is the next phase in enhancing the province’s telecommunications infrastructure.

For the duration of the 2008 to 2011 Strategic Plan, INTRD’s regional objectives are targeted at enhancements to the province’s broadband infrastructure, reassessing and prioritizing growth opportunities, and identifying the economic infrastructure investments most critical for regional and sectoral growth. All three of these involve developing supportive public-to-private and public-to-public partnerships and other labour market and related development mechanisms to make opportunities happen.

Issues and Goals

STRATEGIC ISSUE #3

Regional Development Goal:

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

Measures:

- Supported regional economies to diversify.
- Supported regional sustainability.

Diversification Indicators:

- Proportion of investments made in enterprises important for diversification.
- INTRD and leveraged funds invested to support regional diversification opportunities.

Sustainability Indicators:

- INTRD and leveraged funds invested in client enterprises (by region, by sector) (various INTRD business financing programs).
- INTRD and leveraged funds invested in initiatives important to regional sustainability.

Annual Objectives:

- 1. By 2008-2009, INTRD will have worked with regional and other partners to identify and access economic opportunities in key sectors.**

Measure:

- Identified sector opportunities.

Indicators:

- Activities are in process to advance sectors with high growth potential.
- Immediate and long-term opportunities that give priority to the development of the key growth sectors are identified and initiated.
- Community, business and government stakeholders are informed and involved in the activities and priority initiatives.
- INTRD and leveraged funds identified to undertake priority opportunities in the regions.

- 2. By 2009-2010, INTRD, in collaboration with the Office of the Chief Information Officer, will have initiated an advanced broadband telecommunications network for government operations across the province.**

- 3. By 2010-2011, INTRD, in collaboration with key partners, will have identified and advanced priority infrastructure initiatives in support of sector priorities.**

Appendices

Strategic Directions

Strategic Directions are a statement of the desired physical, social or economic outcomes for the province. They are generally broad and far-reaching, and normally require action by more than one government entity to achieve. These directions are communicated by government through platform documents, throne and budget speeches, policy documents, and other communiqués. The Transparency and Accountability Act requires departments and public bodies to take into account these strategic directions in their performance-based plans. This helps integrate planning practices across government and ensure all entities are moving forward on key commitments.

The directions related to the Department of Innovation, Trade and Rural Development are provided below. Each strategic direction comprises a number of components, or focus areas. As indicated in the table below, some have been addressed in this strategic plan while others are addressed in the operational or work planning processes.

Title: Regional Diversification and Industry Growth
Outcome: Diversified and strengthened regional economies.

Components applicable to other entities reporting to the Minister	These components are addressed:		
	In the strategic plan	In the operational plan	In the branch/divisional work plans
Internal and external partnerships			✓
Coordination of public investments	✓		
Expansion and diversification of existing businesses	✓		
New business investment			✓
Coordinated labour market policy and development			✓
Strategic industry development	✓		
Capacity building	✓		
Entrepreneurship			✓

Strategic Directions

Appendix 1

Title: Innovation
Outcome: An innovative culture.

Components applicable to other entities reporting to the Minister	These components are addressed:		
	In the strategic plan	In the operational plan	In the branch/divisional work plans
Research and development			✓
Commercialization			✓
Skills and training	✓		
Technology infrastructure			✓
Innovative culture			✓
Capacity building	✓		
Entrepreneurship			✓

Title: Small and Medium-Sized Enterprise Business Supports
Outcome: An environment supportive of enterprise establishment and growth.

Components applicable to other entities reporting to the Minister	These components are addressed:		
	In the strategic plan	In the operational plan	In the branch/divisional work plans
Financing	✓		
Counseling/information & aftercare			✓
Business intelligence			✓
Business regulatory regime			✓
Business networks			✓
Capacity building	✓		
Entrepreneurship			✓

Strategic Directions

Title: Business Promotion, Trade and Investment Development
Outcome: Increased business promotion, trade and investment.

Components applicable to other entities reporting to the Minister	These components are addressed:		
	In the strategic plan	In the operational plan	In the branch/divisional work plans
Trade policy			✓
Export development	✓		
Investment development			✓
Enterprising culture	✓		
Capacity building	✓		
Entrepreneurship			✓

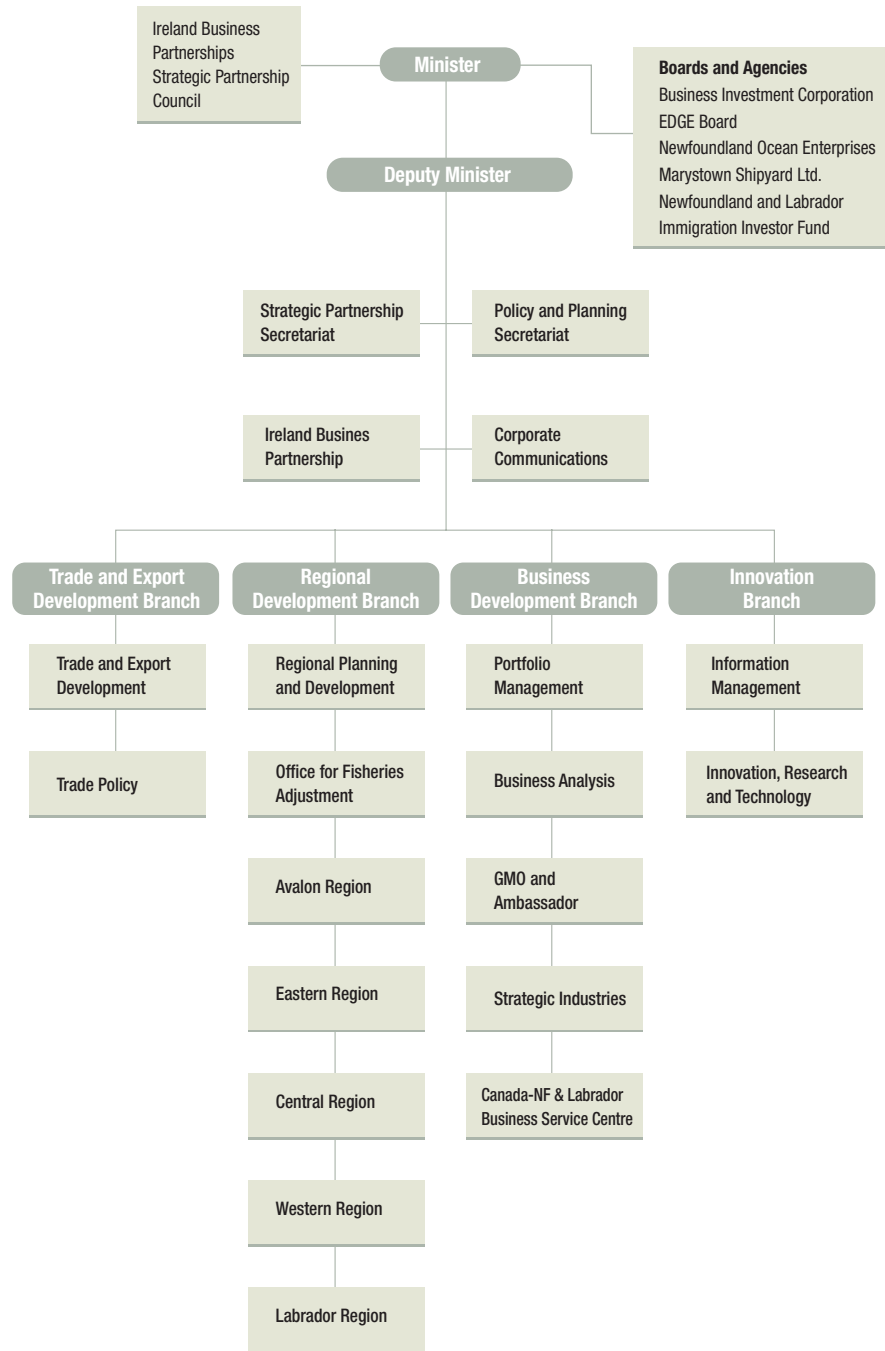
Title: Business, Industry and Economic Intelligence
Outcome: Improved understanding of and response to significant and long-term economic and competitiveness issues.

Components applicable to other entities reporting to the Minister	These components are addressed:		
	In the strategic plan	In the operational plan	In the branch/divisional work plans
Enhanced information products and analytical capacity			✓
Intra-governmental and multi-stakeholder coordination			✓
Intelligence packaging and dissemination, e.g. competitiveness analysis			✓
Policy coordination			✓
Capacity building			✓

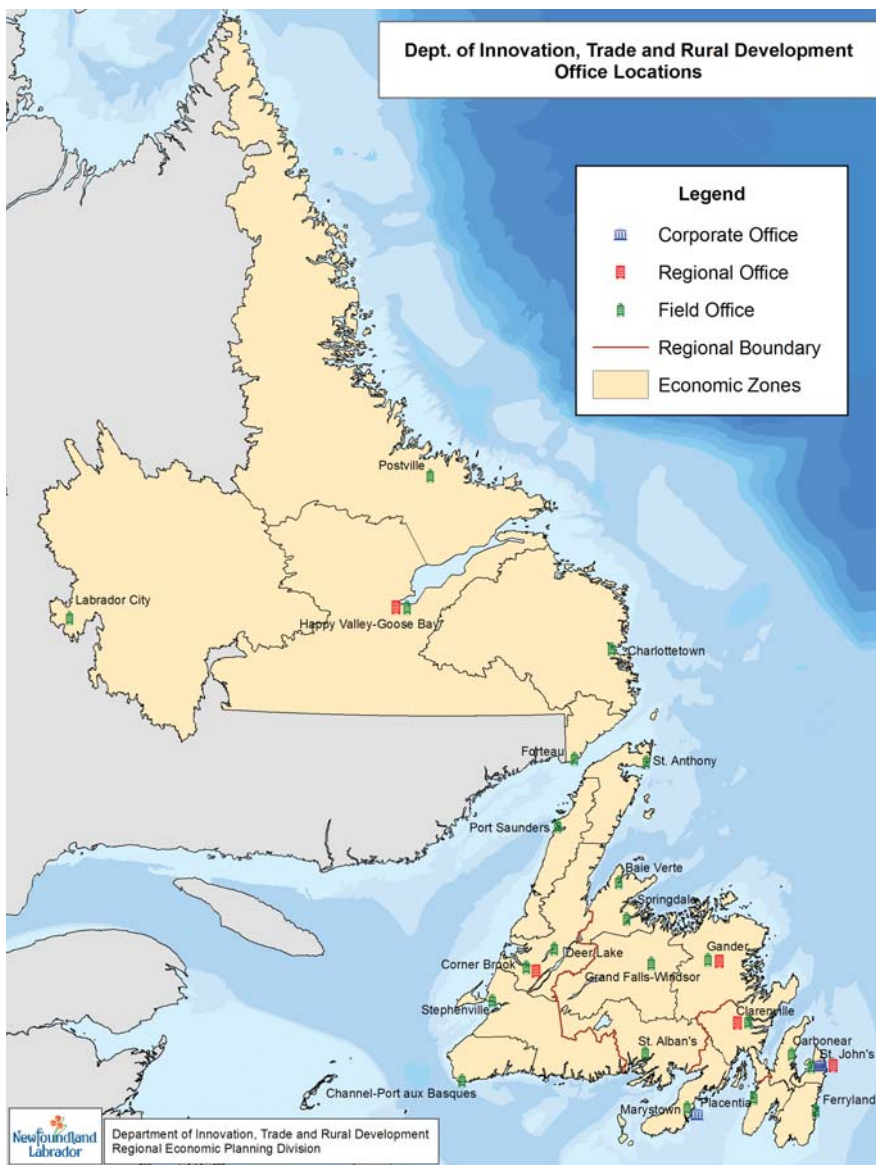
Appendix 1

Organization Structure

Appendix 2



Office Locations



Appendix 3

Contact Information

Appendix 4

General Inquiries

Department of Innovation, Trade
and Rural Development
St. John's, Newfoundland and Labrador
A1B 4J6

Toll Free: 1-800-563-2299

Phone: (709)729-7000

Fax: (709)729-0654

E-mail: ITRDinfo@gov.nl.ca

Corporate Office-St. John's

Reception 729-7000/7097

Minister's Office 729-4728

Corporate Office-Marystown

Reception 729-0204

Labrador Region

Charlottetown 949-0378

Labrador City 944-4046

Happy Valley-Goose Bay 896-2400

Postville 479-9731

Forteau 931-2908

Western Region

St. Anthony 454-3521/3508

Port Saunders 861-3004/3096

Corner Brook 637-2980

Deer Lake 635-2613

Stephenville 643-2600/1228

Port aux Basques 695-9872/9871

Central Region

Springdale 673-3481

Baie Verte 532-4772

Grand Falls-Windsor 292-4450/4451

St. Alban's 538-3476/3796

Gander 256-1480

Eastern Region

Clarenville 466-4170

Marystown 279-5531/5533

Avalon Region

Carbonear 596-4109/4116

Placentia 227-1350

St. John's 729-7017

Ferryland 432-3019

Our Websites

www.gov.nl.ca/intrd

The Ambassador

www.theambassador.ca

Canada/Newfoundland and Labrador

Business Service Centre

www.cbcs.org/nl

Ireland Business Partnerships

www.ibp.nl.ca

Getting the Message Out

www.gmo.nl.ca

Crafts of Character

www.craftsofcharacter.com



STRATEGIC PLAN
Department of Innovation, Trade and Rural Development 2008-2011