

BUILDING MOMENTUM

Annual Report
Fiscal 2021 – 2022



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Momentum Is on Our Side

Opportunities NB (ONB) has seen incredible innovation and resilience from businesses throughout the province this past fiscal year. We have witnessed growth across all areas of New Brunswick and in all economic sectors. The can-do attitude demonstrated by industry has been remarkable, and we are proud to work with our economic development and business partners to continue helping businesses of all sizes thrive in New Brunswick.

With Fiscal 2021–2022 now in the books, we are excited to share our annual results and showcase the many company successes achieved throughout the year. ONB's mandate of attracting private sector investment, expanding exports, developing economic policy, and attraction and retention of talent has led to a whole-of-government approach that is having a major positive impact. As this report demonstrates, this approach paid dividends in Fiscal 2021–2022 through the hard work and collaboration between governmental departments, industry stakeholders, and clients in New Brunswick.

As we begin to execute our new five-year strategic plan – Connect, Grow, Prosper – it is important that we continue to build on our successes; becoming a magnet for new private sector investment and for attracting and retaining skilled newcomers. Deepened relationships with federal, provincial, regional, and sectoral partners are a central part of how we will continue to drive a high-performance economic development ecosystem in the province.

Throughout the rest of 2022 and beyond, we intend to build on the positive economic momentum achieved this fiscal year. A population milestone of 800,000 is wonderful, but we are not prepared to rest there. We know more is required and we are laying the foundation that will see a million New Brunswickers become a reality in the not-too-distant future. We recognize the urgency of this moment and the importance of ensuring that we do not miss out on a once-in-a-generation opportunity. Growing our population goes hand-in-hand with growing our economy, and we believe our focused approach will help create a competitive and sustainable province for future generations.





Alexa Power, Team Lead, Export Development, ONB
and CEO Award Winner for Fiscal 2021-2022

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Stacy Basque,
Receptionist, ONB

A Message From Our Minister



The Province of New Brunswick had an outstanding year in terms of both economic investment and population growth – positive momentum is clearly on our side. This growth has been accompanied by new challenges for the New Brunswick business community, most notably inflation, supply chain challenges, and labour shortages. The innovation we have witnessed from New Brunswick companies as they adapt to these still challenging times has been inspiring.

As the Minister responsible for Opportunities New Brunswick (ONB), I am proud of the way this organization has stepped up in the past year to continue to support small and medium-sized businesses as they navigate growth challenges and opportunities. I am equally impressed to see the passion behind the Population Growth Team (newly rebranded to Immigration NB) within ONB, all of whom are working hard to welcome and integrate newcomers to our province.

The evidence of that hard work and collaboration are well demonstrated within the contents of this report.

We accomplished great things through 2021 and into 2022 by building on a foundation of success. With the continued support of stakeholders, industry, and the business community, we remain well-positioned to capitalize on that momentum which will, in turn, equate to a more prosperous future for our province and all New Brunswickers.

In closing, I thank the Board of Directors and the entire team at ONB for their continued commitment to ensuring business growth and success in our province.

Hon. Arlene Dunn

Minister of Aboriginal Affairs

Minister responsible for Economic Development and Small Business

Minister responsible for Opportunities NB

Minister responsible for Immigration

A Message From Our Board Chair



As we navigated our way through the lingering challenges brought about by the pandemic in Fiscal 2021–2022, ONB remained committed to working with businesses across the province to help them grow and succeed. It has been my privilege to serve as Board Chair throughout this pivotal fiscal year and to continue working with the strong team of leaders that comprise our Board.

ONB has delivered exceptional results for the province once again, through a focus on attracting new talent and investment to the province, facilitating new procurement and supply chain opportunities, and improving the competitiveness and productivity of our companies.

I look forward to working with the ONB Senior Leadership Team as they execute a new five-year strategic plan. I am confident that it will allow ONB to continue promoting New Brunswick nationally and on the global stage, to act as a vital catalyst for private sector investment, and to support our talent pipeline.

On behalf of the entire Board of Directors, I would like to once again thank the ONB Team, its clients and its partners and stakeholders across the province, and the Government of New Brunswick for their combined efforts toward building a more prosperous province for all New Brunswickers.

Michael J. Campbell
Board Chair, Opportunities NB

Opportunities NB (ONB) understands that seeing our economy rebound from the past two years is important to all New Brunswickers. Our team has worked hard to ensure this happened and this Annual Report for Fiscal 2021–2022 offers a look at the results of our efforts.

Since joining ONB in 2020, I have witnessed many great examples of businesses in every corner of the province succeeding by improving their productivity, increasing their exports, and investing in both local and international talent. We are pleased to showcase a handful of these stories in this Annual Report.

ONB's focus is on providing clients with proactive support focused on growth, productivity, sustainability, and competitiveness. Together with our partners and stakeholders, we will continue to deliver on our top strategic priorities – accelerating investment and growth, maintaining a high-performance ecosystem, and attracting and retaining skilled newcomers.

That third priority was given a significant boost this fiscal year. As of April 1, 2021, the province's Population Growth Division and its team of student integration, immigration, workforce attraction, and settlement specialists transitioned to ONB. This has better positioned our organization to leverage economic immigration and meet the labour market needs of our clients. This new division of ONB has met or exceeded all targets this fiscal year, including targets surrounding skilled trades and Francophone immigration.

According to Statistics Canada, this fiscal year saw a record 6,581 immigrants arrive in New Brunswick. In addition, some 10,540 people from Ontario arrived here, the largest influx of its kind in 70 years, pushing the provincial population over the 800,000 mark. Momentum is certainly on our side, and ONB is building on this positive trend with efforts to improve our newcomer retention rate, increase recruitment initiatives linked to targeted sectors, and maximize our nomination allocations from the Government of Canada.

The coming years will be exciting for our organization and our province. In addition to our efforts to increase private sector investment, improve competitiveness, increase exports, and reduce red tape, we will leverage federal and provincial climate change funding to advance multiple sustainability initiatives. This includes projects centered on hydrogen development, wood biomass adoption, carbon capture, and more. Climate research and cleantech innovation have a bright future in New Brunswick.

A Message From Our CEO



I would like to again thank our partners and stakeholders, as well as the talented team of ONB employees for their ongoing dedication to improving the lives of all New Brunswickers. I have very much enjoyed my time with ONB and am thankful to finish my public service career working alongside such a dedicated team of talented professionals who care so deeply about our beautiful province. With a new strategic plan in place, an incredible leadership team, and a new leader at the helm, I am confident that ONB has the talent and drive to lead New Brunswick's economy to a successful and sustainable future.

Sadie Perron
Interim CEO, Opportunities NB

Senior Leadership Team



Sadie Perron

Interim Chief
Executive Officer



Traci Simmons

Chief Operating Officer,
Strategy and Operations



Matthew Fox

Chief Financial Officer,
Finance



Steve Milbury

Vice President,
Business Development



Joel Leitner

Acting Vice President,
Population Growth

Board of Directors



Michael J. Campbell,
Acting Board Chair

Executive, Audit & Finance,
Governance & HR

Retired (McCain Foods)



Jim Baumgartner

Executive, Audit & Finance

Retired (Moneris Solutions Corporation)



Gilles Cormier

Executive, Audit & Finance

Industrial Engineering and
Educational Consultant



Andrea Feunekes

Audit & Finance

Remsoft



Andrée Savoie

Governance & HR

Adelin Properties



Andrew McLaughlin

Governance & HR,
Executive

Major Drilling



Cade Libby

Executive
Deputy Minister,
Environment and Climate
Change, Intergovernmental
Affairs, Aboriginal Affairs,
and President of RDC



Sadie Perron

Audit & Finance, Executive,
Governance & HR

Interim Chief Executive
Officer, ONB

Turning Momentum Into Results

ONB supports New Brunswick companies in multiple fashions. Thanks to our 360-degree view of the Province's business ecosystem, much of our work involves making connections and facilitating business-to-business opportunities for our clients. We connect companies with the partners, programs, and resources they need to succeed, guide them through technology and productivity improvements, increase their awareness of public and private procurement opportunities, and provide advanced export expertise to help them reach new international markets.

When investments are considered, ONB follows rigorous reporting standards to measure the impact of taxpayer-funded investments on the New Brunswick economy. ONB tracks and reports on its return to the province conservatively, looking at only direct and measurable benefits. While economic principles dictate that every direct impact has corresponding indirect effects, ONB does not currently consider additional indirect or induced benefits, such as resulting business-to-business transactions and secondary job creation. ONB is always working to further improve upon its reporting, specifically around how it tracks and reports on the resulting broader economic impact of our Team's work.

Annual Results for Fiscal 2021–2022

COMMITTED

In Fiscal 2021–2022, the ONB Team worked with the private sector to attract over \$134M in new payroll commitments. This new payroll represents over 2,458 new FTE positions at an average salary of \$60,175; constituting a GDP contribution of \$301M.

Committed
NB Payroll \$

134M

Committed
Jobs

2,458

Committed
Average Salary \$

60,175

GDP Contribution
\$ (Committed)

***301M**

ACTUALS

In the same fiscal, 1,748 new FTE positions were created as a result of existing agreements. This represented a GDP contribution of \$161M.

Actual Jobs
Created

1,748

GDP Contribution
\$ (Actual)

***161M**

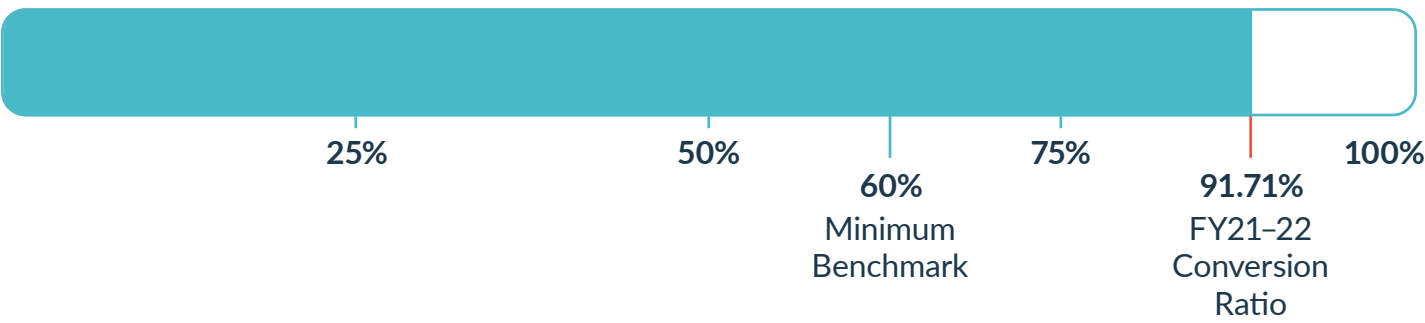
Note 1: all “Actual Jobs Created” are based on client reported headcount information provided to ONB throughout the fiscal year. Actual results are subject to completeness risk if ONB clients do not report headcount information.

Note 2: Committed Jobs, Committed NB Payroll and Committed Average Salary are based on signed deals in FY2021–2022 for commitments to create new jobs in future periods.

Note 3: GDP Contribution of \$301M is based on total committed jobs for future periods while GDP Contribution of \$161M is based on actual 2021–2022 contributions for payroll rebate related claims expensed in 2021–2022. Actual contributions are validated through ONB’s third-party designed ROI model using actual data from claims.

ONB Job Creation

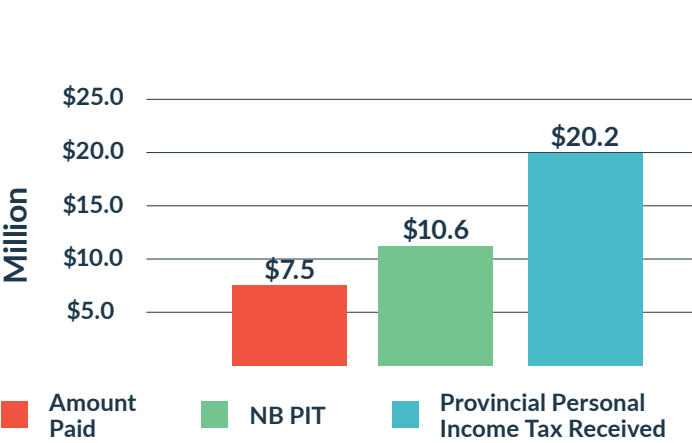
Conversion Ratio



Actual Job Creation FY21-22

Forecasted Job Creation	1,906
Actual Jobs Created	1,748
Difference from Forecasted	158
Conversion Ratio	91.71%

ROI for Payroll Related Assistance

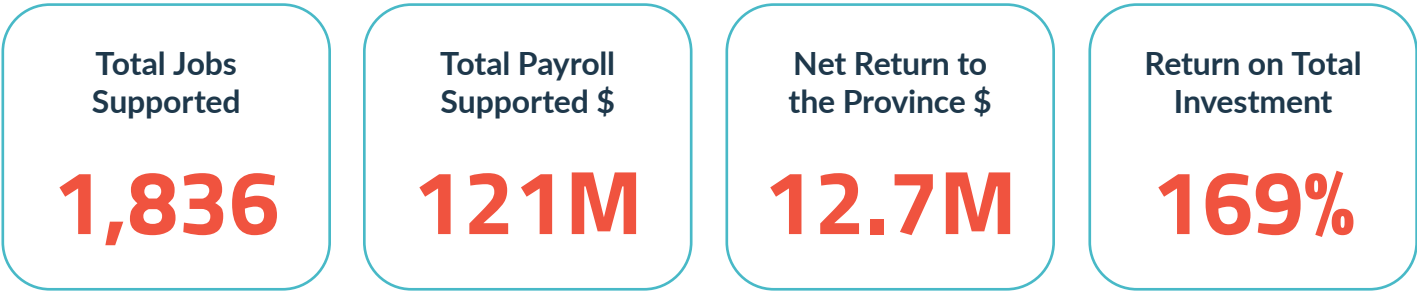


All ROI input data is based on actual information obtained from claims submitted by ONB clients. Claims are reported by ONB in the year expensed.

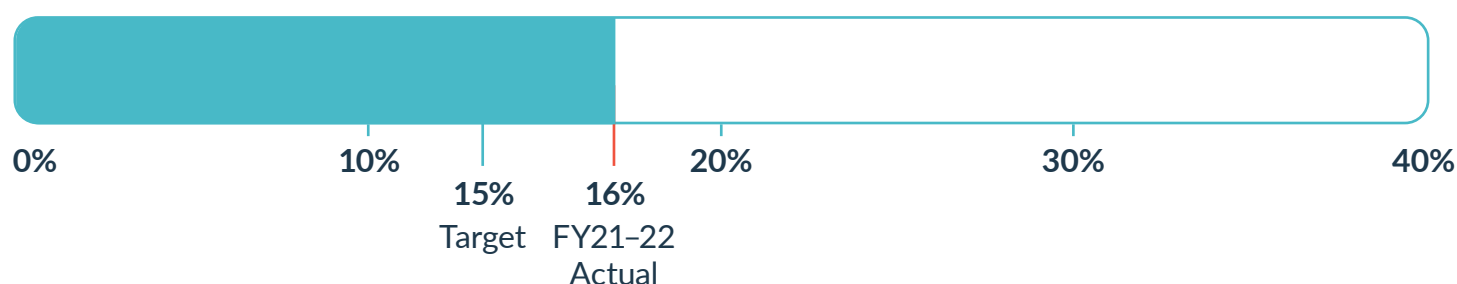
Total Jobs Supported and Total Payroll Supported are based incremental actual payroll for eligible employees for the rebate year. Payroll support is reported in a calendar year as per CRA guidelines.

Return on Total Investment is calculated as the total NB taxes generated on supported jobs minus ONB payroll related financial assistance in the year.

Return on Total Investment is based on actual payroll information for eligible employees and inputted into ONB's third party designed, developed and validated ROI model.



ONB Corporate ROI



2021-2022 Corporate ROI

Total ONB Generated Revenue	\$27,192,922
Total ONB Expenditures	\$23,270,130
Corporate ROI	16.86%

Population Growth was absorbed by ONB on April 1, 2021 after the benchmark was established and is therefore not included in the results.

ONB Generated Revenues exclude non ONB attributable services such as PNB budgetary funds.

ONB Expenditures exclude any normalizing transactions (not initiated by ONB) such as COVID-19 pandemic funding.

Performance of Portfolio

From April 2015 to March 2022

Significant Accomplishments (Million)

Collected extra payments in excess of \$99.4 million	\$99.4
Saved GNB over \$11.1 million	\$11.1
Corporate restructuring of over \$41.1 million to enhance security position	\$41.1
Reduced provision on workout accounts by over \$51.4 million	\$51.4
Received dividends and gain on sale of equity of \$14.9 million	\$14.9
Interest earned \$48.5 million	\$48.5
Reduction on loan guarantees exposures of \$38.9 million	\$38.9
ONB Results (Reduced Old Portfolio + Savings, Corporate Restructuring & Interest Earned)	\$305.3

ONB Portfolio (Million)

	April 2015	March 2022
Old Portfolio	\$430	\$249
ONB Portfolio	-	78
Total	430	327
Loss Provision	(262)	(204)
% Provision (Old Portfolio)	61%	72%
% Provision (ONB Portfolio)		32%
% Provision (Overall)		62%
Net Portfolio	\$168	\$123

Fiscal 2021 – 2022 Highlights

Business Growth Team



59 signed agreements with NB companies totalling nearly **\$11.4M** in committed assistance



Enabled commitments of **941 jobs** with **\$59.5M** in committed payroll



Invested **\$1.6M** to support 8 productivity projects with total capital investment of **\$11.5M**



Helped **51** companies register for NBON (supporting NB First Procurement Strategy)



Helped ONB clients secure **\$9.9M** of GNB contracts

Business Navigators Team



Helped clients save **\$900K** in regulatory burden reductions



The Team received **6,331** total inquiries, with a reported 97.5% satisfaction rate on full cases for the second consecutive year

Population Growth Team



Issued **\$4.7M** in financial service to immigration settlement agencies and organizations



Received **3,204** applications and issued 2,992 applications with 28% of those Francophone (reported in calendar year 2021)

Export Development Team



Supported **498**
companies through 1-on-1
counseling



Supported Fintech Meetup which
resulted in over **\$1M**
in projected export revenues

Investment Attraction Team



Signed 18 agreements with 18
companies for **\$10.9M**
in committed assistance



Signed agreements resulted in
1,292 committed jobs
with total projected NB payroll
of **\$74.8M**

Financial Services Team



Supported the signing of **77**
deals for projected financial assistance
of **\$22.3M**



Administered two COVID-19 programs
and provided **\$7.1M** in financial
assistance



Reviewed and processed
\$10.9M
of financial assistance claims



Recovered **\$34.7M** in loan
repayments from portfolio clients

We Navigated, Innovated, and Accelerated Into a New Fiscal Year

Business Development

Business Growth

Through the Business Growth Team, ONB continued to support over 500 businesses across every region of the province. Fiscal 2021–2022 saw the Team help businesses across New Brunswick execute expansion plans, alleviate operational pain points, and connect with governmental and non-governmental organizations. The Team also invested heavily in the professional development of its members, while staying current on its knowledge base of economic assets and activity across the province.

This past fiscal, the Business Growth Team supported 59 New Brunswick businesses in expanding their operations to meet export growth requirements, resulting in \$59.5M in new payroll and over 940 new full-time positions created here at home. VeroSource Solutions (see success story) is one example of the work being done to help New Brunswick businesses scale their operations to meet increased demand for their services.

With targeted assistance from the Business Growth Team, ONB clients successfully leveraged both private and public sector supply chains to increase the share of goods and services sourced locally. In Fiscal 2021–2022 alone, this meant over \$9.9M in new Government of New Brunswick contracts to local NB players. Business Development Executives also assisted 51 ONB clients

(with a target of 40) become registered with the New Brunswick Opportunities Network (NBON) platform to better help them sell their goods and services to the Government of New Brunswick.

ONB was also pivotal in helping Service New Brunswick (SNB) organize the Atlantic Provinces Reverse Trade Show in October 2021. This event was well attended, with a total of 326 companies from across New Brunswick, of which 114 were ONB clients, attending. ONB also collaborated with SNB in successfully allocating its 10 available Regional Economic Development (RED) exemption slots for calendar year 2021, maximizing the exemptions to a total of \$10M.

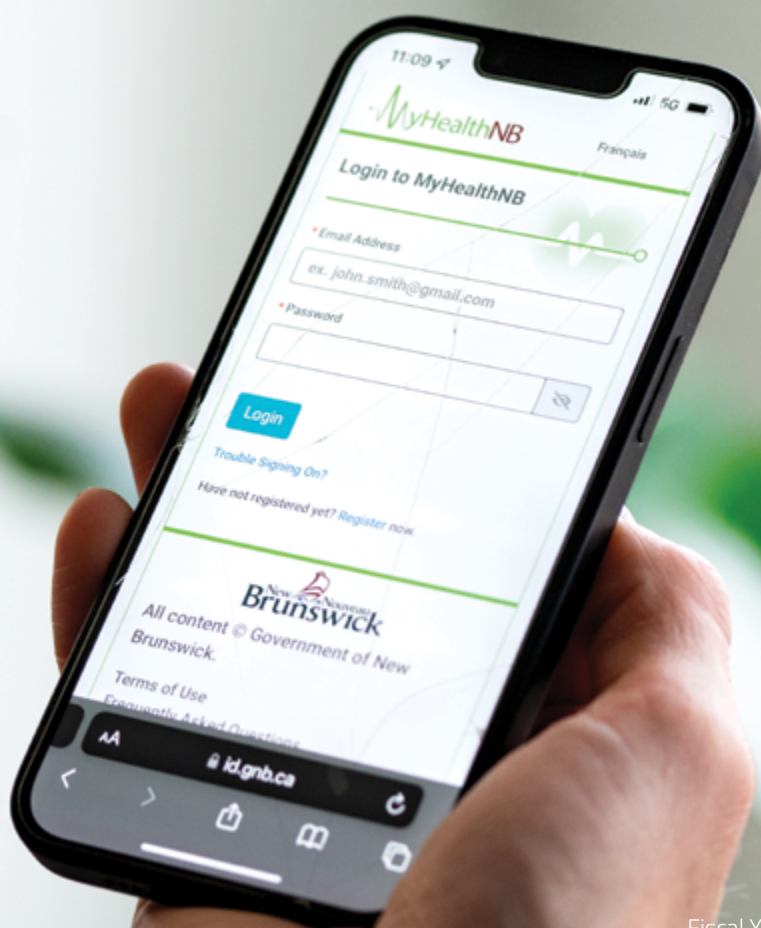
Finally, Business Growth continued its efforts to accelerate productivity improvements with New Brunswick manufacturers to increase both competitiveness and resiliency. To that end, ONB invested \$1.6M in eight projects to help clients introduce productivity improvement initiatives within their production processes. ONB's investment unlocked a total capital injection of \$11.5M.

SUCCESS STORY

Fredericton's **VeroSource Solutions Inc.** provides enterprise software solutions and professional services to public and private sector clients with a focus on the digital health sector. This past year saw the company double its team and continue to impress with pandemic-related efforts, launching its MyHealthNB Portal to help New Brunswickers view and print their vaccination records. VeroSource also landed its biggest contract to date – a multi-year contract with New Brunswick's Department of Health for the Gateway-as-a-Service Project, designed to transform the

way healthcare is delivered in the province. As of March 2022, one million users in New Brunswick and Manitoba were using VeroSource's software. February 2022 saw them announce a partnership with Fredericton's PLATO group of companies, which will see the two companies collaborate on application development projects. The company's Co-Founder and CEO Mark McAllister was also named one of the Top 50 CEOs in Atlantic Canada by *Atlantic Business Magazine*.

MyHealthNB, VeroSource
(Fredericton, NB)



Business Navigators

ONB's Business Navigation Team continued to provide one-on-one support to business owners and entrepreneurs navigating regulations associated with starting, owning, and operating a business in New Brunswick.

In Fiscal 2021–2022, the Team received 6,331 total inquiries, with a reported 97.5% satisfaction rate on full cases for the second consecutive year. Of those cases, 19% were in relation to funding, 4% about licences, 4% regarding registration, 3% surrounded business planning, and 21% were a mix of additional types of inquiries. COVID-19-related inquiries accounted for 54%, which accounts for the nearly 34% rise in total handled cases versus last year. For perspective, the fourth wave of the pandemic (September 14 to October 1, 2021), saw the Team receive 2,000 inquiries – one of the Team's busiest periods since its inception.

ONB led the charge in implementing both the NB Small Business Recovery Grant (SBRG), a non-repayable grant of up to \$5,000 for businesses to help offset the continued impacts of the pandemic, and the Self-Employment Lockdown Fund (SELF) grant for self-employed individuals. The Business Navigators supported these grants directly by helping New Brunswickers navigate their way through eligibility requirements and the application process.

Despite their focus on COVID-19 support this fiscal, the total dollar value in terms of regulatory burden savings resulting from Business Navigators support is \$889,187 for the entire fiscal year. This is a tangible testament to the value they bring to New Brunswickers, small business owners and entrepreneurs throughout the province.

ONB recognizes that we are stronger when we work together. The success of the Business Navigator Team is only possible due to the commitment and collaboration of Departmental Navigators located across government, partners, colleagues, and the broader business network-at-large. We are grateful for the support that has made this still relatively new service such a resounding success.

SUCCESS STORY

André Cormier, co-founder of **LaRouère fabrique de chocolat**, contacted ONB's Business Navigators seeking support as he and partner Robin Streb opened their storefront and manufacturing facility. While in the midst of renovations, he reached out to ensure he was meeting all health and safety requirements. Business Navigators promptly contacted the Public Health Inspector's office to gather all relevant details, explained the company's status, and helped arrange a successful meeting. However, support did not stop there. The company also needed assistance with licensing, business planning, trademarking, and export development planning.

Our Business Navigators went on to connect André with all the right resources, including contacts with groups like the Canadian Food Inspection Agency (CFIA) and the Canadian Intellectual Property Office (CIPO) for its trademarking support. Step-by-step guides to licensing, and a host of business plan templates were also part of ONB's support to the burgeoning chocolatiers. From hobby to farmer's market vendor to a newly launched boutique chocolate factory, LaRouère is a great example of the small business journey in New Brunswick.



LaRouère fabrique de chocolat
(Moncton, NB)

Export Development

ONB's Export Development Team continued to offer New Brunswick companies of every size our expertise and guidance on reaching new markets and further developing their sales abroad. The year saw a total of 498 unique companies supported through 1-on-1 counseling and export events. The total projected sales for New Brunswick companies resulting from these activities surpassed \$26.5M.

Fiscal 2021-2022 saw the Team participate in a total of 78 export development-related activities including trade shows, virtual trade missions, workshops, conferences, training events, and other business development activities. With a mix of in-person and virtual events, the team's efforts saw them in markets in the United States, Europe, and more. Some of the highlights from the year include:

- Scale-Up Hub Atlanta, a virtual trade mission, guided several Atlantic Canadian companies in increasing their market presence in Georgia's capital city. Participating companies included The Black Arcs, SnapAP, Resilia Inc., and Mariner. Over 100 business prospect introductions were made, and multiple sales are already pending.

- The Fintech Meetup and Money 2020 events resulted in over \$1M in projected export revenues. Multiple New Brunswick companies who attended were able to gather market intelligence, identify competitors, and determine market fits for their products/services.
- The Europe Market Development Program (EMDP), a consultation program helping exporters grow sales in European markets, saw continued success this fiscal year. Five New Brunswick companies (Anessa, C-Therm Technologies, JMN Enterprises, Lorneville Mechanical Contractors, and Marwood Limited) participated this year, leveraging the EMDP to explore the potential of European markets, seek new distribution agreements, identify potential partners for research collaborations, and bolster lead generation. This year's EMDP helped New Brunswick businesses generate close to \$4M in potential export revenue and develop three new partnership/distribution agreements.
- In partnership with technology consulting firm PartnerReady, ONB launched the ICT Ecosystem Academy, an innovative new program designed to support local companies in assessing their existing partner strategies and identifying opportunities to 1) integrate their technology with other platforms, 2) access new industries and markets, 3) increase their distribution and reach, and 4) increase revenue and build alternative revenue streams in the process. The inaugural cohort of eight local companies identified close to \$20M in potential new revenue opportunities. "The Ecosystem Academy program allowed us to zoom out and evaluate what we had done well, but also helped identify many areas for improvement," said Jamie Benoit, Client Relationship Manager at Beauceron Security. "Through the program's mentorship, we gained an experienced sounding board for our ideas and a ton of valuable insight into how we can better enable our current and future partners and structure our teams."



Steve Milbury,
Vice President, Business Development,
ONB at the SEUS-CP Atlantic Canada
Reception (Savannah, Georgia)



Four Eyes Financial
(Saint John, NB)

SUCCESS STORY

Saint John's **Four Eyes Financial** is a regulatory technology company that provides a host of innovative digital solutions to Canadian wealth management firms. After multiple discussions with the Four Eyes team regarding its U.S. market entry strategy and the support it required, ONB was able to identify two support opportunities. The key projects identified for successful U.S. market penetration included access to a lead generation database and a consulting agreement.

Through the lead generation database, the company was able to create lists and access direct contact information for clients across the U.S. The consulting agreement allowed Four Eyes Financial to refine its value proposition and connect more directly with key customers in the market to gain further market intelligence. The result was the development of two key strategies: Accupoint Solutions database access and attending the U.S. Fintech Trade Mission. To date, Four Eyes Financial's engagement with these two initiatives has resulted in over \$4M in new potential export revenue.

"As an early-stage company, it's critical to cut through the noise to make better decisions. ONB has been an amazing partner in helping Four Eyes build its U.S. go-to-market strategy," says Jeff Harvie, Head of Growth. "Over the past year, with ONB support and leadership, we have accessed subject matter resources to size the U.S. market, test product-market fit, and assess the cost of building a partner channel program. These programs have sharpened our strategy for growing our business beyond Canada. Most recently we have established our first channel partner and can attest that the PartnerReady (ONB ICT Ecosystem Academy) Program helped us establish this key partnership."

Investment Attraction

With improved business confidence and the easing of pandemic restrictions, our Investment Attraction Team entered the year with more aggressive targets than the previous fiscal year. Fiscal 2021-2022 saw the Team successfully close 18 new investment attraction projects, resulting in the creation of up to 1,292 new full-time positions and \$74.8M in new payroll.

Approximately two-thirds of the new investment projects are greenfield investments; or investments with companies that are new to the province. This demonstrates that the New Brunswick Advantage – the winning combination of our people, agility, innovation, and infrastructure – is continuing to resonate with some of the world's top companies, including Marshall Canada, Teledyne CARIS, CGS, Appcast, and more.



Rohit Bansal,
Global Development Executive, ONB

SUCCESS STORY

Deloitte, the world's largest professional services provider, was looking to establish a delivery centre for technical support and cloud-based services to better serve an expanding client base. They considered several Canadian markets for this centre, launching a countrywide competition to determine the best jurisdiction. The winning combination of skilled bilingual talent, commitment to immigration, ability to collaborate closely with quality post-secondary institutions, and support from ONB led to New Brunswick being selected over multiple major metropolitan markets. The centre is expected to create up to 200 full-time positions over the next five years. These well-paying high-skilled technology jobs – with an average salary of \$68,000 – will be filled across three primary locations in the Fredericton, Moncton, and Saint John regions.

"We are proud to welcome Deloitte's expansion in New Brunswick," said Sheri Penner, Deloitte's managing partner, Atlantic. "The addition of this technical delivery centre will create unique opportunities for both our people and our region, and we are pleased to partner with our many stakeholders across Canada and within New Brunswick to make this successful."

Deloitte will be working with ONB and WorkingNB to attract newcomers to the province, bringing a wide range of backgrounds, experience, and perspectives to its workplaces and clients, as well as providing valuable career opportunities for all New Brunswickers. The company is actively working with a variety of post-secondary education partners on hiring new and recent graduates, ensuring we retain the province's brightest talent.



Deloitte
(Fredericton, NB)

Population Growth

Workforce Attraction

The Workforce Attraction Team is responsible for ensuring New Brunswick employers have access to the skilled international talent they need to thrive by holding information sessions, organizing targeted recruitment missions, and ensuring employers access the right immigration programming.

Fiscal 2021–2022 brought with it an influx of activity due to the easing of pandemic restrictions. The Workforce Attraction Team attended 15 virtual job fairs and two in-person national job fairs in collaboration with WorkingNB. The Team also presented 32 virtual information sessions (both French and English sessions), and 10 partner presentations (embassies, regional partners, ACOA, TIANB, and more). This activity resulted in access to potential candidates (both English and French speaking) in 33 different countries and 60+ employers sourcing hundreds of potential candidates.

Other notable collaborations include two connector events with WorkingNB, as well as the Projet du Nord, a partnership with CCNB and WorkingNB, which connected students in the trades with New Brunswick employers.



Boise Cascade AllJoist Ltd.
(Saint-Jacques, NB)

SUCCESS STORY

Facing challenges finding local talent and having for years considered a Senegal-born employee to be one of its top performing employees, Saint-Jacques-based **Boise Cascade AllJoist Ltd.** became interested in Senegal and that country's pool of workers as it looked to recruit more international talent. In the fall of 2021, working closely with ONB's Workforce Attraction Team and the National Agency for the Promotion of Youth Employment (ANPEJ) in Senegal, the company

recruited six Senegalese workers. All six of these young workers ultimately accepted their job offers, arrived in New Brunswick in November 2021, and have since spent their first full winter in Canada. The company was so pleased with the success of their efforts that they accompanied ONB representatives on a recruitment mission in June 2022, extending job offers to 10 more Senegalese candidates.

International Student Integration

The International Student Integration Team is responsible for ensuring international students are well informed on permanent residency pathways and have the tools to succeed in New Brunswick.

Throughout Fiscal 2021–2022, in collaboration with Immigration, Refugees and Citizenship Canada, ONB presented 10 bilingual immigration information sessions aimed at attracting international students. With over 2,496 prospective students attending these information sessions, the Team is broadly promoting New Brunswick as a destination of choice within Canada. Early 2022 saw the return of our welcome kiosk at the Greater Moncton International Airport which welcomed 159 international students to the province. In addition, five newsletters aimed at informing international students about life and opportunities in New Brunswick were produced throughout the fiscal year and five job/settlement fairs were held between January and March 2022 (two in-person and three virtual). These fairs aimed to connect international students with provincial employers to put them on the pathway to permanent residency. International graduates – a key cohort in terms of increasing our population and skilled workforce – were issued 1,091 nominations, a 25% increase over the previous year.

Immigration Programs

The Immigration Programs Team is responsible for ensuring the assessment of New Brunswick's annual allocation while respecting the objectives set out in the New Brunswick Population Growth Strategy. This unit is also tasked with streamlining of programs and ensuring current policy help New Brunswick employers and the provincial economy.

Despite a second year of COVID-related challenges, calendar year 2021 saw the Team assess over 3,000 applications for four immigration streams, including New Brunswick Skilled Worker, Strategic Initiative, New Brunswick Express Entry, and the Atlantic Immigration Pilot Project.

The team also supported the implementation of the new Atlantic Immigration Program (no longer a pilot), updated program guides to reflect the ever-changing immigration landscape, and supported the work of the INB platform.

Settlement and Business

The Settlement and Business Team is responsible for processing the entrepreneur stream applications and working with Immigrant Serving Agencies to ensure adequate support to Provincial Nominee candidates and temporary residents.

While attracting people to the province is vital, we also recognize the importance of retaining these newcomers. Key to improved retention is ensuring that newcomers are fully settled into networks and communities. The Population Growth Team invested \$4.7M of financial support during Fiscal 2021–2022. These funds were distributed to a total of 23 organizations supporting 36 projects for the settlement and inclusion of newcomers and 10 organizations to deliver 10 projects under the Multicultural Grants Program. The New Brunswick Institute for Research Training and Data (NB-IRDT) published the retention rates of immigrants. This first report covered immigrants that arrived in the years between 2005 and 2018. For those that arrived in 2018, for all categories of immigrants (primary applicants and dependents), the one-year retention rate was 85.1%. This was up from 78.4% in 2017.

With the crisis escalating between Ukraine and Russia in February, ONB, other GNB departments, employers, and the settlement agencies quickly began to mobilize a response to support Ukrainians arriving in the province. Employer and community-based committees were formed to ensure a coordinated all-hands response. Work also began on a Ukrainian-language resource page on the ONB website, with a welcome kit, immigration pathway information, job search information, and more. This page went live in April 2022.

Operating within the New Brunswick Provincial Nominee Program (NBPNP), the Business Immigration Stream (BIS) is an economic immigration pathway for experienced entrepreneurs who are ready to establish, operate, and actively manage a business while living and settling in New Brunswick permanently. The BIS approved seven immigrant entrepreneur projects, representing a total potential investment of \$5.4M which includes one applicant, whose story is outlined below, who purchased a farm. Efforts are underway to ensure New Brunswick continues to effectively maximize the opportunities which exist under this stream.



Pieter Meindertsma
(Springfield, NB)

SUCCESS STORY

Prior to immigrating to Canada, Pieter and Sylvia Meindertsma were dairy farmers in northern Holland. Finding some of the regulations and production quotas in the Netherlands too restrictive, Pieter and Sylvia decided it was time for a change and looked to Canada as a potential place to live and continue their farming interests. After two years of researching new locations, Pieter submitted an Expression of Interest to the **Business Immigration Stream** in early December 2021 and was invited to apply immediately. His BIS application was submitted in late February and was quickly approved, arriving in

New Brunswick in March of 2022, with the rest of his family joining him a few weeks later. From their first contact with immigration representatives to their arrival on the ground, the Meindertsma family's journey to New Brunswick took approximately five months. The family now owns and operates a 455-acre farm in Springfield that they purchased from owners who were actively seeking a successor. The couple's daughter, Hendrikje, also recently launched her own business as a sheep farmer, purchasing 20 sheep from PEI.

Client Engagement

ONB's Client Engagement Team – a value-add service not offered by most jurisdictions – are local experts that navigate the supports required to ensure a positive experience for our clients. The Team is well-versed in regional best practices and works closely with employers to activate resources for a variety of business needs, including talent.

The Team's successes this fiscal year include creating better alignment for clients to access both ONB and WorkingNB services and adding Workforce Consultant roles to ensure every region has closer collaboration and better capability to help New Brunswick companies grow. Working closely with ONB's Business Development Teams, they supported the development and implementation of more than 30 customized client engagement support plans, providing a tailored approach to clients for their workforce needs.

SUCCESS STORY

Fredericton's **Sonrai Security** connected with ONB Client Engagement seeking recruitment support as they prepared to expand their operations and create new employment opportunities in the province. The Client Engagement Team leveraged its network of professionals to connect the Sonrai team with programs, decision-makers, and other leaders to find local and international skilled talent and connect with new graduates. Optimizing GNB's 'One Team, One GNB' approach, ONB and WorkingNB coordinated support that included opportunities for customized HR consulting, training for new and existing employees, and promotion of job opportunities. Ramp-up happened quickly, with 18 new hires joining Sonrai in Fiscal 2021-2022 (surpassing the forecasted 15) and an additional six already hired in Fiscal 2022-2023. Some Sonrai team members were new to the provincial ecosystem, so a Client Engagement Specialist assisted with access to and collaboration from ONB Immigration, the ONB Strategic Marketing and Communications Team, Employment Standards, and HR professional associations. Client Engagement is always on standby to help clients navigate competitive hiring markets and will continue to work with Sonrai for the next few years offering customized support as Sonrai continues its expansion.



Kathleen Irwin,
Client Engagement Specialist, ONB

Operations, Compliance, and Integrity

The Operations, Compliance, and Integrity Team ensures the organized intake of immigration applications and is responsible for ensuring the integrity of the provincial immigration programs. The Team issued a total of 2,992* nominations under the New Brunswick Provincial Nominee Program (NBPNP) and Atlantic Immigration Pilot Program (AIPP), with 28% of nominations issued to francophones, meeting our target for the calendar year. International graduates were issued 1,091 nominations – 502 of those graduates were from post-secondary institutions in New Brunswick. India, the Philippines, Morocco, and Nigeria were among the top countries represented by these nominations. The top represented sectors include accommodation and food services, manufacturing, healthcare, and social assistance.

*All nominations tracked and reported align to the calendar year 2021 rather than the fiscal year 2021-2022.

Finance

Deal Structuring and Finance

ONB remains committed to strong financial management and being responsible stewards of public funds, while at the same time supporting New Brunswick businesses in their growth journeys. With sound financial practices, policies, and controls in place, ONB is poised to continue delivering results, appropriately manage and mitigate risk, and continuously improve its transparency.



Joel Leitner,
Acting Vice President
Population Growth and
Director of Finance, ONB

In Fiscal 2021–2022, a surplus of \$27.9M was generated. This surplus can be attributed to the financial strengthening of ONB's portfolio clients which resulted in a provision recovery of \$11.3M driven by loan repayments. An additional \$9M of surplus can be attributed to reduced financial assistance expenditures. Total financial assistance expenditures were \$10.9M in 2021–2022; down from prior fiscals as ONB's clients continued to see a reduction in expansion plans due to uncertainties associated with the pandemic. ONB's preferred financial assistance tool continues to be payroll rebates which minimize risk to the Province while providing a strong return on investment.

In Fiscal 2021–2022, ONB successfully managed the transition of the Population Growth Division from the Department of Post-Secondary Education, Training and Labour (PETL). This transition resulted in ONB's budget increasing by \$8.6M including 40+ FTE transfers and transferred assets and liabilities of \$59.6M.

Fiscal 2021–2022 saw ONB signing 77 financial assistance agreements with total commitments of over \$22.3M. ONB's Deal Structuring and Finance Team provides sound due diligence, financial and non-financial risk assessment, and recommendations to ONB stakeholders as part of the assessment process.

In response to the challenges experienced by small businesses due to elevated Public Health measures, ONB introduced the NB Small Business Recovery Grant (SBRG). The SBRG, designed to be complementary to other sources of support, including the federal government, was intended to provide the most impacted small businesses with much-needed financial support aimed at offsetting fixed costs that could not be reduced such as wages, rent, supplies, utilities, and maintenance. In total, Fiscal 2021–2022 saw ONB disburse \$7.1M of COVID support through the administration of two programs: The Small Business Recovery Grant (\$6.4M) and the Self-Employed Lockdown Fund (\$700K).

On March 31, 2022, ONB's managed portfolio of loans, investments, and guarantees (excluding provisions) was valued at \$327M, a reduction of \$34M from the past year. During the year, \$52K in new loans was advanced, with almost \$34.7M in loan repayments collected. Additionally, exposure on loan guarantees was reduced by over \$1M. Since its inception on April 1, 2015, ONB's loans portfolio has earned \$48.5M in interest income.

With a focus on generating positive returns for the province, ONB's team of dedicated finance professionals remains committed to ensuring that public funds are safeguarded, while simultaneously being utilized to accelerate the growth and expansion of businesses in the province.


Operations

Policy, Competitive Regulation, and Operational Excellence

A flexible and responsive regulatory environment is the foundation for a thriving private sector. The Competitive Regulation Team at ONB works collaboratively with departments, agencies, and other Crown corporations to identify and reduce the regulatory burden that exists for businesses. Having surpassed the previous goal of \$14M in reductions in Fiscal 2020–2021, the Government set a new goal of additional reductions of \$16.5M in regulatory burden by March 31, 2024. In the first year of the three-year target, net regulatory burden reductions estimated at \$34.3M have been achieved through a whole-of-government effort spanning more than 25 projects. ONB is committed to working with stakeholders in both the private and public sectors with a view toward improving the overall competitiveness of New Brunswick as a place where businesses can grow and prosper.

Policy development, at its core, is an enabler of effective economic development. The Research and Policy Team with ONB works closely with front-line teams in their efforts to better support business growth across the province. In Fiscal 2021–2022, the Team continued to respond to the challenges to businesses presented by the COVID-19 pandemic by developing the Self-Employed Lockdown Fund (SELF) and the launch of the third round of the Small Business Recovery Grant (SBRG).

ONB connects businesses with people and opportunities. Much of what we do as a catalyst for business investment, growth, and prosperity, is driven by projects. Successful project delivery is critical to ONB's operational and strategic success and is the hallmark of high-performing organizations. As such, ONB launched a Project Management Office that is supporting the organization in delivering on its mandate and achieving its strategic vision. ONB also has a small team dedicated to setting, tracking, and reporting on key performance metrics aligned with strategic organizational goals to ensure accountability, transparency, and high performance.



Traci Simmons,
Chief Operating Officer,
Strategy and Operations, ONB



Strategic Marketing and Communications

ONB's Strategic Marketing and Communications Team understands that attracting and retaining newcomers, increasing exports, and attracting new private sector investment necessitates adopting a proactive approach to marketing New Brunswick's unique strengths and capabilities. Creating a positive perception of New Brunswick, whether inside or outside of New Brunswick, matters, as does bringing broader awareness of New Brunswick's value propositions and the opportunities they provide.

Fiscal 2021–2022 saw the Team delivering effective targeted content aimed at supporting and promoting the efforts of all ONB lines of business as they executed on the organization's strategic priorities and achieved their respective outcomes. The Team strives to provide internal clients with the guidance required to achieve their goals. Those efforts, and all other campaigns and content they deliver, are key to building equity in the province's brand with key target audiences.

This year brought a new line of business to ONB – the Population Growth Division of PETL which has recently been rebranded to Immigration NB. Fiscal 2021–2022 saw that Team fully integrated within the organization. With that integration came the activation of a repositioning exercise aimed at how the Province of New Brunswick communicates with and markets to international newcomers and immigration-related partners and stakeholders. While this project remains in rollout mode through the current fiscal, the past year saw the deployment and use of new creative content and campaigns to support job fairs around the world, promote New Brunswick's unique value propositions to prospective newcomers, and educate provincial employers about the available streams of opportunity at their disposal.

Finally, through our website, email newsletters, and social media channels, ONB continues to tell the individual stories shaping New Brunswick's economic narrative. Whether it's a local company improving their productivity, an exporter successfully entering new markets, an international student landing a great job after graduation, or a world-class global firm establishing a presence here, ONB is spreading the word about the province's many successes. When our people and their businesses are succeeding, the Strategic Marketing and Communications Team is there to raise awareness, whether it is through videos or the printed word. In fact, throughout this fiscal year, ONB's marketing activity included sharing more than 50 success stories from across all corners of New Brunswick. Visitors to the ONB website (onbcanada.ca) came from every region of Canada, as well as the United States, Indonesia, India, Algeria, Morocco, The UK, Nigeria, Cameroon, Brazil, Ukraine, France, Poland, Tunisia, Switzerland, Côte d'Ivoire, Germany, Kenya, Ireland, Haiti, Mexico, and several other countries across multiple continents. ONB's LinkedIn audience continued to be its largest and most engaged social media following, growing by approximately 5,000 followers throughout the fiscal year.



Employee Experience

ONB was honoured to be recognized among Atlantic Canada's Top Employers for the sixth consecutive year in 2021. This designation, which recognizes employers that lead their industries in offering exceptional workplaces, was awarded by the editors of Canada's Top 100 Employers.

Announced in February 2022, that recognition came hot on the heels of Waterstone Canada including ONB in their 2021 list of Canada's Most Admired™ Corporate Cultures in November, the second time our organization has received this distinction. Culture continues to be one of our key differentiators and our Employee Experience Team was thrilled to see ONB recognized alongside groups like Moncton's Medavie in the Broader Public Sector category.

With a major emphasis on culture, ONB strives to ensure that the overall employee experience is constantly at the forefront. Having employees who are empowered, engaged, and properly equipped to deliver on their accountabilities is a large part of the work of the Employee Experience Team. With 137 permanent employees and 151 employees in total at the end of March 2022, this is a significant undertaking but also core to why year over year ONB is recognized as both a top employer and a high-performance agency. As part of our annual employee satisfaction survey, 95% of staff reported high job satisfaction levels, with 92% rating their overall happiness at work as good to very good. In addition, 96% felt that ONB is having a positive impact on the provincial economy. A commitment to maintaining a positive and flexible workplace culture is showing results – at a time when the fight for talent is intense, ONB maintained a 91% retention rate throughout the fiscal year.





Erica Ward,
Culture Manager, ONB

Priority Sectors

ONB, through its Strategic Priorities Team, has identified specific priority sectors with high potential for economic growth in the province. By taking a sectoral approach, ONB can focus its finite resources and build internal expertise and overall sector capacity in niche areas. Working closely with front-line teams, the Strategic Priorities Team supports initiatives that move businesses and sectors forward in their sustainability and productivity journeys. Technological and digital transformation are important drivers of private sector investment and will play an increasingly significant role in enhancing productivity across our traditional and emerging sectors.



Advanced Manufacturing

New Brunswick's manufacturers are vital to the provincial economy, accounting for 9.78% of the province's GDP in 2021 (Source: Statistics Canada Table 36-10-0402-02). At ONB, we are working with our manufacturing clients in their efforts to build resilient supply chains, consistently improve their productivity, and adopt innovative new technologies to remain competitive in the global market.

In Fiscal 2021-2022:

- Aerospace and defence leader Marshall Canada expanded into Moncton, securing a 10-year lease for a land systems production and integration facility that will create approximately 65 new jobs. "I am delighted that we've been able to secure a suitable home for our land systems business in New Brunswick, and expect, over the years ahead, that Marshall will become a leading employer in the region, creating a host of high-value employment opportunities, both directly and through our broader supply chain," said managing director Sam Michaud as part of the March 2022 announcement.
- A partnership between ONB, the Atlantic Canada Opportunities Agency (ACOA), and CANUSA Cedar provided the Baker Brook-based cedar shingle manufacturer with up to \$74,000 in financial assistance from ONB. The estimated GDP contribution from this funding is \$3.6M. The funding is intended to help CANUSA improve the quality and consistency of its shingles, increase production capacity, reduce biological waste, maximize use of raw materials, and react more quickly to client needs and market conditions.
- A.L.P.A. Equipment commissioned a new manufacturing facility in Eel River Dundee to ramp up production of their A.L. Fabrication engineering division's LANDRICH tracked harvester. The company's new 63,000 sq ft facility accommodates the company's in-house manufacturing and assembly capability while decreasing its dependency on outsourcing many components. A.L.P.A. estimates that their current annual output will increase by five times in the next five years because of this expansion – from five units to 25 units annually. This also means workforce growth for northern New Brunswick, as the expansion will result in the creation of 25 new positions.
- Fredericton's Thermtest leads the way in advancing the measurement of thermal conductivity, thermal diffusivity, and specific heat. Fall 2021 saw Thermtest move into a brand new 15,000 sq ft facility in Hanwell's Industrial Park. That move came hot on the heels of the company's launch of a new HUB in Taiwan to facilitate its further push into the Asian market.



ASU Workwear
(Edmundston, NB)



Local By Atta
(Moncton, NB)



Agritech

Agricultural technology (Agritech) is vital to our ability to modernize our agricultural sector, one of the province's largest traditional industries. With the provincial goal of increasing New Brunswick's food self sufficiency, ONB continues to research the North American controlled environmental agriculture (CEA) industry to understand its companies, growth, and factors for investment. These insights are helping ONB better understand an industry not previously targeted and provide intelligence to its provincial partners at DAAF who are leading the initiative. This has formed the basis for the creation of a value proposition, and a strategy for targeted investment from the CEA industry.

In Fiscal 2021–2022, ONB continued to champion New Brunswick companies with existing agritech products and services, leveraging the opportunity to become more food self-sufficient through collaboration efforts, and attracting more agritech companies to the province.



Cybersecurity

New Brunswick continues to be a cybersecurity industry leader in Canada and worldwide thanks to the strength of the ecosystem and the close coordination of both public and private sector partners active in nurturing the growth of this important sector.

In Fiscal 2021–2022:

- Difenda, a SecOps-as-a-Service company and Microsoft Gold Partner, continued to grow its Fredericton operation with an agreement with ONB for an additional 15 jobs with an estimated GDP contribution of over \$2.5M.
- Online Business Systems, a leading digital transformation and cybersecurity consultancy firm, established its presence in Fredericton. Its agreement with ONB will create 15 well-paying jobs with an estimated GDP contribution of \$2.9M.
- Field Effect, makers of the Covalence cybersecurity solution, grew its presence in Fredericton thanks in part to a new ONB deal that will help them create up to 70 new full-time jobs with an estimated GDP contribution of \$11.4M.
- The Government of Canada announced that the National Cybersecurity Consortium (NCC) will lead Canada's new Cyber Security Innovation Network (CSIN). The consortium, of which Fredericton's University of New Brunswick (UNB) is a founding member, will receive up to \$80M in matching funds over four years to advance the country's cybersecurity infrastructure, knowledge base, and workforce.
- Siemens Canada continued to expand its New Brunswick footprint and grow its global cybersecurity offering with the official launch of its Critical Infrastructure Defense Center (CIDC). That center is a first-of-its-kind for Siemens and is dedicated to Critical Infrastructure Protection (CIP). ONB has worked with Siemens Canada and its Canadian cybersecurity initiatives since the launch of its Cybersecurity Research and Development Center in 2018.
- UNB and Mastercard entered a partnership to advance cybersecurity research and training opportunities in the Internet of Things (IoT) sector. This will further advance UNB's Canadian Institute for Cybersecurity (CIC) with research and learning opportunities through sponsorship of UNB's IoT laboratory, the establishment of a cyber research chair specializing in IoT, and supporting UNB students via scholarships.

Digital Health refers to the umbrella of technologies for healthcare and healthy living. ONB is working closely with our partners to support the development of a cluster of activity in this key sector to further position New Brunswick as 'Canada's Living Lab'.

In Fiscal 2021-2022:

- The Coordinated Accessible National (CAN) Health Network Atlantic, a pan-Canadian network, officially kicked off and built great momentum with multiple commercialized projects already underway including a collaboration between Shannex and technology firm Tenera Care.
- The future Health & Technology District in Saint John remained well on track, holding multiple community information sessions both virtually and in person to foster even stronger local support, better understanding, and discussions on the needs of both the sector and patients.



Atlantic Cancer
Research Institute
(Moncton, NB)



Energy Innovation

ONB continues to build on the infrastructure, expertise, and partnerships already in place in this sector to advance the province's economic priorities in several energy-related areas including small modular reactors, smart grid technology, and clean energy.

ONB was active in energy-related events this year, with speaking engagements at International Economic Forum of the Americas forums in both Toronto and Montreal. The former saw ONB lead the "Small Modular Reactors: The Goal to Reach Net Zero" panel, and the latter featured a discussion of the "Contentious Transition Towards Biofuels".

In Fiscal 2021-2022:

- Bulloch Technologies, a market leader in point-of-sale (POS) systems for the petroleum sector controlling approximately 65% of the Canadian market, entered an agreement with ONB to create up to 25 full-time roles to support the company's growth and expansion in Moncton.
- HomeSol Building Solutions, with assistance from ONB, will see the creation of up to 54 new full-time positions in its Moncton operation. HomeSol is an energy conservation consulting firm delivering energy assessments, modeling, ratings, and more.
- Quispamsis-based The Smart Energy Company (TSEC) was selected by NB Power to help with the building of the utility's new 1.63-megawatt solar farm in Shediac. "The solar farm is the first of its kind in the province and an important part of the larger Smart Grid Atlantic smart and renewable energy research program being run by NB Power, Siemens Canada, and Nova Scotia Power," noted the utility in a press release.



Submitted by NB Power

Transparency and Accountability

ONB is committed to being transparent and accountable to New Brunswickers and is committed to the responsible management of public funds. Over the past year, ONB has implemented an increased focus on reporting on performance and is making return on investment outcomes more readily available. ONB continues to improve access to, and proactive disclosure of, information related to management and investment of public funds. Under its website's 'Transparency' section, ONB publishes information on its return-on-investment performance, its funding approvals to industry, reports on ensuring regulatory competitiveness, and detailed payment information.

Summary of Public Interest Disclosure Act Activity

As provided under section 18(1) of the Public Interest Disclosure Act, the CEO shall prepare a report of any disclosures of wrongdoing that have been made to a supervisor or designated officer of the portion of the public service for which the CEO is responsible. ONB received no disclosures of wrongdoing in Fiscal 2021-2022.

Summary of Legislation and Legislative Activity

Bill No. 40 – [An Act to Amend the Opportunities New Brunswick Act](#)

- [Royal Assent June 11, 2021](#)
- The Bill made changes requiring all board positions to be filled through a merit-based and objective approach; and,
- amended quorum requirements for regular board of director meetings.

Bill No. 57 – [An Act to Amend the Regulatory Accountability and Reporting Act](#)

- [Royal Assent June 11, 2021](#)
- The Bill extended the expiry of the Act from June 28, 2021, to June 28, 2026 to reinforce a commitment to strengthening the climate for economic growth and prosperity in the Province.



Summary of Official Languages Activity

ONB recognizes its obligations under the *Official Languages Act* and is committed to actively offering and providing quality services in both official languages. No official complaints were filed under the act in this past fiscal year. During Fiscal 2021–2022, ONB continued to ensure its obligations under the *Official Languages Act* were met throughout the organization. Below are associated activities that were carried out on an ongoing basis during the year in question.

Focus 1: Ensure access to service of equal quality in English and French throughout the province:

- Completed a review of all linguistic profiles to ensure that resources can deliver services in both official languages.
- Ongoing review.

Focus 2: An environment and climate that encourages, for all employees, the use of the official language of their choice in their workplace:

- As part of the annual performance review process, all employees are required to review the Language of Service and Language of Work policies and discuss with their managers.
- Offer opportunity to participate in French or English language training to employees.

Focus 3: Ensure that new and revised government programs and policies took into account the realities of the province's official language communities:

- Official languages are part of the orientation for new employees.

Focus 4: Ensure public service employees have a thorough knowledge and understanding of the *Official Languages Act*, relevant policies, regulations, and the province's obligations with respect to official languages:

- Employees were asked to complete the online modules on Language of Service and Language of Work in order to build on their knowledge of the *Official Languages Act*.

During Fiscal 2021–2022, ONB continued to apply tools that help employees work in the language of their choice. The organization continues to work toward achievement of the objectives set out in the government-wide Official Languages Action Plan.

Summary of Staffing Activity

This section includes year-over-year staffing data to provide a more accurate picture of staffing and personnel. The below figures indicate the number of permanent and temporary employees at ONB as of December 31, each year.

Employee Type	2020	2021
Permanent	91	131
Temporary	11.5 (Term 2, Ministerial 0, PSC 4, Casual 2, Seconded in 0.5, Students 3)	12.5 (Term 6, Ministerial 0, PSC 2, Casual 2, Seconded in 0.5, Students 2)
Total	103	144*

*Much of this staffing growth has occurred as a result of Population Growth Division transitioning into ONB.



Matthew Fox,
Chief Financial Officer, ONB

Financial Statements of Opportunities New Brunswick

March 31, 2022

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Management Report

The preparation of financial information is an integral part of management's responsibilities and the accompanying financial statements are the responsibility of the management of the Corporation. This responsibility includes the selection of appropriate accounting policies and making judgements and estimates consistent with Canadian Public Sector Accounting Standards (PSAS).

The Corporation maintains accounting systems and related controls to provide management and the Board of Directors with reasonable assurance that transactions are executed and recorded as authorized, that assets are properly safeguarded and accounted for, and that financial records are reliable for the preparation of financial statements in accordance with PSAS.

It is the responsibility of the Board of Directors to oversee management's performance of its financial reporting responsibilities and to review and approve the financial statements. It is assisted in its responsibilities by the Audit and Finance Committee. This committee reviews and recommends approval of the financial statements and meets periodically with management concerning internal controls and matters related to financial reporting. Upon the recommendation of the Audit and Finance Committee, these financial statements for the year ended March 31, 2022 are approved by the Board of Directors.



Sadie Perron
Chief Executive Officer (Acting)



Matthew Fox
Chief Financial Officer

Fredericton, NB, Canada

INDEPENDENT AUDITOR'S REPORT

To the Chairperson and Board of Directors of Opportunities New Brunswick

Report on the Audit of the Financial Statements

Opinion

I have audited the financial statements of Opportunities New Brunswick (the Entity), which comprise the statement of financial position as at March 31, 2022, and the statements of operations, change in accumulated deficit, change in net debt, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2022, and the results of its operations, changes in its net debt, changes in its accumulated deficit, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they

could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Janice Leahy, CPA, CA, CIA
Deputy Auditor General

Fredericton, New Brunswick, Canada
June 23, 2022

Opportunities New Brunswick
Statement of financial position
as at March 31

	2022	2021
Assets		
Due from Province of New Brunswick	\$ 190,124,097	\$ 124,856,121
General receivables	253,860	211,066
Interest receivable (note 4)	526,862	536,183
Loans receivable (note 7)	70,807,713	87,803,762
Investments (note 8)	17,109,488	22,811,025
Total Financial Assets	278,822,020	236,218,157
Liabilities		
Accounts payable and accrued liabilities (note 12)	15,756,236	10,256,946
Deposits held in trust (note 16)	44,254,990	-
Deferred revenue (note 14)	249,134	-
Provision for loss on loan guarantees (note 15)	7,440,000	8,130,000
Due to Province of New Brunswick (note 17)	253,775,160	287,895,570
Total Liabilities	321,475,520	306,282,516
Net debt	(42,653,500)	(70,064,359)
Non-financial assets		
Prepaid assets	63,605	27,333
Tangible capital assets (note 11)	848,575	-
Total Non-Financial Assets	912,180	27,333
Accumulated deficit, end of period	(\$ 41,741,320)	(\$ 70,037,026)

Contingent liabilities (note 15)
 Commitments (note 19)
 Restructuring transaction (note 22)

Approved by the Board:



Michael Campbell
 Chair - Board of Directors



Jim Baumgartner
 Chair - Audit Committee

Opportunities New Brunswick
Statement of operations
for the period ended March 31

	Budget 2022 (note 21)	2022	2021
Revenue			
Province of New Brunswick	\$ 33,467,000	\$ 33,467,000	\$ 31,384,000
Interest on loans (note 4)	6,500,000	4,769,648	6,810,483
Other	20,000	251,493	232,791
Designated recoveries	1,150,000	1,757,371	665,048
Income from investments (note 5)	-	155,859	74,465
Provision for losses recovery (note 6)	-	11,315,606	-
Population growth division	11,875,000	15,557,506	-
Cyber Essentials (note 23)	-	-	23,906
Total Revenue	53,012,000	67,274,483	39,190,693
Expenses			
Administration and business			
Development services (note 18)	15,119,245	13,692,544	12,118,080
Financial assistance	20,000,000	10,874,331	15,251,152
Bad debt expense (note 6)	5,000,000	-	130,033
Population growth - administration (note 18)	4,781,000	2,998,572	-
Population growth - financial assistance	3,847,000	4,713,071	-
COVID-19 pandemic grant	5,000,000	7,100,205	-
Cyber Essentials (note 23)	-	-	25,722
Total Expenses	53,747,245	39,378,723	27,524,987
Annual surplus (deficit)	\$ (735,245)	\$ 27,895,760	\$ 11,665,706

Opportunities New Brunswick
Statement of change in net debt
for the period ended March 31

	Budget 2022	2022	2021
Net debt, beginning of year	\$ (70,064,359)	\$ (70,064,359)	\$ (81,790,211)
Annual surplus (deficit)	(735,245)	27,895,760	11,665,706
Net change in prepaid expenses	-	(36,272)	60,146
Net change in tangible capital assets	-	(848,575)	-
Net change to prior period adjustments	-	399,946	-
Net debt, end of year	\$ (70,799,604)	\$ (42,653,500)	\$ (70,064,359)

Opportunities New Brunswick
Statement of change in accumulated deficit
for the period ended March 31

	Budget 2022	2022	2021
Accumulated deficit, beginning of year	\$ (70,037,026)	\$ (70,037,026)	\$ (81,702,732)
Annual surplus (deficit)	(735,245)	27,895,760	11,665,706
Prior period adjustments	-	399,946	-
Accumulated deficit, end of year	\$ (70,772,271)	\$ (41,741,320)	\$ (70,037,026)

Opportunities New Brunswick
Statement of cash flows
for the period ended March 31

	2022	2021
Operating transactions		
Annual surplus	\$ 27,895,760	\$ 11,665,706
Non-cash items		
(Decrease) increase in provision for doubtful accounts	(10,891,417)	3,212,999
Capitalized interest on loans	(489,792)	(2,494,733)
Amortization of concessionary interest	(504,259)	(525,733)
Unforgiven Loans recognized in income	(60,701)	-
Concessionary interest on new loans	3,622	7,073
Amortization of tangible capital assets	174,586	-
Prior period adjustments	10,447	-
Changes in non-cash working capital balances		
General receivables	(42,795)	379,313
Interest receivable	9,321	(24,942)
Prepaid expenses	(36,272)	60,146
Guarantees payable	(690,000)	(2,216,884)
Accounts payable and accrued liabilities	5,499,290	(2,596,938)
Deferred revenue	249,134	-
Total Operating transactions	21,126,924	7,466,007
Investing transactions		
Loan advances	(51,938)	(5,294,820)
Loan repayments	28,990,534	22,732,332
Investment	5,701,537	(5,239,522)
Total Investing transactions	34,640,133	12,197,990
Financing transactions		
Acquisition of tangible capital assets	(633,661)	-
Deposits held in trust	44,254,990	-
Loan payable to Province of New Brunswick	(34,120,410)	(47,882,583)
Total Financing transactions	9,500,919	(47,882,583)
Increase (decrease) in cash during the year	65,267,976	(28,218,586)
Cash, beginning of the year	124,856,121	153,074,707
Cash, end of year	190,124,097	124,856,121
Cash is represented by: Due from Province of NB	\$ 190,124,097	\$ 124,856,121

1. Nature of operations

The Opportunities New Brunswick Act was proclaimed and came into force on April 1, 2015. The new Act repealed the Invest New Brunswick Act and Economic Development Act. Under these provisions, all assets and liabilities of Invest NB and the Minister of Economic Development became the assets and liabilities of Opportunities New Brunswick on April 1, 2015.

As a Crown corporation, Opportunities New Brunswick ("ONB") is the focal point for all of New Brunswick's economic development activities including demographic growth through immigration, settlement and retention activities. Client-focused, proactive, professional and accountable, ONB is the single point of contact for local and foreign businesses looking to grow, expand or locate. ONB performs critical functions focused on performance, high-growth opportunities and growing New Brunswick.

2. Summary of significant accounting policies

Basis of accounting

These financial statements are prepared by management in accordance with Canadian public sector accounting standards ("PSAS") as issued by the Public Sector Accounting Board ("PSAB").

Asset classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Non-financial assets are acquired assets that do not normally provide resources to discharge existing liabilities, but instead are employed to deliver government services, may be consumed in the normal course of operations and are not for resale. Non-financial assets include prepaid expenses and tangible capital assets.

Due from Province of New Brunswick

As ONB does not have a separate bank account; ONB expenses and revenues flow through the Province of New Brunswick's ("the Province") bank accounts.

Investments

Investments in equity instruments of private enterprises are carried at adjusted cost, with realized gains and losses recognized in the statement of operations in the period that they are derecognized.

Investments in equity instruments of private enterprises are classified as impaired when, in the opinion of management, there has been a loss in the value of the equity instruments that is other than a temporary decline. Impairment losses are recorded in the statement of operations in the period they are incurred. The investments are reviewed annually for potential declines in value.

Investments in equity instruments that are quoted in an active market are carried at fair value. Changes in the fair value of the equity instruments are recognized in the statement of remeasurement gains and losses as a remeasurement gain or loss until the financial instrument is derecognized, at which time the gain or loss is reclassified to the statement of operations.

Tangible capital assets

Tangible capital assets are assets of ONB which have useful lives of greater than one year. Certain dollar thresholds for capitalization have been established for practical purposes. ONB has expensed capital assets acquired with an individual value of \$40,000 or less. Tangible capital assets are initially recorded at cost and assessed annually for impairment. Tangible capital assets are amortized over the limited useful life of the asset using the straight-line amortization method. Intangible assets are not recognized in the financial statements.

Land

ONB owns land inherited from historical transactions that is not used as part of regular operating activities. Land is recorded at cost, has an unlimited useful life, and is not amortized.

Prepaid expenses

Prepaid expenses include travel and salary advances, media subscriptions, and other cash distributions made to third parties in advance of the benefit being received. Prepaid expenses are charged to expense over the periods to which they relate.

Revenue and receivables

Revenue and receivables are recognized on an accrual basis as earned. Amounts receivable but deemed uncollectable are recognized as bad debt expenses.

2. Summary of significant accounting policies (continued)

Interest revenue is recognized on loans receivable when earned. Interest revenue ceases to be accrued on a loan receivable when the collectability of either principal or interest is not reasonably assured.

Restructuring transactions

A restructuring transaction is a transfer of an integrated set of assets and/or liabilities, together with related program or operating responsibilities, without consideration based primarily on the fair value of the individual assets and liabilities transferred (*note 22*).

Deferred Revenue

Deferred revenue includes contributions received with eligibility criteria and/or stipulations. When all eligibility criteria and stipulations have been met, the contributions are recognized in revenue.

Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed, and services received during the year is expensed.

Government transfers

Expenses

Government transfers are transfers of money, such as grants, to an organization for which ONB does not directly receive any goods or services directly in return. Government transfers are comprised of financial assistance, population growth-financial assistance, and COVID-19 pandemic grants.

Revenues

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Government transfers are provided by the Province in the form of operating grants in accordance with the Government's Main Estimates process.

Pension expenses

The defined benefit pension plan created by the Public Service Superannuation Act was converted and replaced by the New Brunswick Public Service Pension Plan (the "NBPSPP"). The NBPSPP is a shared risk pension plan in accordance with New Brunswick's Pension Benefits Act. Certain employees of ONB are entitled to receive benefits under the NBPSPP. This converted plan requires all employer classified full-time employees participate in this new plan, which is funded by both the employee and the employer. Employer pension contributions are paid and expensed by the Province on behalf of ONB. ONB is not responsible for any unfunded liability nor does it have access to any surplus with respect to its employee pensions. Refer to ONB expenses paid by other parties note below for further information.

Retirement allowances

Certain long serving employees receive a retirement allowance upon retirement from public service. The plan is funded by the Province. The Province made changes to its retirement allowance program in 2013 where management and non-union employees of ONB will no longer accumulate retirement allowance credits. Employees who were participating in this program were offered a choice of pay-out in lieu of a retirement allowance or, for those with more than five years of service, an option to defer the pay-out until retirement. The costs and liability associated with the plan is not the responsibility or obligation of ONB and is recorded by the Province in its financial statements.

Opportunities NB expenses paid by other parties

Certain employer costs such as pension contributions and Canada Pension Plan ("CPP") are paid and expensed by the Province on behalf of ONB. Sick leave liability is accounted for by the Province in its financial statements. These expenses and the related asset/liability balances are not presented in these financial statements. Under the agreed operating terms of ONB, these benefit plan balances will remain obligations/assets of the Province and will not be assumed by ONB.

2. Summary of significant accounting policies (continued)

Accrued post-closing costs

ONB accrues post-closing costs. The reported liability is based on estimates and assumptions using the best information available to management as documented in Note 13. Future events may result in significant changes to the estimated total expenses; capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate when applicable.

Financial instruments

Financial instruments consist of due from Province of New Brunswick, general receivables, interest receivable, loans receivable, investments, accounts payable and accrued liabilities, deferred revenue, provision for loss on loan guarantees, deposits held in trust, and due to Province of New Brunswick.

Financial instruments are initially recognized at fair value, plus any directly attributable transaction costs, when ONB becomes a party to the contractual rights and obligations of the financial instrument. Fair value represents the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Financial instruments are derecognized when the contractual rights to the cash flows from the financial asset have expired or have been transferred, and ONB has transferred substantially all risks and rewards of ownership or are derecognized when the contractual obligation has been discharged, cancelled, or has expired.

ONB classifies its financial instruments in the following groups:

a. Cost or amortized cost

General receivables consist of guarantee fees and lease fees as well as the general provision against such receivables.

Interest receivable consists of interest on the loans receivable as well as the provision on the interest receivable. Interest is recognized using the effective interest method.

Loans receivable are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans receivable are measured at amortized cost using the effective interest method, less any valuation allowances on the loans where management estimates amounts may be uncollectable in the future.

Investments are financial assets that are measured at adjusted cost and assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the statement of operations. Transaction costs are a component of cost for financial instruments measured using cost or amortized cost (*details in Note 10*).

Accounts payable and accrued liabilities, deferred revenue, and Due to Province of New Brunswick are classified as financial liabilities. Subsequent to initial recognition, financial liabilities are measured at amortized cost using the effective interest rate method.

Provision for loss on loan guarantees are valuation allowances on the loan guarantees where management estimates amounts may be uncollectable in the future.

Deposits held in trust consist of funds received by ONB and held trust until specific criteria have been met.

b. Fair value category

Investments are financial assets that are measured at fair value with changes in fair value recognized annually in the statement of remeasurement gains and losses until the investment is derecognized and the gain or loss is reclassified to the statement of operations (*details in Note 10*).

2. Summary of significant accounting policies (continued)

Due from Province of New Brunswick consists of cash equivalents and are measured at fair value, which is assumed to represent the carrying value, which is historical cost.

Measurement uncertainty

The preparation of financial statements in accordance with PSAS requires management to make estimates and assumptions that affect reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period.

The most significant areas requiring the use of management estimates relate to the determination of valuation allowances on loans receivable and loan guarantees, determination of the useful lives of tangible capital assets for amortization, accrued post-closing costs, concessionary interest, accrued expenses, and future year commitments. Actual results could differ from management's best estimates, as additional information becomes available in the future. A sensitivity analysis indicates that the impact of a +/- 5% change in the overall valuation allowance on loans receivable could impact net loans receivable and bad debt expense by +\$8.5 million or -\$7.2 million (2021 +\$9.9 million or -\$8.5 million). The impact of a +/- 5% change in the overall valuation of provision for losses on loan guarantees could impact provision for losses on loan guarantees and bad debt expense by +\$.7 million or -\$.7 million (2021 +\$.8 million or -\$.8 million).

The COVID-19 pandemic that was declared in March 2020 is on-going and ONB expects the pandemic will have minimal impact in the future on the financial results of loan repayments, valuation allowances and investment values. ONB will continue to closely monitor and evaluate the associated impacts on clients and on internal financial results.

Harmonized sales tax (HST)

ONB does not record HST in its financial statements because the Federal portion of all HST paid is reimbursed to the Province of New Brunswick, and the provincial portion of HST is not levied by the Province on its own entities.

Forgivable loans

Loan agreements which include forgiveness provisions are charged to financial assistance expense when the forgiveness is considered likely.

Valuation allowances

Valuation allowances are used to reflect loans receivable at the lower of cost and net recoverable value. A valuation allowance is also recorded on loan guarantees when it is determined that a loss is likely. An annual review is performed on loans receivable and loan guarantee balances and an allowance is recorded, which reflects management's best estimate of probable losses. Initial and subsequent changes in the amount of valuation allowance are recorded as a charge or credit to the statement of operations.

Concessionary loans

ONB recognizes a concessionary loan when the interest rate charged to a client is lower than the Province's borrowing rate in the capital markets. The net present value of the concessionary interest is calculated based on the difference between the interest rate charged and the Province's borrowing rate at the time the loan was issued. The concessionary portion of the loan is recorded as an expense in the year of issue. This amount is amortized to revenue on a straight-line basis over the term of the loan. The recorded value for these loans is the face value less the unamortized portion of the concessionary interest.

Concessionary loan interest

The foregone interest on the concessionary loans issued by ONB is expensed in the year the loans are issued and amortized into revenue over the life of the concessionary term of the loans.

Loans payable to Province of New Brunswick

The Province issues interest-free loans to ONB which are then issued to clients. Client repayments are applied against ONB's loan obligations to the Province. The Due to Province of New Brunswick is calculated at face value, less repayments received each year (*see note 17*).

3. Related entity transactions

ONB is wholly-owned by the Province of New Brunswick and is therefore a related party to other organizations that are controlled or subject to significant influence by the Province of New Brunswick. ONB has several recorded transactions with these related entities. Specifically,

- Designated revenues of \$63,000 from the Regional Development Corporation (2021 - \$0).
- Designated revenues of \$250,000 from the Department of Intergovernmental Affairs (2021 - \$0).
- Designated revenues of \$1.2 million from the Department of Post-Secondary Education, Training and Labour (2021 - \$335,000).
- Restructuring transaction with the Department of Post-Secondary Education, Training and Labour (*see note 22*).

Transactions with these related entities have occurred and been settled on normal trade terms, with the exception of the items noted below:

- ONB is economically dependent on the Province. During the fiscal year, ONB received funding of \$33.5 million (2021 - \$31.4 million) from the Province.
- ONB uses an office for which rent is paid for by the Province.
- The Province records employer expenses for pension contributions, CCP contributions, and retirement allowance payments. These expenses, along with sick leave liability accruals, are not presented in these financial statements.

The Province provides certain other central services for ONB, which are recorded at the exchange amount as if the entities are dealing at arm's length.

4. Interest revenue on loans

	2022	2021
Amortization of concessionary loan interest	\$ 504,259	\$ 525,733
Loan interest	4,265,389	6,284,750
	\$ 4,769,648	\$ 6,810,483
	2022	2021
Opening balance	1,726,074	3,278,510
Loan interest	4,265,389	6,284,751
Payments received	(3,657,647)	(3,162,847)
Capitalized interest on loans	(489,792)	(2,494,733)
Forgiven interest	-	(578,397)
Interest written off	-	(1,601,210)
	\$ 1,844,024	\$ 1,726,074
Valuation Allowance		
Opening	\$ (1,189,891)	\$ (2,767,269)
(Increase) decrease in provision	(127,271)	(23,832)
Interest written off	-	1,601,210
	(1,317,162)	(1,189,891)
Interest receivable (net)	\$ 526,862	\$ 536,183

5. Income from investments

Income from investments of \$155,859 (2021 – \$74,465) was recorded during the year.

6. Recovery of doubtful accounts and bad debt expense

	2022	2021
Recoveries - loans and guarantees	\$ 30,770	\$ 718,081
Changes in provision allowance	11,284,836	(848,114)
	\$ 11,315,606	\$ (130,033)

7. Loans receivable

	2022	2021
Opening balance	\$ 197,605,573	\$ 228,044,482
Net loans advanced	51,938	5,294,820
Capitalized interest	489,792	2,494,733
Amortized interest free portion into revenue	504,259	525,733
Concessionary interest on new loans	(3,622)	(7,073)
Repayments received	(28,990,534)	(22,732,332)
Loans written off	-	(15,612,094)
Loans reclassification	60,701	(362,696)
	169,718,107	197,605,573
Valuation allowance		
Opening balance	(109,801,811)	(122,563,602)
(Increase) decrease in provision	10,891,417	(3,212,999)
Loans written off	-	15,612,094
Loan forgiveness	-	362,696
	(98,910,394)	(109,801,811)
Loan receivable (net)	\$ 70,807,713	\$ 87,803,762

Interest charged on these loans ranges from 0% to 10%. Repayment terms are negotiated on specific loans and would normally not exceed 30 years. The level of security on loans is also negotiated between ONB and the debtor based on the risk associated with the individual loan. The security can include life insurance, company assets, personal guarantees, or the value of the parent company. Security can range from an unsecured position to a fully secured position.

8. Investments

The investments held in corporation have terms that are negotiated between ONB and the investee based on the risk associated with the individual investments.

	2022	2021
Opening balance	\$ 22,811,025	\$ 17,571,503
New investments	1,831,810	5,825,086
Redemptions and transfers	(7,368,435)	(325,696)
Impairment	(164,912)	(259,868)
	\$ 17,109,488	\$ 22,811,025

9. Risk management

An analysis of significant risk from ONB's financial instruments is provided below:

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause financial loss for the other party by failing to discharge an obligation. ONB manages this exposure through credit approval procedures for loan and investment applicants, and the monitoring of payments from debtors. Applicants are assessed for credit quality by taking into account external credit ratings, where available, an analysis of financial position and liquidity, past experience and other factors.

ONB's maximum exposure to credit risk at March 31, 2022 is equal to the general receivables, interest receivables, loans receivable and investments balances of \$88,786,458 (2021 – \$111,362,036).

(b) Liquidity risk

Liquidity risk is the risk that the entity will encounter difficulty in meeting obligations associated with financial liabilities. Liquidity requirements are managed through the receipt of provincial revenues, income generated from loans receivable and equity investments, and principal repayments received on loans receivable. These sources of funds are used to pay operating expenses and repay debt payments to the Province. In the normal course of business ONB enters into contracts that give rise to commitments for future payments which also impact ONB's liquidity. ONB also maintains cash through the Province and this account is used to pay accounts payable and accrued liabilities. ONB manages this risk by monitoring the loan repayments from debtors.

(c) Interest rate risk

Interest rate risk is the risk that the market value of ONB's investments and debt will fluctuate due to changes in the market interest rates. ONB's rate of interest charged on loans receivable are fixed as stated in legal agreements. Any change in market interest rates during the period would have no effect on the cash flows of ONB.

(d) Currency risk

Currency risk arises on financial instruments denominated in foreign currency. ONB is exposed to currency risk on purchases that are denominated in a currency other than ONB's functional currency, primarily in US Dollars (USD). ONB's foreign currency transactions are normally settled in the short term, therefore management considers exposure to currency risk to be insignificant.

(e) Concentration risk

Concentration risk occurs when a lender's loan portfolio has a higher concentration of value towards either (1) one entity or group of entities ("Name Risk") or (2) a particular region, product, industry or sector ("Sector Risk"). Due to the nature of the New Brunswick economy's reliance on primary industries, ONB's loan portfolio is over weighted in primary industries, most notably the forestry industry. As at March 31, 2022 ONB faced the following concentration risks (gross portfolio exposure net of allowance):

- Name Risk of \$104.6 million (88%) for ten corporate entities/groups (2021 – \$124.2 million (86.5%) for ten corporate entities/groups);
- Sector Risk of \$18.4 million (15.4%) for six corporate entities/groups within the forestry sector (2021 – \$36.9 million (25.7%) for seven corporate entities/groups).

10. Financial instrument classification

The following table provides cost and fair value information of financial instruments by category.

		2022	
	Fair Value	Amortized Cost	Total
Due from Province of New Brunswick	\$ 190,124,097	\$ -	\$ 190,124,097
General receivables	-	253,860	253,860
Interest receivable	-	526,862	526,862
Loans receivable	-	70,807,713	70,807,713
Investments	-	17,109,488	17,109,488
Accounts payable and accrued liabilities	-	15,756,236	15,756,236
Deferred revenue	-	249,134	249,134
Provision for loss on loan guarantees	-	7,440,000	7,440,000
Deposits held in trust	-	44,254,990	44,254,990
Due to Province of New Brunswick	-	253,775,160	253,775,160
	\$ 190,124,097	\$ 410,173,443	\$ 600,297,540

		2021	
	Fair Value	Amortized Cost	Total
Due from Province of New Brunswick	\$ 124,856,121	\$ -	\$ 124,856,121
General receivables	-	211,066	211,066
Interest receivable	-	536,183	536,183
Loans receivable	-	87,803,762	87,803,762
Investments	-	22,811,025	22,811,025
Accounts payable and accrued liabilities	-	10,256,946	10,256,946
Deferred revenue	-	-	-
Provision for loss on loan guarantees	-	8,130,000	8,130,000
Deposits held in trust	-	-	-
Due to Province of New Brunswick	-	287,895,570	287,895,570
	\$ 124,856,121	\$ 417,644,552	\$ 542,500,673

10. Financial instrument classification (continued)

The following table provides an analysis of financial instruments measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities using the last bid price;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	2022			
	Level 1	Level 2	Level 3	Total
Due from Province of New Brunswick	\$ 190,124,097	\$ -	\$ -	\$ 190,124,097
	\$ 190,124,097	\$ -	\$ -	\$ 190,124,097

	2021			
	Level 1	Level 2	Level 3	Total
Due from Province of New Brunswick	\$ 124,856,121	\$ -	\$ -	\$ 124,856,121
	\$ 124,856,121	\$ -	\$ -	\$ 124,856,121

11. Tangible capital assets

Tangible capital assets include acquired and improved tangible assets whose useful life extends beyond the fiscal year.

	2022			2021
	Land	Computer Software	Total	Total
Estimated Useful Life (Years)	Indefinite	5-15		
Cost				
Opening costs	-	-	-	-
Transferred (<i>note 22</i>)	-	868,819	868,819	-
Additions	389,500	-	389,500	-
Disposals	-	-	-	-
Impairments	-	-	-	-
Closing costs	389,500	868,819	1,258,319	-
Accumulated amortization				
Opening accumulated amortization	-	-	-	-
Transferred (<i>note 22</i>)	-	235,158	235,158	-
Amortization	-	174,586	174,586	-
Disposals	-	-	-	-
Closing accumulated amortization	-	409,744	409,744	-
Net Book Value	389,500	459,075	848,575	-

Tangible capital assets with a net book value of \$633,661 (cost of \$868,819 less accumulated amortization of \$235,158) were transferred to ONB on April 1, 2021 as a result of a Restructuring transaction (*see note 22*).

12. Accounts payable and accrued liabilities

	2022		2021	
Trade accounts payable	\$	3,566,479	\$	2,451,951
Financial assistance		6,709,115		2,995,020
Accrued post-closing costs (<i>note 13</i>)		4,213,601		4,079,000
Vacation liability		478,439		401,669
Salary and benefits		788,602		329,076
Goods and services tax		-		230
	\$	15,756,236	\$	10,256,946

13. Accrued post-closing costs

ONB is responsible for the continued monitoring and treatment of 5 environmental sites used by pulp mills, which are now closed as the sites had reached their capacity and there is currently no timeline for capping the site. The sites have been closed and require no additional funding for closure procedures. The liability recognized in the financial statement is subject to measurement uncertainty and the recognized amounts are based on ONB's best information and judgment. The accrued liability for post-closing costs has been determined based on estimated post-closing costs of \$4,213,601 (2021 - \$4,079,000).

Post-closing costs are assumed not to be incurred in the near future and for this calculation's purpose are estimated as at March 31, 2022.

At March 31, 2022 the estimated annual monitoring costs of \$52,770 (2021 - \$51,000) are unfunded by ONB as these costs are currently being covered by the pulp mill as part of their ongoing maintenance. Should the pulp mill cease these operations, ONB would assume the responsibility and fund the annual monitoring costs.

14. Deferred revenue

Deferred revenue includes unspent contributions received that have eligibility criteria and/or restrictions attached. As of March 31, 2022, ONB received \$249,134 in unspent contributions (2021 - \$0) that have not yet had the eligibility criteria and/or restrictions fulfilled.

15. Contingent liabilities

(a) Guaranteed debt

ONB has provided guarantees in respect of the credit facilities of various entities. As at March 31, 2022, there were 3 (2021 - 4) guarantees outstanding for a total value of \$14,600,000 (2021 - \$15,700,000) and with a provision of \$7,440,000 (2021 - \$8,130,000). The guarantees are secured by various assets and proceeds from liquidation which are expected to offset a portion of any possible payments under guarantees.

(b) Legal liabilities

ONB is involved in legal actions which the outcome is not determinable and where management believes there is no material loss. These amounts are not disclosed to prevent adverse effects on the outcome of the litigations.

16. Deposits held in trust

The Province holds funds (on behalf of ONB) received from applicants under the Provincial Nominee Program. Funds remain in trust until it is determined if specific criteria attached to the funds held in trust have been met. If the specific criteria have not been met, the funds are recognized as revenue on ONB's statement of operations under Population growth division. As of March 31, 2022, ONB had \$44,254,990 held in trust (2021 - \$0).

17. Due to Province of New Brunswick

	2022	2021
Face value of total portfolio	\$ 254,568,075	\$ 289,189,122
Concessionary interest	(1,297,174)	(1,819,285)
Amortized portion	504,259	525,733
Book value of total portfolio	\$ 253,775,160	\$ 287,895,570

The Province issues interest-free loans to ONB which are then issued to clients. Client repayments are applied against ONB's loan obligations to the Province.

18. Administration and business development services

	2022	2021
Salaries and benefits	\$ 12,142,209	\$ 8,713,239
Other services	4,122,942	3,253,476
Materials and supplies	128,498	92,142
Property and equipment	122,881	59,224
Amortization	174,586	-
	\$ 16,691,116	\$ 12,118,080

Administration and business development services includes expenses of \$2,998,572 (2021 - \$0) for Population Growth which was transferred to ONB on April 1st, 2021 (*see note 22*).

19. Commitments

The following amounts are future financial commitments for financial assistance agreements.

	Commitment
2023	\$ 18,921,720
2024	\$ 15,787,670
2025	\$ 9,678,990
2026	\$ 3,381,601
2027	\$ 1,327,460

The following amounts are future financial commitments for operational related expenditures based on contractual agreements.

	Commitment
2023	\$ 742,287
2024	\$ 183,778
2025	\$ 185,778
2026	\$ 185,778
2027	\$ 70,870

20. Special purpose account

Provincial Territorial Immigration Secretariat

The Provincial-Territorial (PT) Immigration Secretariat was formed in 2008 to support the forum of Ministers responsible for Immigration. The role of the PT Secretariat is to facilitate multilateral collaboration and communication among PT ministries responsible for immigration.

The administration of the PT secretariat moves from one province to another and is on a 3-year rotational basis. The PT Secretariat is under the administration of New Brunswick, by way of ONB, until March 31, 2023.

The following is a summary of the PT Secretariat's operations since ONB become responsible for administration oversight and is reported outside of ONB's reporting entity.

	2022				2021
	Accumulated surplus transferred to ONB	Revenue	Expense	Accumulated surplus	
Provincial - Territorial Immigration Secretariat	\$ 246,088	\$ 300,000	\$ 277,402	\$ 268,686	-
	\$ 246,088	\$ 300,000	\$ 277,402	\$ 268,686	-

21. Budget

Budget figures included in these financial statements are the amounts published in Main Estimates and approved by ONB's board of directors, adjusted for transfers from the Province of New Brunswick under their Supplementary Funding Provision Program. During the year, ONB received a transfer of \$735,245 (2021 - \$59,400) under Administration and business development services for costs associated with contract settlements and non-bargaining employees.

22. Restructuring transaction

On April 1, 2021 the Population Growth Division's responsibilities and associated assets/liabilities were officially transferred from the Department of Post-Secondary Education, Training and Labour to ONB. ONB and the Department of Post-Secondary Education, Training and Labour are under common control of the Province. The purpose of the transfer was to align the economic immigration's goals of attracting and retaining talent to the economic growth mandate of ONB.

The net affect of the assets and liabilities transferred was \$0. The carrying value of the assets and liabilities transferred were as follows:

	Amount	
Assets		
Due from Province of New Brunswick	\$	59,006,969
Tangible capital assets (Computer software)		868,819
Accumulated amortization		(235,158)
Total Assets recognized		59,640,630
Liabilities		
Deferred revenue		145,640
Deposits held in trust		59,494,990
Total Liabilities recognized		59,640,630
Gain (Loss) from restructuring	\$	-

The restructuring-related costs were minimal and therefore not separately identified. Any restructuring-related costs were charged to operations when incurred. There was one contractual obligation transferred to ONB for 2022–2023 that is not significant in nature or value.

23. Cyber Essentials

Cyber Essentials transitioned from ONB to an independently governed and funded not-for-profit association on June 1, 2020. Since this transition date, ONB is not involved in the independently governed and funded not-for-profit organization.

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Connecting, Growing, and Prospering Into the Future

Our results are not accidental. They clearly demonstrate the hard work of our team, partners, and clients, and our collective commitment to move the needle for the Province of New Brunswick. The positive economic trends and success stories contained in this report will help shape the New Brunswick narrative moving forward. With the unprecedented growth being realized across the province, strategic thinking and strong collaboration have never been more important. ONB will continue to work with its local, provincial, and federal partners to support New Brunswick's business community, accelerate investment and growth, attract and retain skilled newcomers, and drive a high-performance ecosystem.

For resources, event information, client success stories, contact information, and updates on all things related to New Brunswick business, be sure to visit onbcanada.ca.



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