

**Sydney Steel Corporation
Crown Corporation
Province of Nova Scotia
Business Plan
2010 – 2011**

The Honourable Bill Estabrooks
Minister Responsible for Sydney Steel Corporation
Government of Nova Scotia
Halifax, Nova Scotia

Dear Minister:

In accordance with government policy, please find enclosed the business plan of Sydney Steel Corporation for the fiscal year ending March 31, 2011.

With the decommissioning of the steel plant complete and site remediation activities in the final stages, Sysco has only limited activities relating to a few outstanding obligations resulting from its former operations.

Redevelopment of the former Sysco site by the Crown corporation, Nova Scotia Lands Inc., is now well advanced toward a premium commercial park and port facility within the centre of the city of Sydney.

We trust this limited business plan is satisfactory for the fiscal year ahead.

Yours truly,

Gary Campbell
President, Sysco

Planning Context

Sydney Steel Corporation (Sysco) reports to the Minister of Transportation and Infrastructure Renewal, Province of Nova Scotia, and maintains a head office in Sydney, Nova Scotia.

Sysco's primary activities, subsequent to the closure of the steel mill in 2001, included demolition of structures, processing and sale of scrap steel, remediation of the site and sale of surplus assets.

During fiscal 2007-2008, it was recognized that the mandate of Sysco was undergoing a significant change. In recognition of this change, it was determined that the future activity of remediation of the Sysco property and its redevelopment as a commercial park facility would be conducted by a new agency, Nova Scotia Lands Inc., purposely designed to meet the property remediation and management role.

Therefore, Sysco will continue to be dormant, with ongoing operations contracted to Nova Scotia Lands. The company will remain active only to deal with residual issues arising from historic operations.

Priorities for 2010-2011

The plan for Sysco during the 2010-2011 fiscal year is to continue to wind up activities and have the corporation remain dormant.

A major priority will be to decommission the sizeable Sydney River industrial water supply, which has been identified as an ongoing liability.

Budget Context

	Budget 2009-2010 (\$000s)	Forecast 2009-2010 (\$000s)	Budget 2010-2011 (\$000s)
Revenue:			
Contribution from the Province	15,850	11,934	8,553
Gain on Sale of Assets	1,000	96	0
Interest Income Miscellaneous Revenue	0	120	0
	16,850	12,150	8,553
Total Revenue			
Expenses:			
Other Remediation Activities	0	371	370
Consulting	1,000	752	800
Funding to NSLI for Remediation Activities	14,850	10,931	7,383
Total Expenses	15,850	12,054	8,553
Net Income	1,000	96	0
FTE's			