



Budget

2018–19

Stronger Services and Supports

Government Business Plan





Message from Premier Stephen McNeil

I am pleased to share the 2018–19 Nova Scotia Government Business Plan. This document provides an overview of government’s strategic priorities and highlights the related activities many of our departments and agencies will advance in the year ahead.

The goals set by the One Nova Scotia Commission on Building Our New Economy to help our province achieve its economic and demographic potential remain at the forefront of government’s policy agenda.

The report challenged government and all Nova Scotians to take new and different approaches to the problems and opportunities that we face.

Government has taken up the challenge. We are committed to working with Nova Scotians and our partners to create a positive and sustained impact on the economic and social well-being of our people and this province.

We continue to follow a sound fiscal plan that is working. This year’s outlook projects balanced budgets over the next four fiscal years. It is because of this plan that government is in a better position today to invest in areas that can truly move our province forward.

The 2018–19 budget strengthens services and supports for Nova Scotians. We will continue to invest in and make progress on plans to improve healthcare and education (including early years), to create more connected communities and to help strengthen the economy.

Our vision is to ensure all Nova Scotians have more opportunities to participate in a growing, innovative, and diverse economy, and to benefit from this growth.

Sincerely,

A handwritten signature in black ink that reads "Stephen McNeil". The signature is written in a cursive, flowing style.

Stephen McNeil
Premier of Nova Scotia

Introduction

In the coming year, government will deliver services and programs to Nova Scotians while positioning our province and our people to meet new opportunities and challenges over the long term.

Through hard work, prudent management, and strategic investments, Nova Scotia is making progress in important areas:

- Our population is at an all-time high. We have seen the reversal of decades of out-migration, and more inter-provincial migrants are now coming to the province than are leaving. We are experiencing success in attracting immigrants.
- Families across the province have access to free pre-primary programming for their four-year-olds, students are learning about coding, and we have improved the math curriculum.
- Seniors are getting the home care services they need, when they need them.
- More post-secondary graduates are finding their first jobs through innovative programs like Graduate to Opportunity and Innovate to Opportunity.
- The number of apprentices and employers with apprentices has grown, as has the percentage of women and other under-represented workers registered as apprentices.
- Our tourism sector has continued to grow. The value of our seafood exports has more than doubled since 2010. The availability of venture capital is growing at a faster rate than the rest of Canada. Our ocean tech sector is attracting investment.
- Our provincial finances are on solid footing.

While these and other achievements make a positive difference in the lives of many Nova Scotians, there is much more work to do to help struggling families, to reduce barriers to education and employment goals, and to improve access to primary healthcare.

By working with Nova Scotians to take deliberate, innovative, and outcome-focused action in these areas, we can move our province forward and ensure all Nova Scotians benefit.

Government's plan continues along the same fiscal path that has resulted in consecutive balanced budgets in the last two years. Budget 2018–19 is balanced, and the next three budgets are projected to be balanced as well.

We are in a better position to invest in priorities that are important to Nova Scotians.

This year, we will advance work to create healthier and more connected communities, and improve public education and supports for our children in the early years. We will also work to strengthen the economy, creating more opportunities for Nova Scotians from all backgrounds to participate.

Making progress in these areas will be complemented by government's ongoing efforts to foster innovation within the private sector and the public service through our policies, investments, and partnerships.

Reducing the regulatory burden on Nova Scotia businesses is an important part of government's work to improve conditions for private sector growth. By the end of 2018, government aims to reduce its regulatory burden by \$25 million. We will eliminate or change costly and outdated rules and improve government processes to make compliance easier.

In addition, we are taking on unique challenges this year with made in Nova Scotia solutions. We are putting in place a regulatory framework for the legal sale of cannabis that protects the health and safety of Nova Scotians, especially children and youth. As well, by the end of the year, we will launch a carbon pricing system that will continue to position our province as a leader in the fight against climate change.

Government is working with the federal government to ensure that the best interests of Nova Scotians are well understood as the North American Free Trade Agreement is renegotiated with the United States.

These, and many other initiatives, depend on the dedicated work of our public servants.

Our departments and agencies are working collaboratively with citizens and stakeholders to find operational efficiencies, to successfully move more government services online, and to continually improve the services we deliver when interacting with Nova Scotians.

Government Priorities

The 2018–19 Government Business Plan builds on our work and investments made in recent years to strengthen services and supports under four priority areas:

- Healthier people and communities
- Investing in early years and education
- Safe and connected communities
- Inclusive economic growth

Highlights for the 2018–19 Business Plan

Government is adhering to its commitment to fiscal sustainability, focusing on disciplined public spending and concentrating on government priorities.

Healthier People and Communities

Government will continue to support and improve Nova Scotians' health, wellness, and well-being by acting on its plan for a more accessible healthcare system. In recent years, government has made foundational change in healthcare so that it can operate as a coordinated provincial system and put patients and families first.

Accessible Healthcare: Government continues to work with the Nova Scotia Health Authority, doctors, and other healthcare providers to expand the network of collaborative healthcare teams and primary healthcare options to better meet the needs of Nova Scotians.

Government is making important investments to train and recruit more doctors and retain those who choose to practice here. We are adding more residency seats and training programs, attracting and assessing internationally trained doctors, and expanding incentives for new doctors willing to work in under-serviced communities.

Government's ongoing commitment to reduce wait times is steadfast. In each of the last four years, government has provided more funding to increase the number of hip and knee surgeries. This year, the Nova Scotia Health Authority will be able to perform more surgeries by creating a central booking process, making better use of operating rooms across the province, hiring more surgeons, and offering pre-habilitation services that help patients prepare for a successful surgery.

Mental Health & Addictions Services: Access to mental health and addictions services is another area of growing need, especially among our young people. Government will continue to invest in services and supports in schools, communities, and online to help more young people, families, and individuals who struggle with mental health issues and will support additional work under the Opioid Action Plan launched in 2017.

Continuing Care: We will continue to invest in and deliver a robust and flexible continuing care system that supports people as they age, in their homes and communities first and in residential and long-term care options when needed.

Healthcare Infrastructure: Government continues to invest in healthcare infrastructure. The most significant is the QEII redevelopment project, which includes expansion and renovation plans that support the eventual closure of the Centennial and Victoria General buildings in Halifax.

Investing in Early Years and Education

Government will continue to help students get a good start and reach their full potential by investing in early learning and improving public education.

Early Years: Every child should have access to early learning regardless of where they live or their socio-economic status. These programs improve social, health, and emotional outcomes—benefits that last a lifetime. This year, more Nova Scotia families will benefit from improved and more affordable access to child care and early learning programs with support from the Federal Early Learning and Child Care Agreement.

Government will continue to expand free, universal pre-primary programming for four-year-olds across the province. This play-based program, launched in 2017, provides children with learning experiences, helps develop their social and emotional skills, identifies children with special needs earlier, and supports a successful transition to public school. Our goal is to have this program available to families across the province.

Quality Education: Over the past three years, government has invested to reduce class sizes, improve math and literacy curriculums and programs, hire more teachers, and build new schools. This year, government will make additional investments in the classroom and embark on foundational reforms that focus on student success. This includes continuing to expand Reading Recovery to every school by 2019.

Government has supported recommendations from the Council to Improve Classroom Conditions to hire more teachers and introduce new class caps for grades 7 through 12. Funding available to the council will double this year to \$20 million.

Helping students overcome barriers and connect with mental health services in the community are important elements of student success. SchoolsPlus provides these supports and other services. Government continues to fund the expansion of SchoolsPlus and is committed to making it available to all students by September 2019.

This spring, government will respond to the report and recommendations from the Commission on Inclusive Education with a commitment to real change that will have a positive impact on student learning.

Safe and Connected Communities

Government's investments in programs, services, and key infrastructure can help connect people and communities to opportunities. Connected communities promote innovation and drive a strong, diverse economy.

Community Supports and Connections: Government will continue to deliver programs and supports that help give our most vulnerable citizens the opportunity to participate more fully in their communities.

Government is building an action plan to reduce poverty in Nova Scotia. Government will invest \$20 million over four years to fund innovative, community led projects, including helping more youth become independent adults, improving access to food, and helping more Nova Scotians access transportation. As well, government will double the tax-free poverty reduction credit, and fully exempt child support payments in calculating income assistance eligibility.

Committed to building a more inclusive province, government will strengthen programs that support people with disabilities. More people will move out of large facilities and into the community with the right supports in place, including two new community-based options homes and eight new small options homes.

Further investments will be made this year to help make our small businesses and communities more accessible.

All Nova Scotians deserve to be safe in their homes and communities. A new action plan for government and communities to find solutions to prevent domestic violence is being developed to help victims get the supports they need to heal.

Affordable Housing: Having access to safe and affordable housing can make a significant difference in the life of a single person or an entire family. In partnership with the federal government, efforts continue to deliver more affordable housing options through new construction, renovations, homeownership assistance, and rent supplements. In the past three years, more investment in housing programs has reduced the wait list for public housing by 25 per cent. Government is committed to reducing it by another 30 per cent over the next three years.

Rural High-Speed Internet: Access to high-speed internet across the province is essential for communities to innovate and grow. Starting this year, the recently created Nova Scotia Rural Internet Funding Trust will help fund an expansion of internet service levels and network bandwidth to thousands of under-served Nova Scotians. The provincial investment of an estimated \$120 million in 2017–18 will help leverage funding from the private sector, federal government, and municipalities looking to invest in their communities. Over the coming months, government will outline its approach to ensure progress is made to bring better service to communities. This will mean more opportunities for small business owners and improved access to online services like telehealth and distance education.

Highways, Infrastructure, and Transportation: The 100-series highways are the backbone of our transportation system, carrying people and goods from one end of the province to the other. Government is advancing a seven-year plan to implement twinning projects on Highways 101, 103, and 104 and build the Burnside Connector. Government is also increasing highway maintenance funding to ensure safer roads. The five-year highway plan includes a Gravel Road program to proactively rebuild existing gravel roads in rural Nova Scotia, improving safety and reducing maintenance costs. These investments create jobs and make our roads safer.

Inclusive Economic Growth

Government is focused on building and promoting a more innovative and diverse economy, an economy where more doors are open for people who have faced barriers to employment and where the benefits of growth are shared with those who need it most.

Inclusive Growth: Nova Scotia needs to enlist the talents of every Nova Scotian if we are to meet the challenges and opportunities of the future. This will include educating, training, and preparing people for the workforce and taking added measures to strengthen programs that help ensure our province's diversity is reflected in our economy, including youth, women, and members of visible minorities.

Government will continue to place high priority on co-op placements, mentorship programs, and other opportunities to connect more young people to their career path and employers. The Graduate to Opportunity program provides employers with a wage subsidy to hire new graduates. This program has enrolled 500 new graduates since it began in 2015, and it will be further expanded so more of our young people have the chance to start their careers here.

Skilled trades are in demand, and the Nova Scotia Apprenticeship Agency delivers a number of programs to promote apprenticeship as a successful career path, with an emphasis on youth, women, and Nova Scotians from under-represented communities.

Government is committed to doing more to reduce barriers and improve opportunities for at-risk youth, people on income assistance, and people from under-represented communities to join the labour force so every Nova Scotian can make the most of their talents.

The Apprenticeship START program encourages employers to hire qualified people from under-represented groups or in rural areas. The Graduate to Opportunity program provides a larger subsidy for more businesses hiring diverse graduates and women in non-traditional careers. Both of these programs have been expanding.

New work incentives will allow people on income assistance to earn more money without seeing a reduction in their income assistance, putting them on a path of having greater independence, with the goal of moving toward self-sufficiency.

Provincial funding is supporting one-on-one job coaching for clients with Autism Spectrum Disorder to better transition into the workforce and remain there.

Population Growth: Last year, our population reached more than 957,000, an all-time high. That improvement was due, in part, to more young people under age 35 coming to Nova Scotia than leaving and to our welcoming more than 4,000 newcomers.

Immigration strengthens our economy, grows our population, revitalizes our communities, and adds to our province's diversity. This year, government will develop a three-year international recruitment plan with the focus in year one on recruiting physicians, early-childhood educators, French-speaking immigrants, and skilled workers who meet job market demands. As well, government is committing to delivering settlement programs and services that encourage people to stay.

Sector Growth and Innovation: Sustained economic growth can only be achieved by having growth across many sectors. Investing in research and development, venture capital, innovation, technology, and export development is critical to our success.

The Research Nova Scotia Trust, established in 2017, is funding research that will have the greatest impact on the economy. Funded projects are related to ocean and science technology, aerospace and defence, clean technology, health and wellness, resource sectors, and social innovation. Government continues to invest in research and this year Research Nova Scotia will lead and coordinate a provincial research strategy.

Innovate to Opportunity is ramping up and the Mitacs Accelerate program is expanding this year, which means more young people with advanced degrees will be connected to employers looking to grow their innovation capacity and export opportunities.

The tech startup sector has significant growth potential, and government is helping create the conditions for more people to turn their ideas into companies with marketable products and services. Our investments and partnerships are helping to build capacity in the innovation ecosystem, including increasing access to venture capital, supporting business accelerators and innovation districts and hubs, and funding sandboxes in university settings.

Nova Scotia has a strategic advantage in the oceans sector, and government will continue to support it. This year, the Centre for Ocean Ventures Entrepreneurship (COVE) will open its doors and act as a centre for continued innovation.

Sustainable development of high potential land and infrastructure to attract people and investment to Nova Scotia are also important. This year, government will expand the mandate of Waterfront Development Corporation Ltd. to focus on strategic economic land and infrastructure projects that will create opportunities for entrepreneurs and communities to thrive.

Government will continue to drive innovation and help businesses start exporting and help others export more. Providing new and ongoing support for agriculture, fisheries and aquaculture, energy development, and tourism will build stronger entrepreneurs, boost exports, and bring more investment dollars to our region.

Social enterprises aim to build a more socially, environmentally, culturally, and economically just society, and they show a high degree of entrepreneurial action and innovation. Government will continue to work with the Social Enterprise Network of Nova Scotia to implement a joint strategy for advancing the social enterprise sector.

The link between culture and the economy is strong in Nova Scotia, and we have a bold vision for strengthening our creative economy. Through the Culture Action Plan, government will continue to invest in the province's culture sector and creative economy. These investments will create jobs and support entrepreneurship, drive exports, and strengthen our communities.

© Crown copyright, Province of Nova Scotia, 2018

Budget 2018–19: Government Business Plan
Finance and Treasury Board
March 2018

ISBN 978-1-55457-823-8