

Budget 2020–21

Better Together

Highlights

Budget 2020–21 is government's fifth consecutive balanced budget. It continues to build on a strong fiscal foundation that allows government the capacity to provide the programs and services that are important to Nova Scotians and the flexibility to ensure government can respond to increased need and unexpected circumstances.

Focusing on the fiscal health of the province has allowed government to make needed investments to support our people and communities and to update our aging infrastructure to provide modernized facilities for today and future generations.

Revenue & Expenses



11.60 (\$ billion)
Revenue
2020–21



11.54 (\$ billion)
Expenses
2020–21



Improving the Lives of Nova Scotians

Nova Scotians want to be self-sufficient and able to provide for their families. In order for our province to thrive now and in the future, we need to ensure our citizens receive the programs and services they need to live their best lives in strong, supportive communities.

Budget 2020–21 includes

- \$18 million to increase the low-income threshold for the Nova Scotia Child Benefit and increase the amounts families will receive and help address child poverty. Families with incomes below \$34,000 will now be eligible, benefiting almost 28,000 families and 49,000 children
- \$17.3 million this year to fully fund the Standard Household Rate so that people receiving income assistance will get the maximum amount they are eligible for
- \$7.6 million increase to support youth with complex needs
- \$1.9 million to expand prevention and early intervention child welfare programming for children and families at risk
- \$1.5 million for residential placements and programming supports to protect sexually exploited youth
- \$16.6 million increase for programs that support adults and children with disabilities:
 - o \$7.4 million increase to begin transitioning residents out of Adult Rehabilitation Care and Regional Rehabilitation Care facilities into community-based settings
 - o \$6.4 million increase to the Disability Support Program for residential placements for children and youth with disabilities and complex needs requiring additional supports
 - o \$2.8 million increase to the Flex In-Home Support Program to support more people with disabilities who live at home with their families
- \$798 thousand increase to the Accessibility Directorate, for total of \$1.9 million, to support its work in collaboration with persons with disabilities, municipalities, businesses, post-secondary institutions, and others to achieve the goal of an accessible Nova Scotia by 2030

- \$2 million for additional Sherriff Services staffing to improve courtroom security
- \$1.4 million increase to support a comprehensive provincial approach to combat human trafficking
- \$2.6 million to support a new Nova Scotia Library Funding model and Library Development Fund
- \$500 thousand increase to expand the Emergency Providers Fund, doubling the fund for a total of \$1 million
- \$131 thousand increase in provincial support for First Nations Policing, an agreement with the RCMP and seven First Nation communities to support law enforcement in indigenous communities

Affordable Housing

- \$18.7 million increase for the second year of initiatives to provide safe, suitable, and affordable housing under the Nova Scotia Action Plan for Affordable Housing, part of the National Housing Strategy, and for other provincial housing priorities
- \$4.1 million increase for the Integrated Action Plan to Address Homelessness
- \$2 million to sustain the Affordable Renters Program to lower energy bills for low-income renters, to make their homes more comfortable, and to ensure rents remain stable by increasing energy efficiency upgrades to multi-unit buildings
- \$250 thousand to double investment in the Down Payment Assistance Program, for a total of \$500 thousand. This will expand the program's lending capacity and allow more low and modest income home buyers to enter the housing market

Health Care Services

- \$75.3 million this year for the new Doctor's Master Agreement to improve the recruitment and retention of medical professionals – this investment will mean that family, emergency, and anesthesia doctors will be the highest paid in Atlantic Canada and other specialties like psychiatry, obstetrics, and gynecology will be among the highest paid in this region

- \$750 thousand increase this year to further develop collaborative care teams to make it easier for Nova Scotians to see a doctor or other primary care clinicians, for a total of \$28.4 million annual investment
- \$4.7 million this year to continue developing the next generation of doctors at Dalhousie University Medical School:
 - o \$1.9 million increase for the second cohort of 15 specialty residency placements
 - o \$1.5 million increase to add 12 first-year seats at Dalhousie University Medical School with a focus on rural communities, Mi'kmaq and other Indigenous Peoples, and African Nova Scotians, bringing the total to 16 seats
 - o \$1.3 million for the next cohort of 10 family medicine residents
- \$692 thousand to expand the number of nursing seats by 70 at Cape Breton University, and Dalhousie Yarmouth Campus
- \$3.2 million to support the implementation of the Human Organ Tissue Donation Act that will make it possible for all Nova Scotians to donate their organs and tissue, unless they opt out – Nova Scotia is the first jurisdiction in North America with this legislation
- \$5.3 million increase to enhance long-term care in the province, for total long-term care funding of \$612.4 million; new investments include
 - o \$2.3 million increase, for a total of \$5.1 million, to implement findings of the Expert Panel on Long Term Care
 - o \$1.7 million increase to support clients with complex needs
 - o \$1.3 million to convert under-utilized residential care facility beds to long-term care beds in Halifax
- \$20.9 million to help Nova Scotians access the medications they need:
 - o \$8.9 million increase for new cancer drugs and utilization
 - o \$6.1 million increase for seniors pharmacare
 - o \$1.6 million increase for low-income family drug support
 - o \$1.6 million increase for utilization increases for drugs used in special circumstances
 - o \$1.4 million increase for flu shots and immunizations
 - o \$1.3 million increase for family pharmacare

- \$1.2 million for Let's Get Moving Nova Scotia to support a more active, inclusive, and healthier population
- \$1.1 million one-time increase to support the Red Cross Health Equipment Loan Program, to purchase more health care equipment to meet demand
- \$550 thousand increase, for a total of \$316.5 million, in mental health and addictions funding, to expand and sustain mental health services and supports
- \$77.7 million increase to the operating budget for the Nova Scotia Health Authority to help address increased demand for services — this includes \$1.1 million of the Human Organ Tissue Donation Act funding
- \$8.4 million increase in operational funding to help address increased demand for services at the IWK
- Increasing the tax on cigarettes, cigars and other forms of tobacco to support efforts to reduce smoking rates, particularly among youth
- Introducing a tax on vaping products starting September 2020 and requiring all retailers to obtain permit to sell vaping products starting July 2020 to support efforts to decrease youth vaping. Nova Scotia is one of the first provinces to do this

Pre-Primary

- \$17.5 million increase for the roll out of 48 additional pre-primary school communities in 2020–21 for a total budget of \$51.4 million — with this investment every four-year-old in the province will have access to a pre-primary program, with a total of 253 pre-primary school communities
- \$4 million to provide bus service for eligible pre-primary students

Building on Our Economic Success

Nova Scotia has made great strides in strengthening the economy and is well positioned for the future. Building on this success requires the public sector, private sector, voluntary sector, community organizations, and citizens to continue to work together.

Budget 2020–21 includes

- \$70.5 million to reduce the Corporate Tax Rate by 2 per cent to 14 per cent to help Nova Scotia businesses become more competitive, innovate, reinvest in their businesses, and grow
- \$10.5 million to reduce the small business tax from 3 per cent to 2.5 per cent, savings which helps companies invest back in their businesses and employees
- \$5 million, for a total investment of \$25 million this year, to the Nova Scotia Film and Television Production Incentive Fund to support growing demand
- \$16 million to support digital animations in Nova Scotia and extend the Digital Animation Tax Credit to December 31, 2025
- \$6.2 million to support an interactive digital media industry in Nova Scotia and extend the Digital Media Tax to December 31, 2025
- Building on the \$50 million trust, \$5 million in each of the next two years for a new Forestry Innovation Rebate Program for forestry companies with eligible projects that improve production processes or diversify products and markets
- \$1 million, for a total annual investment of \$2.7 million, to move toward ecological forestry, including providing more funding for silviculture, in line with the Independent Review of Forestry Practices
- \$16.3 million for the operating grant for the Nova Scotia to Maine Ferry
- \$100 thousand continued funding to the Office of Immigration for the extension of the Atlantic Immigration Pilot program

Investing in Modern Infrastructure

Following a path to fiscal sustainability has created the strong foundation needed to make important investments in the future. This includes the largest single-year capital investment in the history of the province to continue to modernize our roads, schools and health care facilities.

Budget 2020–21 includes

- \$154.4 million to support the largest health care redevelopment projects in the province's history – the QEII New Generation project and the Cape Breton Regional Municipality Health Care Redevelopment
 - o QEII New Generation project
 - o new and renovated operating rooms
 - o new cancer care centre
 - o new community outpatient centre
 - o CBRM Healthcare Redevelopment project
 - o expanded emergency departments at Cape Breton Regional Hospital and Glace Bay Hospital
 - o improved cancer care centre
 - o new enhanced critical care ward
- \$54.3 million for construction, repair and renewal of hospitals and medical facilities across the province
- \$265.6 million increase in capital investments this year to build and renovate 16 schools and for the purchase of 30 P-3 schools
- \$85.3 million more, for a total of \$385.3 million, for Nova Scotia's roads, highways and bridges, with continued work on multi-year projects to twin 100-series highways, including Highway 101 (Three Miles Plains to Falmouth), Highway 103 (Ingramport to Hubbards), Highway 104 (Sutherlands River to Antigonish) and the Sackville-Bedford-Burnside Connector.
- Funding for preparations for a new Arts District on the Halifax waterfront that will provide access to art, culture, world-class exhibitions, and festivals
- Funding for preparations to build the NSCC Marconi Campus in Sydney

Confidence in a Brighter Future

The future of Nova Scotia is with our youth. Their dedication and commitment to climate change action, innovation, and a better future for the next generation show the future of our province will be a bright one. Government will continue to support our young leaders.

Budget 2020–21 includes

- \$15 million increase to continue implementing the recommendations from the Commission on Inclusive Education to create a more inclusive education system for all students, bringing the total investment to \$45 million
- \$3.6 million increase to the university operating grant as part of the multi-year MOU with post-secondary institutions
- \$2.2 million increase to the Student Loan Forgiveness program for a total budget of \$11.6 million
- \$8.3 million increase to the Efficiency Nova Scotia Home Warming program to offer home energy assessments and upgrades for homeowners
- \$1.5 million provincial increase for green infrastructure stream projects to help reduce GHG emissions while ensuring citizens are not penalized by higher fuel and electricity costs, for a total provincial contribution of \$6.5 million under the Investing in Canada Infrastructure Plan
- \$1.6 million for the start up of a Green Fund to support programs to prepare for climate change including:
 - o the Nova Scotia Cap and Trade Program
 - o the Building Regional Adaptation Capacity and Expertise (BRACE) program
 - o the development of a new Climate Change strategy
 - o a climate change risk assessment

	2019-20 Estimate	2019-20 Forecast	2020-21 Estimate
Total Revenues	11,010,469	11,411,955	11,597,040
Total Expenses	11,144,052	11,480,291	11,615,950
Consolidation and Accounting Adjustments	167,206	109,463	73,936
Provincial Surplus (Deficit)	33,623	41,127	55,026
Provincial Revenue Sources			
Personal Income Tax	2,811,289	2,860,788	2,979,575
Corporate Income Tax	604,741	595,537	541,872
Harmonized Sales Tax	1,895,909	1,943,169	2,004,070
Cannabis Tax	7,814	6,737	7,205
Vaping Tax	---	---	2,332
Motive Fuel Tax	276,942	270,034	277,161
Tobacco Tax	205,432	188,337	196,501
Other Tax Revenue	169,329	173,624	182,654
Registry of Motor Vehicles	136,076	138,165	135,380
Petroleum Royalties	---	---	---
Other Provincial Sources	151,981	146,672	140,264
TCA Cost Shared Revenue	2,439	4,093	3,721
Other Fees and Charges	63,170	63,318	64,023
Prior Years' Adjustments	---	108,423	---
Interest Revenues	85,574	101,973	87,084
Sinking Fund Earnings	95,920	91,918	65,373
Ordinary Recoveries	361,630	376,003	372,047
Net Income from Government Business Enterprises	389,224	388,768	391,814
Total - Provincial Sources	7,257,470	7,457,559	7,451,076
Federal Revenue Sources			
Equalization Payments	1,942,628	2,009,037	2,145,883
Canada Health Transfer	1,039,410	1,043,370	1,080,690
Canada Social Transfer	375,514	376,945	387,762
Offshore Accord	8,227	8,227	86,000
Crown Share	---	4,041	---
Other Federal Sources	41,260	35,269	39,177
TCA Cost Shared Revenue	49,081	36,106	111,779
Prior Years' Adjustments	---	(502)	---
Ordinary Recoveries	296,879	441,903	294,673
Total - Federal Sources	3,752,999	3,954,396	4,145,964
Expenses			
Agriculture	46,427	52,297	42,075
Business	152,014	214,392	149,022
Communities, Culture and Heritage	93,641	103,800	96,890
Community Services	947,904	992,190	1,002,202
Education and Early Childhood Development	1,429,342	1,430,225	1,479,302
Energy and Mines	49,036	39,965	63,509
Environment	38,524	40,599	42,492
Finance and Treasury Board	23,683	22,749	24,282
Fisheries and Aquaculture	21,536	21,536	17,792
Health and Wellness	4,638,526	4,712,055	4,822,637
Justice	361,438	362,838	374,244
Labour and Advanced Education	396,209	402,093	400,631
Assistance to Universities	427,782	448,072	433,420
Lands and Forestry	76,750	79,190	78,215
Municipal Affairs and Housing	283,399	347,379	308,513
Public Service	131,162	132,578	136,354
Seniors	2,721	2,591	2,711
Service Nova Scotia and Internal Services	282,947	299,356	299,199
Transportation and Infrastructure Renewal	497,280	527,796	535,752
Restructuring Costs	201,463	209,185	341,032
Refundable Tax Credits	134,324	121,467	131,451
Pension Valuation Adjustment	51,837	74,904	75,832
Debt Servicing Costs	856,107	843,034	758,393
Total - Expenses	11,144,052	11,480,291	11,615,950