

Budget 2021–22

A Fair and Prosperous Future: Path to Balance

Highlights

Nova Scotians should be proud. We rose to the challenge presented by the COVID-19 pandemic. We came together, while staying physically apart. We adapted and managed our public and financial health well. Our province was the envy of the country and the world.

As we embark upon our recovery, we have an opportunity to learn from the past year and work toward creating a fair and prosperous future for Nova Scotia.

We are building a Nova Scotia that is a world leading start-up capital where companies will invest, grow their firms, and create good jobs. We are creating the right environment, so that people can work anywhere in the world from right here in Nova Scotia and have an excellent quality of life. We are reducing the regulatory burden so businesses can thrive.

A strong economy allows us to invest in our people, especially those who have not had the same historic opportunities as other Nova Scotians, and the priorities of Nova Scotians, including healthcare, mental health, seniors, long-term care, and the environment.

Budget 2021–22 is government's first step in this new direction. We will balance much-needed supports for Nova Scotians, investments in helping business grow and thrive, and our commitment to sound financial management.

Revenue & Expenses

\$
Deficit
584.9 (\$ million)

11.78 (\$ billion)
Revenue
2021–22



12.47 (\$ billion)
Expenses
2021–22



This budget will build on recent 2020–21 investments, including

- \$19 million in rebates to support low-income families in making their homes more comfortable and energy-efficient and help Nova Scotians buy clean, reliable electric vehicles
- \$16.8 million to four Nova Scotia universities to expand and enhance their computer science programs
- \$7.3 million for the Tourism Accommodations Real Property Tax Rebate Program Part 2 through the Nova Scotia COVID-19 Response Council fund to support Nova Scotia’s hotel, motel, and inn operators, who have been hard hit by the global pandemic
- \$7 million to extend the Small Business Real Property Tax Rebate Program — nearly 3,300 businesses are eligible, including dine-in restaurants and drinking establishments; gym and fitness establishments; hair salons and barber shops, and spas, nail salons, and body art establishments
- \$5 million to establish a Clean Agriculture Technology Fund to support low-carbon clean technology in the agricultural sector
- \$5 million to help make the province’s sport system more inclusive and accessible, the biggest investment in community and amateur sport in recent history
- \$3 million compensation fund to accelerate efforts to address the legacy of systemic racism relating to land ownership in historic African Nova Scotian communities

An Economy Where Business Can Grow

Nova Scotia entered the pandemic in a strong fiscal and economic position, but COVID-19 has had a significant impact on business, many of our sectors, and Nova Scotians. Containing the COVID-19 pandemic and getting people vaccinated are key to helping create a thriving economy so businesses can grow.

Government will reduce regulatory burden, stimulate economic activity, and continue on a path that respects the hard work of Nova Scotians. We will seize the opportunity to create the talent pool to make Nova Scotia a place where companies will invest, grow their firms, and create good jobs.

Strong financial management creates the environment to attract investment, too. That is why government is focused on getting back to balance after this COVID crisis. We have a plan that takes us to balance over the next four years.

Budget 2021–22 includes

- \$723,000 increase for Unama’ki Pathways in Technology, Early College High School, an integrated partnership program for Mi’kmaq students with a focus on science, technology, engineering, and math (STEM) and developing workplace skills
- \$323,000 increase to the Technology Advantage program that brings together high schools, NSCC, and the IT sector through a partnership with NSCC and IBM
- \$3.7 million increase to the operating grant for universities to train and educate our workforce of the future
- \$1.3 million for the first year of a new five-year Nova Scotia Quality Wine Strategy
- \$1.5 million for the first year of a new five-year Aquaculture Expansion Strategy
- \$1.2 million to support the hospitality industry by expanding the 10 per cent Nova Scotia Liquor Corporation discount to include bottled and canned beer, cider and ready-to-drink products
- \$1 million to continue the NSBI Digital Adoption Program that supports Nova Scotia businesses to rapidly adopt digital tools and innovations
- \$1.1 million to continue the digital content marketing program to support tourism operators implement customized digital marketing campaigns
- \$529,000 continued funding to support the RADIATE Tourism Program to help businesses and organizations develop and promote compelling travel packages to local and Maritime travellers
- \$252,000 to expand the Office of Immigration and Population Growth to attract and retain more newcomers to the province
- Setting a new target to reduce government’s regulatory burden on business by \$10 million in 2021, which is in addition to the \$50 million in net annual savings for business since 2017
- An additional Business Navigator at the Office of Regulatory Affairs and Service Effectiveness
- Continued funding to revitalize provincial tourism icons, including Peggy’s Cove and the Halifax Waterfront
- \$7.6 million in focused funding for active transportation and public transit initiatives under new Department of Transportation and Active Transit

Modernizing Healthcare

Good health is good for people, good for consumer confidence, good for business, and good for the economy. Government is focused on enhancing the healthcare sector to meet today's needs, prepare for tomorrow's challenges and achieve greater wellbeing for all.

Budget 2021–22 includes

Mental Health Support and Health System Improvements

- \$24.2 million to distribute COVID-19 vaccines to Nova Scotians
- \$64.2 million increase for personal protective equipment
- \$5.7 million increase for Public Health, funding new positions in the Department of Health and Wellness and Nova Scotia Health Authority
- \$76.1 million increase to Nova Scotia Health Authority's operating budget to help address demand for services, expand capacity, and increase beds across the system
- \$7.6 million increase for the IWK Health Centre to support operational needs and increased expenses as a result of COVID-19
- \$4.7 million to expand digital licences to access and record COVID-19 vaccines
- \$11.3 million increase to support nurses and additional cleaning requirements for Infection Prevention and Control
- \$2.8 million to accelerate the use of virtual tools and digital approaches to providing healthcare
- \$12.8 million increase to help Nova Scotians access the medications they need, including funding for seniors and family pharmacare
- \$1.9 million increase in Orthopedic support so more Nova Scotians can have hip and knee surgeries
- \$1.9 million increase for the Human Organ Tissue Donation Act to support additional resources in the health system to ensure every donation opportunity is realized
- \$1.5 million to establish the Office of Mental Health and Addictions – this year the province will invest a total of \$336.5 million to expand and sustain mental health services and supports (includes the items below)

- \$12.3 million increase for new mental health programming, including
 - Single brief intervention sessions to provide rapid access to mental health supports
 - Withdrawal management hubs to support Nova Scotians with substance-related harm and addictions
 - E-mental health options to increase access for Nova Scotians to services and supports

Long Term Care and Home Care

- \$1.02 billion for long term care and home care this year, including
 - \$22.6 million increase, for a total of \$27.8 million, to implement findings of the Expert Panel on Long Term Care, including long-term care assistants, expanding access to Allied Health providers, and implementing primary care coverage in nursing homes
 - \$12.3 million to extend Regional Care Centres for long term care patients with COVID-19
 - \$8.6 million for the first year of the multi-year Long Term Care Infrastructure Renewal Plan to replace or significantly renovate seven nursing homes and add more than 230 beds across the province by 2025
 - \$6 million increase to support the continuing care sector with COVID-19 related expenses
 - \$3.9 million to support long-term care facilities with lost revenues during the pandemic
 - \$2.7 million increase to the Supportive Care program to support people with cognitive impairments
 - \$814,000 increase for Adult Day Programming to provide personal assistance, supervision, and health, social, and recreational activities for community-based seniors
 - \$500,000 to advance the Blueprint for Change in Long Term Care

More physicians and nurses

- \$12.2 million this year to continue graduating more doctors at Dalhousie University Medical School, including
 - \$2 million increase for the third cohort of 15 specialty residency placements, for a total investment of \$6.8 million this year
 - \$1.2 million increase to continue funding 16 seats at Dalhousie University Medical School added last year, for a total of \$2.7 million this year — the seats focus on rural communities, Mi'kmaq and other Indigenous Peoples, and African Nova Scotians
 - \$299,000 increase for the next cohort of 10 family medicine residents, for a total of \$2.7 million this year
- \$914,000 increase to continue support for the 70 nursing seats added last year at Cape Breton University and Dalhousie University's Yarmouth campus

Healthcare Infrastructure

- \$178.2 million to continue support for the largest healthcare redevelopment projects in the province's history
 - QEII New Generation project
 - ~ new and renovated operating rooms
 - ~ new cancer care centre
 - ~ new community outpatient centre
 - CBRM Healthcare Redevelopment project
 - ~ expanded emergency departments at Cape Breton Regional Hospital and Glace Bay Hospital
 - ~ improved cancer care centre
 - ~ new enhanced critical care ward
 - ~ community-based paramedic program
- \$95.5 million for construction, repair, and renewal of hospitals and medical facilities across the province
- \$6.3 million to continue the Dartmouth General Expansion Project
- \$1.5 million to support the new dialysis units in Dartmouth, Glace Bay, Digby, and Kentville

Environment and Climate Action

Climate change is the challenge of our generation, and government is taking action to address it, with the knowledge that a healthy environment is linked to a healthy population and healthy economy.

Budget 2021–22 includes

- More than \$80 million this year to fight climate change and create jobs by growing the green economy through new and continued initiatives at the departments of Energy and Mines, Environment and Climate Change, and Municipal Affairs (includes items below)
- \$26 million for new Green Fund programs to address climate change, such as
 - \$200,000 to develop a new Climate Change Strategy for Clean Growth
 - \$132,000 to create a Nova Scotia Regional Climate Representative position at the Atlantic Data Hub to provide local climate data, information, training, and other services to help Nova Scotians understand and consider the impacts of climate change
 - \$100,000 increase, for a total of \$360,000 this year, for climate change research and risk assessment
- \$16.4 million this year for green infrastructure stream projects to help reduce GHG emissions while ensuring citizens are protected from higher fuel and electricity costs
- \$225,000 increase, for a total of \$561,000 this year, for the Building Regional Adaptation Capacity and Expertise Program to develop climate change adaption plans and implement actions that will enhance Nova Scotia's resilience to climate change
- \$15,000 increase in recoverable funding to the Green Jobs in Green Spaces for students – an initiative under the Canadian Heritage Rivers System program

A Connected, Affordable, Inclusive Nova Scotia

Our strength is in our people, in all their skill and diversity. They build our communities and contribute to the quality of life that attracts people from across Canada and around the world to call this place home. However, we know barriers exist and systemic racism is a lived reality for too many people. More work needs to be done to ensure every Nova Scotian has the opportunity to thrive, and Budget 2021–22 will support listening and creating a more fair and inclusive society.

Budget 2021–22 includes

- \$100 per month increase to Standard Household Rate for adults who receive Income Assistance, with \$35.2 million in additional funds
- \$1 million to support food security initiatives, including Nourishing Communities, to assist Nova Scotia's most vulnerable residents access healthy foods
- \$564,000 increase to remove the requirement for Employment Support and Income Assistance clients to apply for Canada Pension Plan at age 60
- \$334,000 to increase the eligibility threshold for the Poverty Reduction Credit from \$12,000 to \$16,000
- \$29.1 million this year for the third year of initiatives to provide safe, suitable, and affordable housing under the Nova Scotia Action Plan for Affordable Housing
- \$7.3 million increase to housing authorities to support additional cleaning and public health compliance because of COVID-19
- \$8.8 million increase to support youth with complex needs or requiring safe placements
- \$7.1 million increase to support safe child welfare placements during COVID-19
- \$3.5 million increase to continue to expand prevention and early intervention child welfare programming for children and families at risk
- \$278,000 increase for residential placements and programming supports to protect sexually exploited youth
- \$1.1 million increase for the Property Tax Rebate for Seniors program that helps low-income seniors with the cost of municipal residential property taxes

Equity and Inclusion

- \$46.7 million increase for programs that support adults and children with disabilities
 - \$20.4 million increase to continue to move more residents out of Adult Residential Centres and Regional Rehabilitation Centres into community-based settings
 - \$12.5 million increase to the Disability Support Program for residential and community-based programs
 - \$10.4 million increase in Disability Support Program to move participants out of hospital settings
 - \$2.9 million increase to the Flex at Home Support Program to support more people with disabilities who live at home with their families
 - \$500,000 increase to continue providing one-to-one job coaching for adults with Autism Spectrum Disorders
- \$320,000 increase for the Accessibility Directorate, for total of \$2.2 million this year, to support its work in achieving the goal of an accessible Nova Scotia by 2030
- \$2 million to create and fund six positions at the new Office of Equity and Anti-Racism Initiatives to address systemic racism, promote diversity, and improve the economic, social, educational, and health outcomes of all Nova Scotians
- \$2.4 million increase to the Land Titles Initiative to address the legacy of systemic racism relating to land ownership in five historic African Nova Scotian communities
- Partnering with the federal government to consult with the community on an African Nova Scotian justice plan, recognizing the overrepresentation of African Nova Scotians in the justice system and issues of systemic racism in policing
- \$2.3 million increase for therapy supports for survivors of sexual assault, for a total investment of \$2.8 million this year
- \$153,000 increase in permanent funding to the Human Rights Commission for in-house legal counsel for Board of Inquiry Hearings

Child Care and Education

- \$2.1 million increase for the now fully implemented pre-primary program available across the province, for a total of \$53.4 million this year
- \$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 \$60 million
- \$9.5 million to maintain the enhanced cleaning recommendations from Public Health to support COVID-19 safe schools
- \$8 million to complete previous initiatives that support the safe reopening of schools and online learning due to COVID-19 during this school year

Infrastructure in every region

- \$217.2 million for school capital construction projects, including major design, build, and renovation projects for schools, and for the purchase of four P-3 schools
- \$467 million for Nova Scotia's roads, highways, and bridges, and equipment 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), and Highway 104 (Sutherlands River to Antigonish), and to complete the Highway 107 Extension Sackville-Bedford-Burnside Connector
- \$285,000 increase for maintenance on Nova Scotia highways, for a total of \$119.6 million
- Continued funding to build the NSCC Marconi Campus on the Sydney waterfront

BUDGET HIGHLIGHTS 2021–22

	2020-21	2020-21	2021-22
	Estimate	Forecast	Estimate
Total Revenues	11,597,040	11,344,465	11,781,820
Total Expenses	11,615,950	12,163,752	12,472,816
Consolidation and Accounting Adjustments	73,936	113,777	106,051
Provincial Surplus (Deficit)	55,026	(705,510)	(584,945)
Provincial Revenue Sources			
Personal Income Tax	2,979,575	2,839,360	2,945,359
Corporate Income Tax	541,872	413,425	500,223
Harmonized Sales Tax	2,004,070	1,911,840	2,025,505
Cannabis Tax	7,205	7,216	7,756
Vaping Tax	2,332	2,332	4,305
Motive Fuel Tax	277,161	232,441	238,632
Tobacco Tax	196,501	204,876	185,850
Other Tax Revenue	182,654	176,574	193,224
Prior Years' Adjustments - Provincial Taxes	---	(248,452)	---
Registry of Motor Vehicles	135,380	130,992	136,985
Other Provincial Sources	140,264	152,059	150,841
TCA Cost Shared Revenue	3,721	5,564	7,833
Other Fees and Charges	64,023	53,723	60,036
Prior Years' Adjustments	---	14,993	---
Interest Revenues	87,084	77,004	70,978
Sinking Fund Earnings	65,373	52,201	34,929
Ordinary Recoveries	372,047	372,599	359,679
Net Income from Government Business Enterprises	391,814	363,228	399,896
Total - Provincial Sources	7,451,076	6,761,975	7,322,031
Federal Revenue Sources			
Equalization Payments	2,145,883	2,145,883	2,315,000
Canada Health Transfer	1,080,690	1,078,379	1,109,000
Canada Social Transfer	387,762	386,932	398,000
Offshore Accord	86,000	85,600	44,000
Crown Share	---	---	---
Other Federal Sources	39,177	453,742	60,458
TCA Cost Shared Revenue	111,779	96,244	208,012
Prior Years' Adjustments	---	(2,489)	---
Ordinary Recoveries	294,673	338,199	325,319
Total - Federal Sources	4,145,964	4,582,490	4,459,789
Expenses			
Agriculture	42,075	46,689	40,613
Communities, Culture and Heritage	96,890	118,133	117,098
Community Services	1,002,202	1,040,486	1,124,314
Education and Early Childhood Development	1,479,302	1,536,224	1,591,394
Energy and Mines	63,509	66,399	70,768
Environment and Climate Change	42,492	44,827	44,379
Finance and Treasury Board	24,282	23,823	25,031
Fisheries and Aquaculture	17,792	17,390	19,493
Health and Wellness	4,822,637	5,173,796	5,332,752
Inclusive Economic Growth	149,022	192,369	125,594
Infrastructure and Housing	---	---	132,782
Justice	374,244	390,801	392,342
Labour and Advanced Education	400,631	434,008	407,450
Assistance to Universities	433,420	475,260	443,590
Lands and Forestry	78,215	91,580	79,033
Municipal Affairs	308,513	376,850	213,184
Public Service	136,354	134,171	142,347
Seniors	2,711	2,692	2,916
Service Nova Scotia and Internal Services	299,199	307,049	328,485
Transportation and Active Transit	535,752	573,362	554,192
Restructuring Costs	341,032	175,199	321,642
Refundable Tax Credits	131,451	123,734	144,698
Pension Valuation Adjustment	75,832	76,389	107,833
Debt Servicing Costs	758,393	742,521	710,886
Total - Expenses	11,615,950	12,163,752	12,472,816